

**REGULATIONS UNDER ORDINANCE
NO. 20 OF 1971**

REGULATIONS RELATING TO THE PUBLIC RESORTS ORDINANCE

[PROVINCIAL NOTICE NO. 817 OF 1972]

[DATED: 27 OCTOBER, 1972]

REGULATIONS

The Administrator has made the following regulations in terms of section 6 of Ordinance 20 of 1971:—

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REGULATIONS IN TERMS OF ACT NO. 6 OF 1999

[PROVINCIAL NOTICE NO. 31 OF 1999]

[DATED: 14 JUNE, 1999]

SPEAKER'S FINANCIAL REGULATIONS

REGULATIONS

The Speaker of the Provincial Legislature of the Province of the Eastern Cape has, in terms of Section 11 of the Provincial Legislature Finance and Administration Act, 1999 (Act 6 of 1999) made the regulations set out in the Schedule.

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CHAPTER 1

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(2) Accurate control by the Legislature over the money that it appropriates forms the keystone of the Legislature's financial system.

(3) The Legislature satisfies itself through the Speaker, Advisory Board, the Auditor-General, and the Standing Committee on Public Accounts that the money voted by it is used for the purposes for which it was appropriated and that it is spent advantageously and efficiently.

(4) The Legislature's control extends from the beginning of the financial cycle, when it considers the estimates of expenditure, until after the conclusion of the cycle when the Standing Committee on Public Accounts considers the accounts that have been investigated, examined and audited by the Auditor-General, together with the latter's certificate and report.

2. Who has authority and control over financial policy?—The Speaker has the overall authority and control over financial policy. The Advisory Board assist the Speaker, but the Speaker is the central financial authority in the Legislature.

3. May Legislature moneys or other legislature property be used for personal or unofficial purposes?—A

Member or official of the Legislature may not use any Legislature moneys or other Legislature property for personal or any unofficial purpose, unless such person is duly authorised by the Speaker.

4. What payments may be made from voted moneys?—(1) Payments from voted moneys may only be made for—

- (a) any authorised transfer payment;
- (b) services rendered to the Legislature;
- (c) value received;
- (d) amounts payable in terms of a law;
- (e) the performance of a contractual obligation;
- (f) the execution of a judgement of a competent court; and
- (g) any authorised advance.

(2) The Speaker may approve a payment before it is due in special circumstances where it will be to the advantage of the Legislature.

(3) A progress or part payment in respect of stores, equipment, services rendered, or work done may only be made if it is supported by a certificate that the amount of the payment is fully covered by the stores or equipment already delivered and the services already rendered or work done.

CHAPTER 2

SPEAKER'S POWERS AND FUNCTIONS

5. What are the Speaker's functions regarding financial control?—The Speaker ensures that—

- (1) the accounting officer co-ordinates financial administration;
- (2) the Legislature maintains financial regularity and order;
- (3) the Legislature's finance schemes are executed as planned in the estimates of expenditure and according to authority granted by the Speaker;
- (4) the Finance Section is charged with the receipt, custody, disbursement, and issue of Legislature money;
- (5) the Household Section is charged with the custody and control of equipment and stores of the Legislature; and
- (6) the accounting officer, Internal Auditor, Sections of the Legislature and officials charged and designated under these Regulations comply with these regulations.

6. May the Speaker grant *ex post facto* approval for expenditure?—(1) The Speaker may grant *ex post facto* approval for expenditure only in exceptional cases.

(2) The Speaker may not grant *ex post facto* approval for expenditure if statutory provisions were not complied with and such unauthorised actions will inevitably have to be condoned by means of an act of the Legislature.

CHAPTER 3

THE FINANCIAL RESPONSIBILITY OF THE ACCOUNTING OFFICER

7. Who is the accounting officer of the Legislature?—Unless otherwise directed by the Speaker, the Secretary to the Legislature is the accounting officer of the Legislature.

8. To whom is the accounting officer answerable?—(1) The accounting officer is answerable to the Legislature and the Speaker for the performance of the duties and responsibilities under the Act and these Regulations.

(2) The accounting officer is answerable to the Legislature through the Speaker, the Advisory Board, and the

9. What are the duties of the accounting officer?—(1) The accounting officer is charged with the general financial administration of the Legislature's vote, Legislature moneys and property under the accounting officer's control in terms of the Public Finance Management Act, 1999, Act 1 of 1999 (hereinafter referred to as the "Act").

(2) The accounting officer must—

- (a) adhere to statutory provisions in the management and control of the Legislature's financial and stores administration in an orderly and systematic manner;
- (b) know the relevant provisions of the Public Finance Management Act, 1999, the Provincial Legislature Finance and Administration Act, 1999 (Act No. 6 of 1999), Financial Regulations issued thereunder, and the Speaker's Financial Regulations, and ensure that the relevant provisions are complied with;
- (c) be conversant with the main principles of control and disbursement of Legislature money and other property;
- (d) ensure that financial implications are taken into proper account in all stages of the planning and implementation of policy for efficient and economical administration because the availability of funds plays an important role when policy is considered;
- (e) ensure that the directions contained in the Act and the Speaker's Financial Regulations are carried out by the Legislature and each Section to ensure financial regularity. If compliance with these directions gives rise to problems in specific circumstances, especially in the execution of large projects, the accounting officer must bring these problems to the Speaker's attention without delay;
- (f) obtain advice from the Speaker before the Legislature or any Section enters into any doubtful transaction.

10. How is the accounting officer responsible for services required by the Legislature?—The accounting officer is responsible to—

- (1) identify and determine the essential services which must be provided to meet the requirements of the Legislature;
- (2) determine, within the limits of the moneys which are available, the priority of a particular service;
- (3) determine the most economical means to provide a service;
- (4) submit and motivate to the Speaker in a form determined by the Speaker and when requested by the Speaker, advance planning returns and draft estimates in respect of the services which are to be provided with proposals for the allocation of moneys therefor;
- (5) use the moneys allocated to the Legislature in the approved estimates for the services in the most advantageous way;
- (6) regularly evaluate and, where possible, improve the effectiveness and efficiency of services to meet the requirements of the Legislature.

11. What are the accounting officer's responsibilities for expenditure of the Legislature?—(1) The accounting officer is responsible for—

- (a) all expenditure from moneys under the accounting officer's control;
- (b) ensuring that appropriate authority exists for all payments made;
- (c) the accuracy of the accounting records, accounts and other financial documents under his or her control; and
- (d) instituting and maintaining adequate systems of internal checks of and control over Legislature moneys, property and securities.

(2) The accounting officer must ensure that the Speaker's or other authorisations granted by a competent authority exist before any expenditure is incurred.

(3) The accounting officer must avoid *ex post facto* approvals for expenditure to exceptional cases. Where *ex post facto* approvals are refused expenses would be unauthorised.

