

PART 29 – STORES PROCEDURES

1. Definition of "Stores":

The term "Stores" has been defined in **Section 2 of the Act** and includes any goods owned or held by or under the control of the Government. It includes also those which cannot be moved, like land and buildings, and also articles which may be of no commercial value.

2. Characteristics of "Stores Procedures".

These "Stores Procedures" set minimum standards for management of stores; departments must meet these minimum standards, and may wish to build upon the minimums outlined.

3. Receipts of Stores and Control

- a. It is the responsibility of the Financial Delegate to ensure proper arrangements for inspection of the goods on their receipt (from Division of Supply or any other supplier) and maintenance of stock records on their receipt and issue.
- b. In respect of goods received from the Division of Supply, quantities are to be checked against delivery notes and file copy DOS 10. When ILPOC's are raised for buying goods, the Financial Delegate will arrange purchases through an authorised Receiving Officer who will inspect the goods against the description on the ILPOC before signing the certificate of performance.
- c. Stores are to be issued only on written requisitions from Section or Branch Heads or other authorised persons and only for approved usage.

The requisition form should contain:

- 1) *Date*
- 2) *Name of the section/branch,*
- 3) *Description and quantity of stores requisitioned*
- 4) *Signature of authorised officer*
- 5) *Name and initial of the person receiving the items.*

- d. **Stock Cards:** Stores received and issued (except in the case of rations and similar stores items, - see paragraph 4 below) are to be recorded on Stock Cards or in the Stock Item book as follows:

Type of Item.....	ITEMS DETAILS Descript-Series/Model	Page No..... Card
Date	Quantity On Hand	
	Quantity Received/Issued No.	Reference to ILPOC/DOS 10/ requisitions
	Total Quantity remaining in stock	
		Initials

4. Non-Inventory Items:

- a. Rations and consumable stores not held for re-issue in quantity are to be recorded on receipt but issues need not be recorded.
- b. Other non-inventory items such as hand tools, picks and shovels, which have a value not more than K50 and a life expectancy of less than one year, need not be recorded as to issue from time to time, but care must be exercised to ensure that they are utilised properly for the duration of their economic life.

c. Rations:

1) Receipt of Rations

On receipt the officer responsible will check the quantity and weight received against the delivery note. He will ensure that the rations are properly packed as far as possible and that they are in good condition. Should he have any doubt about their condition he should call in the Medical Officer of Health or his representative for an opinion.

- 2) An immediate report will be made to his Departmental Head should the rations be found unfit for consumption.
- 3) A reserve of one month's normal consumption of non-perishable rations will be held at Station Stores. When issuing rations, the reserve will be constantly revolved by issuing from those stock that are the longest held. The maintenance of the reserve is to guard against delay in delivery.

5. Attractive Items

- a. Radios, cameras, tape recorders, projectors, movie and strip films, medical, technical, scientific and computing equipment and similar valuable portable items purchased by implementing agencies are to be entered on stock cards under a separate section.

- b. Loan Register is to be maintained to record issues to officers in the course of their duties. The register should show:
 - 1) Date of Issue
 - 2) Description
 - 3) Name of officer to whom issued
 - 4) Signature of the receiving officer
 - 5) Date of return
- c. The officer to whom the item was issued is personally responsible for handing over the item in good condition on return to his home station and before departure on leave, or transfer.
- d. If an item is forwarded to an agent for service or repair, it should be recorded in the Loan Register and follow up action taken to ensure it is reclaimed upon completion of service or repair.
- e. The Officer-In-Charge of the store will frequently check the temporary issue of equipment to ensure that they are duly returned when no longer required.
- f. Misuse, damage or loss of equipment will be immediately reported to the Head of Department and the procedures followed as laid down in the Section covering losses and deficiencies.

6. Fuel Drums:

- a. Fuel drums are to be regarded as accountable stores and their receipt and disposal should be recorded on stock cards or in a separate Drums Register (if it is more convenient) which should show the same information as stock cards.
- b. All empty drums are to be returned to the nearest Government Store unless:
 - 1) The drums are damaged, and await disposal under Part 26 of this Manual, or
 - 2) Fuel is obtained on a drum exchange basis.

7. Office Equipment:

- a. Inventories will be maintained in respect of general office equipment, other than office furniture. Such equipment includes personal computers, calculators, facsimile machines, bicycles, typewriters, clocks, and cash registers.
- b. The Officer-in-Charge of establishment is to ensure that the inventories are kept up to date and that the items are in safe custody.

