

## **PART 4 - PUBLIC ACCOUNT – PROVINCIAL**

### **DIVISION 1 - PRELIMINARY**

1. The Public Account consists of two Funds, viz
  - (a) The General Revenue Fund; and
  - (b) The Trust Fund
2. All public moneys are to be paid into the Public Account either to the credit of the **General Revenue Fund or the Trust Fund**. Surplus moneys, that are not immediately required, may be invested by the Secretary for Finance subject to any specific direction from the Minister for Finance & Treasury and in accordance with **Section 12** of the Act.
3. Investments out of the Trust Fund shall be deemed to be part of the Trust Fund, while investments from the General Revenue Fund will be part of that Fund. Income arising from such investments will, however, be credited to the General Revenue Fund irrespective of the source of the investments unless the investment relates to the Trust Fund and the relevant trust instrument or any legal provision requires a different treatment.
4. Bank Accounts
  - 4.1 Section 11 of the Public Finances (Management) Act 1995 provides that public moneys shall be kept in such bank or banks as the Secretary for Finance directs subject to any specific directions of the Minister. Where banking facilities do not exist public moneys shall be kept in such manner as the Secretary for Finance directs.
  - 4.2 Where banking facilities exist, public moneys are to be kept in accounts at a bank approved by the Secretary for Finance taking into consideration directions, if any, from the Minister for Finance & Treasury. Where they do not exist, the Secretary will issue directions as to the manner in which they are to be kept.
  - 4.3 If a Provincial Government requires to open a bank account to conduct its operations, the Provincial Administrator should submit full justification with the amount of advance required to open the account, to the Department of Finance. The justification should be based on the estimated out-turn of the entity, capacity and capability to keep the bank account reconciled up to date and other pertinent information.
  - 4.4 All moneys, including internally raised revenues by Provincial Governments collected and banked through these bank accounts are public moneys as defined under Section 2 of the Act.

- 4.6 No Bank Account may be opened or operated without the consent in writing of the Secretary for Finance.

4.6 Transfer of Funds

For Provincial Governments, the equivalent amount of funds will be transferred to their Operating Accounts based on the actual cheques presented for payment at the Bank. As such, the respective Provincial Governments should subsequently account for this amount in their cashbook as receipts.

4.7 Bank Reconciliation

It is a mandatory requirement that all Provincial Administrators reconcile their Bank Accounts on a monthly basis. Bank balances should be reconciled against the Cashbook balance and the reconciled Cash Book balance should be agreed with the Appropriation Ledger for Provincial Government transactions. All copies of Bank Reconciliation Statements should be forwarded to Accounting Frameworks and Standard, Department of Finance no later than 14 days of the close of each month.

All bank accounts should be reconciled monthly; bank statements and monthly reconciliation statements should be forwarded to the Accounting Frameworks and Standard Division, Department of Finance not later than 14 days after the close of each month.

Failure to comply with the above may necessitate withholding further issuance of Warrant Authorities and/or remittance of grants.

## **DIVISION 2 – PROVINCIAL GENERAL REVENUE FUND**

5. All public moneys raised or received for the purposes of government (including loan moneys but not including moneys payable under any law or on account of the Trust Fund) are to be paid into the Public Account to the credit of the Consolidated Revenue Fund.

This includes any short term investment in bank deposits or any other investment under **Section 12** of the Act and advances made in accordance with the Act.

## **DIVISION 3 – PROVINCIAL TRUST FUND**

6. The Trust Fund comprises the balances standing to the credit of various Trust Accounts established for the purposes as approved by the Minister for Finance & Treasury or as prescribed by any law. The procedure for opening and operating trust accounts is dealt within Part 16 of this Manual.

**DIVISION 4 - ACCOUNTING SYSTEMS**

7. The accounting systems and records maintained by the various provinces are subsidiary to the accounting systems and records of the Department of Finance.
8. Provinces may issue subsidiary instructions for the proper operation and effective management of their offices and agencies, but these instructions should not contravene the **financial instructions, regulations or the Act**. Where exemptions or deviations from the prescribed procedures are considered necessary because of the special requirements of a particular Province, the Province concerned should go to the Department of Finance for the issuance of an appropriate Finance Circular.
9. All Provinces their agencies and offices should submit their monthly statements of accounts to the Provincial Treasury **within 7 days** of the end of the month, for incorporation in the General Ledger.
10. Provincial Treasuries and agencies using the Standardised Government Computerised Accounting System (PGAS) must ensure direct interface takes place with the General Ledger.