12. What are the accounting officer's responsibilities towards the Auditor-General?—The accounting officer must—

- (1) within four months after the close of the financial year, the accounting officer, or other persons entrusted with the receipt, custody and payment of Legislature moneys other than revenue, must render the accounts in the format determined by the Auditor-General, to the Auditor-General;
- (2) produce appropriate written approval, voucher, or an order for every payment made from Legislature moneys to the Auditor-General;
- (3) reply to all queries which the Auditor-General directs to the Legislature;
- (4) immediately report losses or damages contemplated by section 22 of the Act to the Auditor-General with available particulars. The Auditor-General may dispense with the submission of a report or otherwise allow certain losses or damages to be reported by means of schedules at stated intervals;
- (5) be conversant with sections 5 and 6 of the Auditor-General Act, 1989 (Act No. 52 of 1989);
- (6) bring sections 5 and 6 of the Auditor-General Act, 1989 to the attention of all persons concerned with the answering of audit queries to ensure strict compliance with these statutory provisions;
- (7) ensure that the Legislature is organised in such a manner that all audit queries are attended to immediately by senior officials.

13. What must the accounting officer do when there are changes having an effect on expenditure or revenue?—The accounting officer must promptly notify the financial manager when the accounting officer considers changes which will have an effect on expenditure or revenue on—

- (1) Legislature policy and administration;
- (2) a new project, scheme or service;
- (3) changes to an existing project, scheme or service which would have an effect on expenditure or revenue; or
- (4) changes in the accounting or bookkeeping system of the Legislature.

14. What are the accounting officer's responsibilities towards the Provincial Treasury?—The accounting officer is responsible for the early submission to the Provincial Treasury of requisitions for credits from voted moneys which are required to defray expenditure.

15. What must the accounting officer do when expenditure is not normal or exceeds the normal standard for functional purposes?—The accounting officer must obtain written approval from the Speaker for all expenditure which is not normal expenditure in respect of Legislature functions or which can be considered as exceeding the normal standard for functional purposes.

16. When is the accounting officer relieved from the responsibility for an irregular payment?—The accounting officer is only relieved of his or her responsibility for an irregular payment made under the direction of the Speaker or a Member of the Legislature, if the irregularity was brought to the notice of the Speaker or such Member in writing by the accounting officer, Head: Finance, or Internal Auditor before the payment was made and the objection was overruled.

17. How must the accounting officer account for Legislature moneys other than revenue?—The accounting officer must account for all deposited Legislature moneys other than revenue deposited as directed by the Speaker.

18. When may repayments out of current Legislature revenue be made?—The accounting officer may, subject to the revenue regulations issued by the Speaker, repay out of current Legislature revenue any moneys incorrectly collected as revenue.

19. What are the accounting officer's duties for stores control and administration?—The accounting officer must ensure that—

- (1) stores in the Legislature are controlled and administered on a sound basis;
- (2) the control and administration of stores continuously receives attention with a view to economy and the purposeful utilisation of funds;
- (3) stores are purchased, where possible, only as and when required; and

- (4) all staff involved in the control, administration and purchase of stores are fully conversant with stores requirements and that the staff's functioning will promote efficiency in this important field.

20. What are the responsibilities of the accounting officer on information submitted to the Speaker?—

(1) The accounting officer is responsible and accountable for the correctness and completeness of information on finance of the Legislature furnished to the Speaker.

(2) The accounting officer may delegate the power to sign letters, memoranda, and submissions to the Speaker to an official of the Legislature if—

- (a) the official is of a grade not lower than Assistant Head; and
- (b) accounting officer takes appropriate steps to ensure the correctness and completeness of the information.

(3) The accounting officer is not absolved from responsibility in respect of letters, memoranda, and submissions to the Speaker signed in terms of sub-paragraph (1).

21. May the accounting officer delegate the powers and functions?—The accounting officer may, subject to the provisions of the Act and the Speaker's Financial Regulations, delegate any power, duty or responsibility vested by the Speaker's Financial Regulations to the level as deemed fit, unless a Speaker's Financial Instruction prescribes otherwise.

Is the accounting officer relieved of responsibility if a power, duty or responsibility has been entrusted to another person?

The accounting officer is not relieved of any duty or responsibility assigned under the Act, or these Regulations or in any other manner by delegating or entrusting a power, duty or responsibility to a subordinate person.

22. How must the accounting officer organise the functions of the Legislature?—(1) The accounting officer must, in consultation with the Management of the Legislature, organise the Legislature on a sound basis to be able to carry out and meet the duties and responsibilities assigned to the accounting officer.

(2) The accounting officer must ensure close co-operation and liaison between all Sections of the Legislature to ensure that the functions of the Sections are carried out in a co-ordinated and efficient manner.

CHAPTER 4

STANDING COMMITTEE ON PUBLIC ACCOUNTS

23. What is the role of the Standing Committee on Public Accounts in the control of the Legislature's finances?—The Auditor-General's annual report on the Legislature's accounts that has been investigated, examined and audited is submitted to the Standing Committee on Public Accounts for consideration.

24. What are the powers of the Standing Committee on Public Accounts regarding the control of the Legislature's finances?—(1) The Committee may require the accounting officer to account before the said Committee if the Auditor-General reports cases—

- (a) where the Auditor-General is not convinced that money under the control of an accounting officer has been spent in an advantageous manner;
- (b) where unauthorised expenditure has been incurred or
- (c) where unsatisfactory replies have been received to queries in connection with revenue and expenditure.

(2) The Standing Committee on Public Accounts may obtain the Speaker's views on cases mentioned in sub-paragraph (1), and in particular whether the Speaker had been consulted beforehand on matters affecting the propriety and regularity of transactions in which the Legislature is involved.

(3) The fact that the Speaker's advice has been obtained and accepted does not absolve the accounting officer from responsibility for actions in any specific cases.

CHAPTER 5

FINANCIAL DUTIES AND RESPONSIBILITIES OF THE HEAD: FINANCE

25. Who is the financial manager of the Legislature?—The Speaker designates the Head: Finance as financial manager of the Legislature who serves in management with the duties and responsibilities prescribed in these regulations.

26. What are the responsibilities for the Legislature revenue?—(1) The Head: Finance is responsible for the collection, custody, banking and management of Legislature revenue.

(2) Unless otherwise prescribed by the Speaker, a person must immediately issue an official receipt in respect of all moneys received by the Legislature. If the Legislature is paid by a post-dated cheque, an official receipt may not be issued before the date of such cheque.

27. What are the duties and responsibilities of the Head: Finance?—(1) The Head: Finance determines whether the objectives, programmes and projects of the Legislature are clearly defined and measurable and must advise the accounting officer thereon as well as on the manner in which to promote effectiveness in the pursuance of the objectives of the Legislature.

(2) The Head: Finance must, in order to keep within the Legislature's appropriations, ensure that financial management measures exist in the Legislature to support healthy objective and programme management.

(3) The Head: Finance must advise the accounting officer on the effectiveness of the organisational structure for the support of the identified functions in the objectives and programme structures of the Legislature.

(4) The Head: Finance must continuously evaluate whether sufficient measures exist to reveal inefficient and uneconomical use of Legislature moneys, Legislature property and other resources for which the accounting officer is responsible and must advise the accounting officer on the establishment and improvement of such measures.

(5) The Head: Finance must advise the accounting officer in advance on the financial implications of—

- (a) a new project, scheme, service, bookkeeping or accounting system;
- (b) changes to an existing project, scheme, service, bookkeeping or accounting system.