8. Office Furniture:

While it is not necessary to record items of office furniture on the inventories. Departmental officers are still responsible for the safe custody and control of these items.

9. Goods Ordered For Stockholding:

- a. Where goods have been ordered for stockholding and reissue, the quantity received, after proper check against the delivery note, for quantity, weight and quality according to specification, will be entered on a stock card.
- b. Shortages noticed after taking deliveries will be immediately reported to the Head of the Department and the procedures, as stated in Part 26 should be followed.
- c. For larger consignments, the packages will be inspected for visible damage such as breakage or for visible sign of tampering and where this occurs, delivery should not be accepted, or a receipt given until the contents have been examined in the presence of a representative of the carrier and the receiving Department. Shortages or breakages will be dealt with as above.
- d. The full quantity shown on the issue voucher will be entered on the stock card and missing or broken items reported for adjustment, replacement or write-off.

10. Stores on Loan:

- a. Statutory Corporations, Government instrumentalities, educational and training institutions and charitable organisations requiring stores on loan from Departmental Stores should address their requests to the Departmental Head, the Commissioner of Police or the Commander of Defence Forces as the case may be. Such requests are to be approved by the approving authority only if there is an adequate stock on hand for loan without disrupting departmental functions, and if there is no commercial organisation available to lease the required stores.
- b. Loan of Departmental Stores should not be made to profit making organisations (other than statutory corporations and Government instrumentalities).
- c. Hire rates are to be determined by the Department lending the stores, in consultation with the Department of Finance and hire charges recovered will be credited to appropriate revenue items.
- d. A loan register will be maintained by the Department lending stores in the form suggested in paragraph 5.2 above, to record stores issued on loan.

- e. The lending Department will obtain an agreement and indemnity (See Appendix A) duly executed by the representative of the organisation receiving the stores on loan to cover the period of the loan.

11. Departmental Stores:

- a. Where Departments are responsible for large stores such as the Department of Health, Medical Stores, the Head of Department is responsible for ensuring that adequate Departmental Stores instructions are published and are kept up to date for guidance.
- b. The purpose of the stores instructions is to ensure that stores activity is run with due economy and efficiency, that adequate supplies of essential items are in stock at all times, that such stock is in good condition and that stocks of medicines, medicaments, and drugs are at all times in good condition and have not become time expired and thus rendered ineffective or dangerous.

12. Plant and Equipment:

- a. Each item of plant and equipment must be given a number which will be recorded in a Plant and Equipment Register for identification. The location, where possible, must be indicated in the Register.
- b. For plant and equipment which requires regular maintenance, the Plant and Equipment Register must include maintenance schedules. Care must be taken to ensure that maintenance is not only carried out regularly but is also properly supervised.

13. Annual Stock Take:

Unless otherwise approved specifically by the Departmental Head, all stores shall be subject to a stocktaking at least once annually in accordance with the detailed procedures set out in Division 5 as follows.

DIVISION 5 STOCK-TAKING

- 14. Unless otherwise specifically approved by the Secretary for Finance, stores shall be subject to a stocktaking at least once annually in accordance with the following procedures. Where applicable, stocktaking shall be undertaken by persons other than stores personnel.
- 15. The actual stock on hand shall be listed and the lists compared with balances shown in the stock ledgers.
- 16. Stock sheets (FF 103 or such form as is approved by the Secretary for Finance) shall be compiled, showing the stores vocabulary or identification number, description or articles, unit price, quantity on hand, quantity as per stock ledgers and total value, number and value of deficiencies and

- surpluses. Each stock sheet shall be certified by two stocktaking officers that the actual stores on hand are as shown on the stock sheets.
17. All stock sheets shall be covered by the certification of the officer-in-charge of the establishment that:
 - (a) The stock balance shown in the stock column of the stocktaking sheets has been checked with, and is in agreement with, the balances shown in the stock ledger.
 - (b) The calculations, extensions and costings have been checked and are correct.
 - (c) The surpluses and deficiencies shown in quantities and values have been checked and are correct.
 - (d) The stock-take has been conducted in accordance with prescribed procedures. .
 18. The actual stock on hand figures shall then be entered in the stock ledgers in red ink, and a notation of the stock-take made against each entry. This shall be done in anticipation of adjustment approval by the delegate.
 19. At the completion of the stock-take, two copies of the stock sheets together with such explanations, shall be submitted to the delegate for decision to adjust the stock records. If write-off/write up action is approved, the decision will be conveyed and the original stock sheets returned for filing.
 20. Whenever practicable, a stock take shall be performed when one store holder is handing over to another. The result of the stocktake shall be recorded on stock sheets and submitted in the usual manner.
 21. Stocktaking - Outstations Rations and Non-Inventory Items
 - (a) Outstations rations and non-inventory items will be counted on the 30 September, in each year as part of the stocktake cycle. While it is not essential to use stocktake sheets, an accurate count record must be kept.
 - (b) When the stocktake is completed, the Officer-In-Charge of the station will consider the rate of consumption as against what would be considered a normal usage rate by comparison with the previous stock take plus items received less estimated issues and will comment accordingly that he has compared usage and is satisfied or otherwise with the result.
 - (c) The stock figures for non-inventory items shall be entered on the stock cards but this is not necessary when counting rations.