(6) The Head: Finance must—

- (a) support the accounting officer and provide advice with regard to any financial policy measures which should be taken to ensure the healthy financial management of the Legislature. To achieve this the Head: Finance controls the Legislature's budget by objectives and supports programme management;
- (b) ensure that the identified functions of the Legislature are supported by the objectives and programmes of the vote;
- (c) ensure that criteria for the achievement of objectives exist and that objectives and programmes are continuously evaluated;
- (d) serve in management of the Legislature, report on the achievement of set budget objectives and comment on financial and policy implications of the Legislature's budget;
- (e) advise the accounting officer on the possible financial implications and consequences of all new Legislature projects, systems or schemes or any planned changes to existing projects, systems or schemes;
- (f) ensure that proper systems for internal financial control are put into practice in the Legislature;
- (g) control the course of expenditure at least on a monthly basis against the allocated funds and advise the accounting officer on correctional actions to be taken;
- (h) evaluate the different programmes and projects of the Legislature in order to identify wasteful practices and to advise the accounting officer on correctional actions to be taken;
- (i) co-ordinate training in financial, programme and objective management in consultation with the Human Resources Management Section;
- (j) verify all the Legislature's submissions to the Speaker or Provincial Treasury containing budget, policy, or general financial matters; and
- (k) report anything which he or she regards as irregular directly to the accounting officer.

28. May the Head: Finance delegate powers and functions?—The Head: Finance may, subject to the provisions of the Act and the Speaker's Financial Regulations, delegate any power, duty or responsibility vested by the Speaker's Financial Regulations to the level as deemed fit, unless a Speaker's Financial Instruction prescribes

otherwise.

29. Is the Head: Finance relieved from responsibility if a power, duty or responsibility has been entrusted to another person?—The Head: Finance is not relieved of any duty or responsibility assigned under the Act, or these Regulations or in any other manner by delegating or entrusting a power, duty or responsibility to a subordinate person.

CHAPTER 6

FINANCIAL DUTIES AND RESPONSIBILITIES OF THE DEPUTY HEAD: FINANCE

30. Who is the Legislature accountant?—The Speaker designates the Deputy Head: Finance as the Legislature's accountant.

31. What are the duties and responsibilities of Deputy Head: Finance?—(1) The Deputy Head: Finance controls the general administration of Legislature moneys for which the accounting officer is responsible under the supervision of that accounting officer and must ensure that appropriate authority exists for payments made.

(2) The Deputy Head: Finance must take an instruction relating to accounts under his or her control only from the accounting officer or Head: Finance and must consult the accounting officer or Head: Finance in the absence of a clear instruction regarding any matter related to such accounts.

(3) The Deputy Head: Finance is responsible to the accounting officer and Head: Finance for the keeping of the accounts established by law, these Regulations, or prescribed and of any other accounts which are considered necessary for the proper recording of transactions resulting from the functions assigned to the accounting Officer.

(4) The Deputy Head: Finance is responsible for the compilation and submission of inputs in respect of budget matters, statements and financial returns required by the accounting officer.

(5) The Deputy Head: Finance must act as Head: Finance in the absence of the Head: Finance.

(6) The Deputy Head: Finance must—

- (a) be responsible to the accounting officer in respect of all matters concerning the general administration of Legislature moneys and property;
- (b) act as accounting adviser to the accounting officer;
- (c) give advice and furnish information in connection with accounting matters of the Legislature;
- (d) comment on administrative action or policy from an accounting point of view;
- (e) report directly to the accounting officer on anything he or she considers irregular;
- (f) examine all the Legislature's submissions to the Treasury to ensure that the provisions of the Act, the Speaker's Financial, Treasury Instructions, estimate directives and financial policy is complied with;
- (g) advise the accounting officer on all Legislature matters relating to revenue and expenditure submitted to him or her;
- (h) in respect of the financial administration of the Legislature, ensure that the provisions of the Act, the Speaker's Financial Regulations and financial policy are complied with;
- (i) collect, summarise and evaluate information on estimates of Chairpersons of Committees and Section Heads for submission with comments, to the accounting officer;
- (j) finalise the inputs in respect of budgetary matters for transmission to the Speaker and Provincial Treasury;
- (k) make all payments from voted funds and other Legislature moneys under his or her control (the issue of a bill, cheque or the acceptance of a debit through the Legislature's bank account is deemed to imply that the Deputy Head: Finance is satisfied, on the strength of certificates furnished, that the provisions of the Speaker's Financial Regulations have been complied with);
- (l) check the course of expenditure against voted funds and inform the accounting officer on deviations;
- (m) prepare the annual appropriation accounts of the votes and other final accounts and statements as required by the Auditor-General, check the correctness thereof, and inform the accounting officer of matters of importance arising therefrom;
- (n) give prompt attention to all audit queries and arrange, where applicable, for replies on audit minutes to be signed by the accounting officer;

- (o) report any wasteful, avoidable, fruitless and/or unauthorized expenditure to the accounting officer; and
- (p) co-ordinate training on finance accounting, junior and middle management in the Legislature and ensure that finance personnel are trained in consultation with the Human Resources Management Section.

32. May the Deputy Head: Finance delegate the powers and functions?—The Deputy Head: Finance may, subject to the provisions of the Act and the Speaker’s Financial Regulations, delegate any power, duty or responsibility vested by the Speaker’s Financial Regulations to the level as deemed fit, unless a Speaker’s Financial Instruction prescribes otherwise.

33. Is the Deputy Head: Finance relieved from responsibility if a power, duty or responsibility has been entrusted to another person?—The Deputy Head: Finance is not relieved of any duty or responsibility assigned under the Act, or these Regulations or in any other manner by delegating or entrusting a power, duty or responsibility to a subordinate person.

CHAPTER 7

FINANCIAL DUTIES AND RESPONSIBILITIES OF THE INTERNAL AUDITOR

34. Who is the Internal Auditor?—(1) The Speaker designates the Internal Auditor of the Legislature.

(2) The Internal Auditor reports directly to the Speaker.

(3) The Internal Auditor and members of the audit staff are authorised to have full, free and unrestricted access to all Legislature’s functions, computers, records, property and personnel.

35. What are the General Duties of The Internal Auditor?—The Internal Auditor—

- (1) examines and evaluates the adequacy and effectivity of the systems of financial management and control provided by the Legislature;
- (2) direct the internal audit activities towards advising on the accomplishment of the Legislature’s objectives in accordance with the Legislature policies and plans.

36. What are review duties of the Internal Auditor?—The Internal Auditor must, at regular intervals, review

- (1) operational structures of the Legislature to determine whether they are efficiently and effectively carrying out their functions of planning, organising, directing and controlling in accordance with management instructions, policies and procedures and in a manner that is consonant with both the Legislature’s objectives and high standards of administrative practice;
- (2) the adequacy and effectiveness of the Legislature’s systems of internal accounting and operating controls;
- (3) the reliability and integrity of financial information and the means used to identify, measure, classify and report such information;
- (4) the established systems to ensure compliance with those policies, plans, procedures, laws, and regulations which could have a significant impact on operations and reports, and determine whether the organization is in compliance;
- (5) the means of safeguarding assets and, as appropriate, verify the existence of such assets;
- (6) operations and programs to ascertain whether results are consistent with established objectives and goals or whether the operations or programs are being carried out as planned;
- (7) the planning, design, development, implementation and operation of computer-based financial systems to determine whether—
 - (a) adequate controls are incorporated in the systems,
 - (b) thorough system testing is performed at appropriate stages,
 - (c) documentation is complete and accurate, and

- (d) the needs of user organisations are met;
- (8) compliance with the Legislature's guidelines for ethical business conduct and see that the highest standards of personal and corporate performance are met.

37. What are the advisory and reporting duties of the Internal Auditor?—The Internal Auditor must—

- (1) furnish the Legislature's management with analyses, recommendations, counsel and information concerning the activities reviewed;
- (2) submit annual audit plans to the Speaker and the Advisory Board for their review and approval;
- (3) report every quarter to the Speaker whether—
 - (a) appropriate action has been taken on significant audit findings;
 - (b) audit activities have been directed towards increasing efficiency, economy and effectiveness of operations;
 - (c) internal and external audits are co-ordinated so as to avoid duplications;
 - (d) internal audit plans are adequate;
 - (e) there is any unwarranted restriction on the staffing, authority, or access to all the Legislature's activities, records, property and personnel;
- (4) report to those members of management who should be informed or who should take corrective action, the results of audit examinations, the audit opinions formed and the recommendations made;
- (5) provide adequate follow-up to make sure that adequate corrective action is taken and that it is effective.

38. Where are the responsibilities of the Internal Auditor?—The Internal Auditor is responsible to—

- (1) establish policies for the auditing activities and directing the Internal Auditor's technical administrative functions;
- (2) develop and execute a comprehensive audit programme for the evaluation of management controls provided for all activities of the Legislature;
- (3) examine the effectiveness of all levels of management in their stewardship of all resources of the Legislature and their compliance with established policies and procedures;
- (4) recommend improvement of management controls designed to safeguard Legislature resources, promote growth and ensure compliance with laws and regulations;
- (5) review procedures and records for their adequacy to accomplish intended objectives, and appraising policies and plans relating to the activities or functions under audit review;
- (6) authorise the publication of reports on the results of audit examinations including recommendations for improvement;
- (7) appraise the adequacy of the action taken by management to correct deficient conditions; accept adequate corrective action; continue reviews with appropriate management personnel on action that management considers inadequate until a satisfactory resolution of the matter;
- (8) undertake financial, compliance and operational audits from time to time to assist management to reach their objectives as stated in the Vision and Mission statements;
- (9) conduct special examinations at the request of management including the review of representations made by persons outside the Legislature;
- (10) appraise the economy and efficiency with which resources are employed, identify opportunities to improve operating performance, and recommend solutions to problems where appropriate;
- (11) co-ordinate internal audit efforts with those of external auditors;
- (12) conduct periodic audits of computer service centres and make post-installation evaluations of major data processing systems to determine whether these systems meet their intended purposes and objectives;
- (13) evaluate any plans or actions taken to correct reported conditions for satisfactory disposition of audit findings, and if the corrective action is considered to be unsatisfactory, to hold further discussions to achieve an acceptable disposition.

39. What must management do when the Internal Auditor reports weaknesses in the Legislature or Section?—If the Internal Auditor reports weaknesses in the financial operation of the Legislature, the Secretariat, Management, or Section Heads must—

- (1) prepare a corrective plan with implementation time frames on any weaknesses reported by the Internal Auditor;
- (2) submit copies of such a corrective plan to the Speaker, accounting officer, and Internal Auditor within 30 days of the date of receipt of a report;
- (3) take corrective action in accordance with the corrective plan, and directions of the Speaker' accounting officer or Internal Auditor.

CHAPTER 8

BUDGET ALLOCATIONS TO PORTFOLIO COMMITTEES AND SECTIONS OF THE LEGISLATE

40. What is the process to determine budget allocations to Committees and Sections?—(1) Chairpersons of Portfolio Committees (hereinafter called "Chairpersons"), the accounting officer, and Section Heads must, when requested by the Speaker, submit estimates of expenditure in respect of the following financial year.

(2) The Speaker—

- (a) submits particulars to the Advisory Board in order to determine priorities; and
- (b) informs the Advisory Board of the expected course of Legislature expenditure in respect of the following financial year.

(3) The Advisory Board evaluates the estimates of expenditure, and determines the priorities.

(4) The accounting officer, submits draft estimates of expenditure to the Speaker—

- (a) in accordance with the evaluation and determination of the Advisory Board; and
- (b) in the format determined by the Speaker.

(5) The Speaker—

- (a) checks the estimates in detail in order to ensure that approval has been granted for the services included therein;
- (b) considers the estimates and approve the estimates when satisfied.

(6) The approved estimates, together with the consideration of the Legislature's annual report, form the basis of the Speaker's anticipatory control over Legislature spending.

41. How are budget allocations to portfolio committees made?—(1) The Speaker allocates a portion of the moneys appropriated to the Legislature (hereinafter called the "budget allocation") to each Portfolio Committee of the Legislature to defray expenses of activities of such Committee.

(2) The Speaker allocates each portion after consultation with—

- (a) Chairpersons;
- (b) the Chief Whips of all political parties represented in the Legislature;
- (c) the Advisory Board; and
- (d) the accounting officer.

(3) The Speaker may determine a process of arriving at the allocations including—

- (a) submissions of draft allocations by chairpersons; and
- (b) negotiations on the amount to be allocated.

42. How are budget allocations to Sections made?—(1) The Speaker allocates a portion of the moneys appropriated to the Legislature (hereinafter called the "budget allocation") to a Section of the Legislature to defray expenses of activities of such Section.

(2) The Speaker allocates each portion after consultation with—

- (a) Section Heads;

(b) the Advisory Board; and

(c) the accounting officer.

(3) The Speaker may determine a process of arriving at the allocations including—

(a) submissions of draft allocations by Section Heads; and

(b) negotiations on the amount to be allocated; and

[Editorial Note: paragraph (c) missing in original *Gazette*.]

43. What must appear in the budget allocations?—Budget allocations must contain structured programmes reflecting the activities of the Committee or Section with a money value put to each programme.

44. Who manage the budget allocations and how are they managed?—(1) Budget allocations must be managed by Chairpersons and Section Heads in accordance with these Regulations and applicable statutory provisions.

(2) Chairpersons and Section Heads must ensure that expenditure on a specific programme does not exceed the amount allocated to such a programme.

(3) Chairpersons and Section Heads may not effect virement between programmes unless the written approval of the Speaker has been obtained prior to any payment that may necessitate virement.

(4) Chairpersons and Section Heads may not procure services or goods, or enter into a contract unless the requisition of payment has been approved as set out hereunder.

45. How are payments from budget allocations requisitioned?—(1) Chairpersons and Section Heads must requisition all payments from the Finance Section on a form as set out in Annexure "A" to this Chapter.

(2) The Finance Section must ensure that payments are in accordance with these Regulations and the financial policies of the Legislature, and if so, approves the requisition.

(3) If the Head: Finance is of the opinion that the intended payment is not in accordance with these Regulations or the financial policies of the Legislature, the requisition is referred to the accounting officer for approval.

(4) If the accounting officer is of the opinion that the payment is not in accordance with these Regulations or the financial policies of the Legislature, the requisition—

(a) of a chairperson is submitted to the Speaker for final decision;

(b) of a Section Head is disallowed.