22. Discrepancy Report

- (a) Where stores shortages or surpluses are discovered under circumstances other than by normal stock takes or check, the discrepancies may arise from the following causes:
 - (i) Incorrect Supply
 - (ii) Loss in transit including theft;
 - (iii) Errors in quantity of issue or description;
 - (iv) Theft or misappropriation; and
 - (v) Accounting errors.
- (b) In many cases a claim for under supply will be accepted by the supplier and adjustment made. Similarly, where losses occur in transit, claims should immediately be made on the supplier. Where such claims are accepted and adjustment made, no further action is necessary. Errors in quantity of issue or description should be investigated and, if located, adjusted.
- (c) Where goods are oversupplied on indent, a further indent should be processed to cover the oversupply if it is decided not to return the items oversupplied.
- (d) Where a discrepancy has been discovered and cannot be adjusted as set out above, a Discrepancy Report (FF88) shall be made out in triplicate. Two copies of the report shall be forwarded to Competent Authority who, if he is satisfied further investigation is not needed, may approve write-off of the amounts involved.
- (e) When approval to write-off has been granted the original Discrepancy Report shall be returned to the originating office. Discrepancy Reports shall be numbered consecutively and a permanent record of all write-off approvals maintained by the department.

23. Surpluses

It shall be the duty of every accountable officer to take on charge immediately and to investigate carefully all excess stores.

DIVISION 6 - LOSS REPORTS

- 24. It is the responsibility of the delegate to ensure that all cases submitted for write-off approval have been thoroughly investigated. Before approving write-off the delegate must be satisfied that write-off is the only reasonable course of action to take and that disciplinary action is not warranted. It must be emphasised that write-off action does not extinguish the debt and the Government is not precluded from pursuing the debt at a later date.

25. No Government Stores, other than obsolete or unserviceable stores subject to Board of Survey, will be sold or disposed of without the approval of the Supply and Tenders Board/Committee.
26. All losses or deficiencies of public moneys and all losses or damage to stores, other than deficiencies disclosed by stock takes shall be recorded by the Department in a Register of Losses (refer paragraph 14 of Part 25 of the Manual).
27. Boards of Survey Discrepancy Reports shall be numbered consecutively.
28. In all cases of destruction of stores a Certificate of Destruction shall be completed and, shall be signed by two officers as having witnessed destruction of the stores listed.
29. Printed stocktake sheets, Board of Survey forms and Discrepancy Report forms are available from the Government Printing Office.

APPENDIX I (Part 26, Paragraph 2) - DELEGATION OF POWER TO WRITE-OFF

The following is delegated power of write-off for any one case.

1. CONDEMNED, UNSERVICEABLE OR OBSOLETE STORES

A. Other Than Military Stores and Supplies

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|--|----------|
| (a) Assistant Secretary, Plant and Transport,
Department of Transport Works and Supply
(for Transport and Plant only). | K20,000 |
| (b) Assistant Secretary in charge of Plant
and Transport, Department of Transport and Works
(for Plant and Transport only) | K10,000 |
| (c) Assistant Secretary, Department of Transport and Works
(for machinery, plant and equipment of
the Department of Transport and Works only). | K10,000 |
| (d) Secretary, Department of Transport & Works | K40,000 |
| (e) Director, Office of Civil Aviation | K30,000 |
| (f) Secretaries other than (d) and (e) above
and Department of Finance | K 40,000 |
| (g) First Assistant Secretary (Public Accounts),
Department of Finance | K20,000 |
| (h) Provincial Treasurer | K 5,000 |
| (I) Departmental Officer-In-Charge, Public
Health Department (for drugs and dressings only). | K 100 |
| (j) Departmental Officer-In-Charge,
Plant and Transport (for spare parts, tyres, etc., only). | K 100 |
| (k) Departmental Officer-In-Charge,
Department of Transport and works
(for Capital Works and maintenance materials only). | K 100 |
| (l) Departmental Officer-In-Charge,
Division of Supply (for vocabulary stores only) | K 100 |

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|-----|--|-------|
| (m) | Assistant Secretary
(Rural Economy and Commodity Marketing),
Department of Agriculture, Livestock and Fisheries
(for fresh foods purchase through the Fresh Foods Project
only). | K 100 |
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B. MILITARY STORES AND SUPPLIES

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|-----|---|---------|
| (a) | Secretary, Department of Defence | K 8,000 |
| (b) | Commander | K 7,000 |
| (c) | Chief of Logistic | K 6,000 |
| (d) | Director of Supply | K 5,000 |
| (e) | OC POM Supply Company | K 3,000 |
| (f) | Area Commanders (not below rank of Major) | K 2,000 |
| (g) | OC of a Unit (not below rank of Major) | K 1,000 |
| (h) | OC of a Unit (not below rank of Lieutenant) | K 500 |

2. LOST OR DEFICIENT STORES

- (a) Department of Health (for drugs and dressings and stock take deficiencies).

Plant and Transport Branch, Department of Transport and Works (for spare parts, tyres, etc.).

Department of Transport and Works (for capital works and maintenance materials only).

Division of Supply (for vocabulary stores).

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|-----|--|---------|
| (a) | Secretary of Department | K 2,000 |
| | Division Head and Departmental District Representative | K 500 |
| (b) | Assistant Secretary, Plant and Transport Branch
(for stock take deficiencies) | K 1,000 |
| (c) | Secretary, Department of Agriculture & Livestock
(for Livestock only) | K 2,000 |
| (d) | Secretaries to other Departments | K 1,500 |
| (e) | First Assistant Secretary (Public Accounts)
Department of Finance | K 1,000 |
| (f) | Department District Representative | K 100 |

- | | | | |
|-----|---|---|-----|
| (g) | Regional Manager, Plant & Transport Branch
(for stock take deficiencies) | K | 100 |
| (h) | Departmental Officer-In-Charge | K | 100 |

Note: Where write-off sought exceeds highest delegation within the Department a submission should be made to the Secretary for Finance who has unlimited powers.

APPENDIX A (Paragraph 10.5)- AGREEMENT AND INDEMNITY IN RESPECT OF STORES AND EQUIPMENT LOANED OR HIRED BY A DEPARTMENT

In consideration of the State lending or hiring to (name of organisation) for the period..... the stores and equipment specified in the Schedule hereto:

- * (1) (name & address of officer or organisation)
- * (2) (name & addresses of officers or organisation)
- * (3) (names & addresses of officers)

for and on behalf of(Name of organisation)

Hereby, indemnify the State and all agents, servants, officers and employees of the State and will at all times hereafter keep indemnified and against all claims, losses, action, the proceedings or damages occasioned to the State or any of the persons aforesaid while such stores and equipment are lent/hired as aforesaid. And in the event of failure to return such stores and equipment during the period of such loan or hiring from whatever cause arising I/we undertake and agree to pay to the State on demand the agreed value whereof as set out in the said Schedule hereto: And I/we undertake to agree that:

No part of such equipment will be modified or altered in any manner whatsoever.

Any repairs and maintenance necessary to the stores and/or equipment on loan or hire shall be the responsibility of the borrower/hirer.

Hire charges of..... connected with the hire of stores and/or equipment shall be paid to the Department by the borrower/hirer.

Expenses incurred by the State as a result of the loan or hire of stores and/or equipment such as handling, cleaning, transport, repairs, etc., shall be paid to the State by the borrower/hirer. A deposit amounting to K..... shall be lodged by the borrower/hirer against expenses incurred. No part of such equipment will be modified or altered in any manner whatsoever.

- * The stores and/or equipment on loan or hire shall be covered by an all risk insurance at the borrower's/hirer's expense from the time of delivery to the time of return to the state.

Schedule

Stores	Value

Dated the.....day of.....20.....

Signature

Witness (Organisations)

In the schedule, the value of each item as at the date of the loan or hiring should be stated separately.

- * Delete where not applicable.

NOTE: (1) or (2) should be used according to whether the indemnity is given by one or more members of an organisation or person closely connected therewith. If an organisation is not a legal entity, the indemnity should be signed by a representative member or members of the organisation.

- (3) Should be used with any appropriate modification where the organisation is a legal entity.