(5) The Finance Section may not approve a requisition if the available credit in programme of the Committee or Section would be exceeded by the payment.

(6) The Finance Section must submit a copy of the approved or disallowed requisition to the Chairperson or Section Head concerned.

(7) If the requisition is approved, the Finance Section makes payment by cheque in terms of these Regulations.

46. What are the duties and responsibilities of the Finance Section regarding budget allocations?—(1) The Finance Section must keep a record of each budget allocation as well as the amount allocated to each programme in a budget allocation.

(2) The Finance Section must debit all payments made from a budget allocation against a programme in the budget allocation.

(3) The Finance Section must provide a monthly statement indicating the available credit in each programme in the budget allocations to the Speaker, accounting officer, Chairpersons and Section Heads.

47. What are the duties and responsibilities of Chairpersons and Section Heads regarding budget allocations?—(1) Chairpersons and Section Heads must determine the priorities, objectives, programmes and objects of their Committees and Sections in accordance with the objectives, priorities and programmes of the Legislature.

(2) Chairpersons and Section Heads must ensure that all expenses in relation to the activities of their

Committees and Sections are within the budget allocations of their respective Committees and Sections.

(3) The Chairpersons and Section Heads must in an orderly and systematic manner adhere to statutory provisions in the management and control of the Legislature's financial administration.

(4) The Chairpersons and Section Heads must have knowledge of the relevant provisions of the Public Finance Management Act, 1999, the Provincial Legislature Finance and Administration Act, 1999 (Act No. 6 of 1999), Financial Regulations, and the Speaker's Financial Regulations, and must ensure that the relevant provisions are complied with.

(5) The Chairpersons and Section Heads must in general also be conversant with the main principles of control over Legislature money and other Legislature property and the disbursement of Legislature money, as set out below.

(6) The Chairpersons and Section Heads are responsible to—

- (a) clearly identify and determine those essential services which have to be provided to meet the requirements of the Legislature;
- (b) determine within the limits of the available moneys, the priority which should be given to the provisioning of a particular service;
- (c) determine and plan the most economical means by which a service can be effectively provided;
- (d) submit and motivate to the Speaker in such form as the Speaker may determine and when requested by the Speaker from time to time, advance planning returns and draft estimates in respect of those services which are intended to be provided, together with proposals for the allocation of moneys therefor;
- (e) utilise moneys allocated to the Committee or Section in the most advantageous and efficient way; and
- (f) regularly evaluate and, where possible, improve on the effectiveness and efficiency of providing the services for which moneys have been made available.

48. Who are responsible for the expenditure of budget allocations?—(1) Chairpersons and Section Heads are responsible for all expenditure from moneys under their control, and for ensuring that appropriate authority exists for all payments made.

(2) Chairpersons and Section Heads must produce appropriate written approval, a voucher, or an order to the accounting officer for every payment made from Legislature moneys.

49. Are Chairpersons and Section Heads responsible for unauthorised or irregular expenditure?—The provisions of sections 21 and 22 of the Act are *mutatis mutandis* applicable to Chairpersons and Section Heads in relation to their respective budget allocations.

50. Are Chairpersons and Section Heads accountable for their budget allocations?—(1) Chairpersons and Section Heads are accountable for their receptive budget allocations.

(2) Chairpersons and Section Heads must account to the accounting officer and the Speaker for their respective budget allocations at intervals determined by the Speaker.

(3) At the end of the financial year, Chairpersons and Section Heads must submit reports to the Legislature on how their budget allocations were spent.

51. May the Chairpersons and Section Heads delegate the powers and functions?—Chairpersons and Section Heads may, subject to the provisions of the Act and the Speaker's Financial Regulations, delegate any power, duty or responsibility vested by the Speaker's Financial Regulations to the level they deem fit, unless a Speaker's Financial Instruction prescribes otherwise.

52. Are Chairpersons and Section Heads relieved of responsibility if a power, duty or responsibility has been entrusted to another person?—Chairpersons and Section Heads are not relieved of any duty or responsibility assigned under the Act, or these Regulations or in any other manner by delegating or entrusting a power, duty or responsibility to a subordinate person.

53. May moneys allocated to Committees or Sections be re-allocated?—(1) The Speaker must review

budget allocations to Committees and Sections after the expiry of six months of the commencement of the financial year.

(2) Chairpersons and Section Heads must submit written reasons to the Speaker if they have overspent or underspent their budget allocations during the six month period.

(3) The Speaker may re-allocate moneys to Committees and Sections, which may result in the decrease or increase of budget allocations to Committees and Sections, but the process contained in paragraphs H2 and H3 must be followed.

(4) The Speaker may, if the exigencies of the Legislature so require, decrease the budget allocations to Committees or Sections, but the Speaker must follow the consultation processes contained in paragraphs H2 and H3.

ANNEXURE "A"

REQUISITION OF PAYMENT

COMMITTEE OR SECTION
PROGRAMME TO BE DEBITED
PAYMENT TO
AMOUNT OF PAYMENT
PURPOSE OF PAYMENT
SUPPORTING DOCUMENTS ATTACHED (QUOTATIONS, APPROVALS ETC)

Signature

Date

Name in Print

For Use by Finance Section

Requisition APPROVED/ DISAPPROVED

Amount available on programme R
Amount of this cheque R
Balance available R
Cheque No Date
Signature of Head Finance

For Use by Accounting Officer

Requisition APPROVED/DISAPPROVED

Signature of accounting officer Date

For Use by Speaker

Requisition APPROVED/ DISAPPROVED

Signature of Speaker Date

CHAPTER 9

BOOKS OF ACCOUNTS AND ACCOUNTING RECORDS

54. What accounting records must be kept?—(1) The accounting officer must keep the following basic accounting records to account for voted and other Legislature moneys—

- (a) a *Main Ledger* which must contain the various control accounts described in these Regulations which must be balanced monthly;
- (b) a *Subsidiary Ledger* which must contain details of the various disallowance and suspense accounts in

the main ledger in instances where it is not practicable to record such details in the main ledger;

- (c) a *Register of Receipts* (Receipts Cash Book) in which, in order of receipt, the following particulars of all Legislature moneys received, as well as accepted credits received direct through the Legislature's bank account, must be entered:
 - (i) date of receipt;
 - (ii) receipt number;
 - (iii) from whom received;
 - (iv) amount;
 - (v) the relative deposit slip number;
 - (vi) the allocation; and
 - (vii) where practicable, a description of the transaction relating to each receipt;
- (d) a *Register of Payments* (Payments Cash Book) in which, in order of payment, the following particulars of all departmental transfers or cheques issued as well as all accepted amounts debited direct through the Legislature's bank account must be entered:
 - (i) Date of payment;
 - (ii) warrant voucher or cheque number;
 - (iii) voucher number;
 - (iv) to whom paid;
 - (v) amount;
 - (vi) the allocation; and
 - (vii) where practicable, a description of the transaction;
- (e) a *Journal* for the purpose of effecting entries between various ledger accounts and in which all monthly and annual opening and closing entries are recorded. If preferred, however, inter-account adjustments may be effected by transfer entry slips with printed consecutive numbers made out in duplicate. The original transfer slip must be attached to the relative voucher, while the duplicate must be kept in the transfer slip book for reference purposes;
- (f) a *Register* in which progressive totals of expenditure under each submission of each main division of a vote are reflected from month to month.

(2) Separate registers of receipts and registers of payments (cash books) must be kept for each official banking account or Paymaster-General's Account.

55. How must the registers of receipts and payments be kept?—(1) The Finance Section must write up registers of receipts and registers of payments (cash books) daily.

(2) The Finance Section must balance receipts balanced daily with the bank deposits and cash on hand, and reconcile cash disbursements daily with the relative vouchers and cash on hand.

(3) If more practicable, the Finance Section may list receipts issued and cheques drawn separately and enter the total receipts or payments daily in the register of receipts and register of payments (cash books). If face-value forms and similar documents are issued and it is possible to calculate their total value by utilising the serial numbers, the listing of the amounts separately is not necessary.

(4) Supervisors in the Finance Section must check and initial all journal entries and transfer slips as evidence of their correctness and legitimacy.

(5) The responsible supervisors in the Finance Section must check all registers of receipts and relevant records. They must ensure that—

- (a) moneys on hand are correct;
- (b) appropriate receipts have been correctly issued for all moneys received;
- (c) moneys which should have been banked have not been held back;
- (d) all payments have been correctly brought into account, supported by duly authorised vouchers and correctly allocated.

(6) Supervisors must sign and date the relevant books and records as evidence that these have been checked.

56. How are alterations to accounts and records made?—(1) Erasures are not permitted in books of account.

(2) Any alterations necessary must be made by ruling out with a single line the incorrect amount and inserting the correct amount immediately above it. The person who made the entry and the checker must initial the correction or alteration.

(3) All hand-written entries in accounting books and records must be made in ink, but green ink may not under any circumstances be used. Entries with an erasable ball-point pen are not permissible.

(4) Fractions of a cent may not be entered in any book of account, relevant document, receipt, warrant, voucher or cheque.

57. How are accounting books and records safeguarded?—(1) The accounting officer must take adequate precautions to safeguard all accounting books and records referred to in these Regulations against loss by fire and unauthorised access or removal.

(2) Accounting books and records must, when not being used by authorised persons, be locked in strongrooms or safes, unless otherwise approved by the Speaker.

58. How are computerised bookkeeping systems managed?—The accounting officer and Finance Section must apply the instructions for accounting books and records approved by the Speaker for an computerised bookkeeping systems.

CHAPTER 10

CONTROL ACCOUNTS AND BOOKKEEPING

59. How must staff in the Finance Section be managed?—(1) The Head: Finance must notify the officials occupying posts in the Finance Section or other office where accounting duties are performed in writing of the duties attached to each post.

(2) The Head: Finance must allocate the duties to ensure the maximum security of Legislature moneys and property.

(3) The Head: Finance may not allocate various duties relating to the handling of cheques, whether used or unused, to one official only.

60. How must accounts be kept?—(1) The Speaker may prescribe to the accounting officer certain financial and accounting systems which must be followed.

(2) The accounting officer must issue comprehensive instructions not inconsistent with the Act or these Regulations regarding the procedures that must be followed for accounts of the Legislature.

(3) The accounting officer must forward copies of the accounting officer's instructions, and any amendments thereto, to the Speaker and the Auditor-General for information.

61. Which basic ledger accounts must be kept?—(1) The accounting officer must keep the following basic ledger accounts;

(a) *General Account of the Vote* to which must be—

- (i) *credited* the total amount of the Legislature's appropriation as shown in the relative financial year's Appropriation Act and Adjustment Appropriation Act; and
- (ii) *debited* the total final expenditure charged to the accounts of the approved services (main divisions).

(b) *Exchequer Issues Account* to which must be—

- (i) *debited* the total amount of the Legislature's appropriation as shown in the relative financial year's Appropriation Act and Adjustment Appropriation Act, and moneys repaid to the Provincial Treasury in the course of the financial year in terms of these Regulations as a result of funds requisitioned being in excess of expected requirements; and
- (ii) *credited* the monthly amounts granted by the Provincial Treasury on requisitions.

- (c) *Paymaster-General's Account* to which must be—
 - (i) *debited* the monthly total of all amounts received for credit of the relative vote deposit account, as shown in the registers of receipts; and
 - (ii) *credited* the monthly total of all orders paid and all direct debits by the Provincial Treasury, as shown in the monthly bank account statement.
- (d) *Orders Payable Account* to which must be—
 - (i) *debited* the monthly total of all orders paid and, as shown in the monthly bank account statement, and the monthly total of all issued payment orders which were cancelled; and
 - (ii) *credited* the monthly total of all amounts debited to the vote or deposit account, as shown in the registers of payments as well as all cheques issued but not presented.

(2) The accounting officer must maintain a separate ledger account in respect of each main division of a vote as shown in the estimates of expenditure.

(3) The Finance Section must debit the account of the appropriate main division at least monthly with disbursements forming a legitimate charge against the main division. Credits in respect of any adjustments or amounts which may be credited to a vote must similarly be allocated to the appropriate main division.

(4) The accounting officer must maintain an account styled "Statutory Appropriation" which must be—

- (a) *debited* with expenditure on the relevant service; and
- (b) *credited* with amounts issued by the Provincial Treasury against requisitions.

(5) The accounting officer must pay any credit balance in the "Statutory Appropriation" account by cheque to the Provincial Treasury after closing the accounts for a financial year.

(6) The accounting officer must keep disallowance and suspense accounts as may be necessary.

62. How must the books of account be closed at the end of the financial year?—(1) The Finance Section must close off the individual main division accounts at the vote by transferring the final total expenditure on these accounts to the "General Account of the Vote" at the end of a financial year, and after consultation with the Auditor-General.

(2) The Finance Section must transfer a credit balance in the "General Account of the Vote" account, after the requirements of these Regulations have been complied with, to the "Exchequer Issues Account".

(3) The accounting officer must pay a credit balance in the "Exchequer Issues Account" to the Provincial Treasury by cheque.

63. What monthly summaries must be drawn up?—(1) The Finance Section must monthly draw up a summary of the payments and receipts in respect of each individual main division of a vote, and of the disallowance and suspense account, and they must post the totals of the month's debits and credits to the appropriate ledger accounts.

(2) The Finance Section must monthly draw up a summary of the journal or transfer entries of the relevant main divisions of a vote and of the disallowance and suspense accounts, and they must post the totals of the month's debits and credits to the appropriate ledger accounts.

64. How must unauthorised expenditure be handled?—(1) If the books for the financial year in which unauthorised expenditure is incurred have not been finally closed, the Finance Section must clearly show unauthorised expenditure as contemplated by section 21 of the Act in the accounts of that financial year as follows:

- (a) The Finance Section must open an account styled "Unauthorised Expenditure Account 19 .http://10.150.150.46/...".
- (b) After the final expenditure for the year (which must include any unauthorised expenditure) has been transferred to the "General Account of the Vote" and, before this account is closed off for the financial year, the Finance Section must journalise the total amount of the unauthorised expenditure as follows:

Debit "Unauthorised Expenditure Account 19 .http://10.150.150.46/... " and

Credit "General Account of the Vote".

- (c) If the "General Account of the Vote" shows a credit balance after the entry referred to in (i) above has been passed, the Finance Section must close off the account by transferring the relative balance to the "Exchequer Issues Account".

- (d) The Finance Section must carry over the balance in the "Unauthorised Expenditure Account" to the following financial year.
- (e) If the Legislature on the recommendation of the Standing Committee on Public Accounts appropriates an amount in respect of unauthorised expenditure, the accounting officer must, after the relative Finance Act has been promulgated, submit requisitions, in which reference is made to that Act, to the Provincial Treasury.
- (f) The Finance Section must credit resultant credits granted by the Provincial Treasury to the "Exchequer Issues Account" and simultaneously journalise to the debit of the "Exchequer Issues Account" and to the credit of the relative "Unauthorised Expenditure Account".
- (g) Unauthorised expenditure which is not authorised or validated as contemplated by section 21 (2) of the Act must be dealt with in terms of section 21 (3) of the Act.

(2) The Finance section must identify or verify the amounts to be brought into account as unauthorised expenditure by applying the following tests to the figures in the "General Account of the Vote", after the final expenditure for the year has been transferred to that account:

- (a) If the "General Account of the Vote" at that stage shows a *debit* balance and there is neither a saving nor an excess on a column 2 item of the vote, the amount of such debit balance must be treated as unauthorised expenditure.
- (b) All savings on column 2 items which are not used with the approval of the Speaker to defray other expenditure, must be surrendered.
- (c) If the "General Account of the Vote" shows a *debit* balance after savings on column 2 items which have to be surrendered, have been taken into account, the combined total of the debit balance and such savings on column 2 items must be brought into account as unauthorised expenditure.
- (d) If the "General Account of the Vote" shows a credit balance or no balance, but the total provision on the vote is exceeded by the combined total of the actual expenditure under all main divisions and the savings on column 2 items which have to be surrendered as contemplated by (ii), such excess represents unauthorised expenditure.
- (e) Any amount by which the combined total of the expenditure under a main division which includes column 2 items plus the total amount of savings on such column 2 items which have to be surrendered exceeds the total provision under a main division must be dealt with as unauthorised expenditure unless the authority of the Speaker is obtained to defray the excess out of savings on another main division of the vote and/or savings on column 2 items on the same main division.

(3) (a) Any amount by which the provision for a column 2 item is exceeded by the relative expenditure must be brought into account as unauthorised expenditure.

(b) If the total provision on the vote is exceeded by an amount greater than the excess of the column 2 item, the latter excess must automatically form part of the amount to be treated as unauthorised expenditure.

(c) If the vote as a whole is not exceeded or if the total provision on a vote is exceeded by an amount less than the excess on the column 2 items, steps must be taken to ensure that the *total excess* on the column 2 items is brought into account as unauthorised expenditure.

(4) The Finance Section must deal with any unauthorised expenditure as unauthorised expenditure whether or not there is a surplus or deficit on the vote.

(5) In the appropriation account for the financial year in which unauthorised expenditure is incurred the amount shown as—

- (a) "surplus to be surrendered" must be the same as the final *credit* balance in the "General Account of the Vote" as transferred to the "Exchequer Issues Accounts"; and
- (b) "deficit to be voted" must agree with the amount with which the "General Account of the Vote" has been credited and in respect of which a corresponding amount has been debited to the "Unauthorised Expenditure Account" for the financial year.

(6) The Finance section must deal with unauthorised expenditure originating after the books of the Legislature have been closed, i.e. in respect of any previous financial year, in the current financial year as follows:

The amount must be—

- (a) disallowed by debiting the "Unauthorised Expenditure Account" and crediting the "Exchequer Issues Account"; and
- (b) repaid by cheque to the Treasury out of the "Exchequer Issues Account" as a surrender in respect of the relative financial year.
- (c) Should the expenditure be authorised by legislation, the amount must be requisitioned in the usual manner and brought into account in accordance with these Regulations.
- (d) If the expenditure is not authorised or not declared valid, as contemplated by section 21 (2), the amount must be dealt with in terms of section 21 (3) of the Act.

65. How does the Finance Section deal with costs, penalties, fines, exchange transactions, legal costs and recoveries?—(1) All costs in connection with the purchase or hire of property, which form a legitimate charge against Legislature moneys, must be defrayed out of the vote which provides for such purchase or rent.

(2) When a penalty or fine is deducted from an amount payable in terms of a contract, the nett amount must be brought into account against the vote.

66. When is the date of charge?—(1) The Finance Section must strictly observe the rule of Legislature accounting, namely that the date of payment is the date of charge. The Finance section must account for all payments made in the financial year in which the payments were made.

(2) The Finance Section may under no circumstances whatsoever allow a payment after the last day of a financial year, except in respect of adjustments, as a charge in the accounts of that financial year.

(3) The Finance Section must issue all cheques in payment of commitments relating to a financial year on or before the last day of the financial year for acceptance as a charge in that financial year and they must sign and countersign them not later than the first succeeding working day.

(4) (a) If, on 31 March of a financial year, transactions are being fed into a computer and processing has already begun but cannot be completed because of a breakdown in the computer for whatever reason, the Finance Section may resume processing of such transactions as soon as the computer is in working order.

(b) Cheques thus issued must be dated 31 March of the relative financial year and must be signed not later than the first succeeding working day following resumption.

(5) Amounts received after the last day of a financial year, except in respect of adjustments, may not be brought into account in that financial year.

(6) The accounting officer must make every effort to ensure that payments are made before the end of the financial year for all authorised services provided and supplies received which are due to be defrayed out of sums appropriated for that year.

67. How are recovery, disallowance and adjustment of payments done?—(1) Unless otherwise determined by any law or by the Speaker, the Finance Section must credit, either direct or by journal entry, amounts charged to voted funds and recovered in the financial year in which payment was made, or before the closing off of the books for that financial year, to the main division originally debited.

(2) The Finance section must pay amounts which are recovered after the closing off of the books for a financial year and which have not been journalised to a suspense, disallowance, or similar account in the financial year of payment, to Revenue.

(3) If it appears at any time in the course of audit or otherwise, that a payment is not a legitimate charge against a vote, the Finance Section must remove such payment immediately from the relative account and charge it to a disallowance account or suspense account until such time as the amount is recovered or an adjustment is authorised.

(4) If a disallowance is withdrawn, the Finance Section must re-instate the charge in the account of the vote or service out of which the disallowance was made, but if the disallowance was made in respect of a financial year for which the books have already been closed and Revenue credited, the Finance Section must debit the charge to Revenue on withdrawal of the disallowance.

(5) The accounting officer must recover or adjust disallowance in their accounts and must ensure that priority attention is continuously given to such recoveries or adjustments to finalise them as soon as possible after the disallowance have been raised.

68. How must the statement of Assets and Liabilities be kept?—(1) The accounting officer must reflect amounts in the Legislature auxiliary ledgers which are not reflected in the appropriation account in terms of the Act, in the statement of assets and liabilities prescribed by these Regulations.

(2) The accounting officer must submit two copies of this statement to the Speaker. The amount that is shown as uncleared or unallocated expenditure must be reflected as a foot-note to the appropriation account.

(3) The accounting officer must present the statement of assets and liabilities with the appropriate balances of the year under review with comparative figures of the preceding book year in the following form:

(a) Capital, reserves, provisions, gifts, investments. shares, etc.

(i) Capital account.

(ii) Reserves.

- (iii) Provisions.
- (iv) Gifts.
- (v) Land.
- (vi) Buildings.
- (vii) Equipment in stores.
- (viii) Stock in stores.
- (ix) Investments/Shares.
 - (aa) Public Investment Commissioners.
 - (bb) Other.
- (b) Creditors and Debtors.
 - (i) Uncleared suspense account credits.
 - (aa) Salaries and stoppages.
 - (bb) Contract deposits.
 - (cc) Recoverable revenue.
 - (dd) Government bodies.
 - (ee) Other.
 - (ii) Outstanding debt.
 - (aa) Personnel debtors.
 - (bb) Government bodies.
 - (cc) Other.
- (c) Unallocated receipts and expenditure.
 - (i) Unallocated receipts.
 - (aa) Revenue not paid over.
 - (bb) Uncleared in suspense (receipts suspense).
 - (ii) Unallocated expenditure.
 - (aa) Uncleared in suspense.
 - (bb) Disallowance.
 - (cc) Suppliers.
 - (dd) Employees.
 - (ee) Other.
 - (iii) Unauthorised expenditure.
- (d) Advances.

(Must include contra entries for funds and accounts not forming part of the vote.)

 - (i) Advances received.
 - (aa) Government bodies.
 - (bb) Other.
 - (ii) Advances made.
 - (aa) Government bodies.
 - (bb) Personnel.
 - (cc) Petty cash.
 - (dd) Other.
- (e) Allocation accounts of the Vote/Fund.
 - (i) Balance of vote.

- (ii) Balances of funds (Identify each one).
- (iii) Balances of trading accounts (Identify each one).
- (iv) Balances of revolving funds (Identify each one).
- (f) Consolidated PMG-account.
 - (i) Uncashed cheques.
 - (ii) Outstanding deposits.
 - (iii) Erroneous debits/credits.
 - (iv) PMG balance (Credit or overdrawn).
- (g) Miscellaneous.
 - (i) Claims payable.
 - (ii) Claims recoverable.

STATEMENT OF ASSETS AND LIABILITIES AS AT 31 MARCH

	Previous Year	Liabilities	Sub Totals	Year under review	Previous Year	Assets	Sub Totals	Year under review
S/Total		Capital Reserves	<u>Capital/reserves/provisions/</u>			gifts/etc, Land Buildings Equipment Stock Investment Public Investment Commissioners Other		
S/Total		Uncleared Suspense Accounts Salaries and stoppages Contract deposits Recoverable revenue Government bodies Other	<u>Creditors and Debtors</u>			Outstanding Debts Personnel Government bodies Other		
S/Total		Unallocated receipts Revenue not paid over Uncleared in suspense	<u>Unallocated receipts and expenditure</u>			Unallocated expenditure Uncleared in suspense Disallowance Supplies Employees Other Unauthorised expenditure		
		Advances received	<u>Advances received and made</u>			Advances made		

S/Total		Govt bodies Other		Government bodies Personnel Petty Cash Other		
S/Total			<u>Allocation accounts of Vote/Fund</u>	Balance i.r.o. Vote Balance i.r.o. Fund Balance i.r..o. Fund etc.		
S/Total		Unallocated cheques Erroneous PMG- credits Overdrawn PMG balance	<u>Consolidated PMG account</u>	Outstanding deposits Erroneous PMG-debits Balance of PMG		
S/Total		Claims payable	<u>Miscellaneous</u>	Claims recoverable		
TOTAL						

CHAPTER 11

BANKING ACCOUNTS

69. Must banking accounts be maintained?—(1) The accounting officer must, in terms of section 10 (4) of the Act, maintain an account as approved by the Speaker, into which must be deposited Legislature and other moneys received for which the accounting officer is accountable.

(2) The accounting officer may maintain special banking accounts, as approved by the Speaker, into which revenue as approved by the Speaker must be deposited, and out of which all disbursements of such moneys must be made.

70. How is the banking business of the Legislature handled?—(1) The Finance Section must deposit all moneys received by a person with the bank for credit of the Legislature in official banking account authorised in terms of section 10 (4) of the Act.

(2) A Cheque dishonoured by a bank for whatever reason will be debited by the bank to the Legislature's banking account in which the cheque was originally deposited and will be returned to the Legislature.

(3) If a dishonoured cheque is debited by the bank, the Finance Section must—

- (a) take immediate steps to recover the amount from the drawer or, where errors or omissions have occurred, to rectify them;
- (b) enter the amount of the debit advice which accompanies the cheque when it is returned to the Legislature in the register of payments and debit it to an appropriate suspense account;
- (c) when the amount has been recovered or the erroneous cheque corrected and received back, issue a receipt in the name of depositor with reference to the original receipt, and enter the amount in the Register of Receipts as a credit to the relative suspense account and deposit it on a separate credit transfer deposit slip.

71. What procedure must be followed for the issuing of official cheques?—(1) An official cheque is an order

to pay, drawn on a bank against an official banking account.

(2) An official cheque is valid for three months only, but the period of validity may be extended for a period not exceeding three months at a time.

(3) The Finance Section must prepare manually issued cheques in ink or with a ball-point pen which cannot be erased.

(4) The Finance Section must neatly write or print the amount in words and in figures on all cheques as follows:

- (a) The figures as near as possible and to the left-hand margin of the space provided;
- (b) the unused portion crossed out; and
- (c) a hyphen that separates the rands from the cents.

(5) The Finance Section must issue cheques, whether manual, mechanical or by computer, in such a manner that any subsequent alteration will be noticed immediately.

(6) The Finance Section may not alter the name of the payee, the amount in figures and the amount in words on any cheque drawn on the Legislature's banking account and may not permit erasures of any nature.

(7) The Finance Section must authenticate alterations to the date and the cancellation of the crossing by the full signatures of two authorised signatories.

(8) The Finance Section must cancel a cheque incorrectly filled in and deal with it in the manner outlined in these Regulations.

72. How are official cheques signed?—(1) The accounting officer must ensure that all cheques are signed by two persons and the counterfoils initialled by the signatories, unless otherwise determined by the Speaker.

(2) The accounting officer must ensure that the control measures special to computerised or mechanical are complied with.

(3) Before signing a cheque, a signatory must properly check the documents or vouchers supporting a payment and be satisfied that—

- (a) the payment is a correct charge against the account concerned;
- (b) the payment is duly authorised;
- (c) the cheque is prepared in the manner outlined in these regulations;
- (d) the cheque bears the correct date; and
- (e) the banking account number is clearly stated.

(4) The accounting officer must ensure that the controls of these Regulations and if they are inadequate, controls approved by the Speaker apply to computer or mechanically processed cheques, which are put through a cheque signing machine for the imprinting of facsimile signatures.

(5) The Finance Section must deal with cheques on which facsimile signatures are to be imprinted by means of a cheque signing machine strictly in accordance with the Legislature's procedures and control measures drawn up by the accounting officer.

(6) The person responsible for the dispatch of cheques must be satisfied that they are properly signed and countersigned.

73. What must be done with paid cheques and advices?—(1) The Head: Finance must hand paid cheques and debit and credit advices received from the bank at which the Legislature's banking account is kept to the official designated to receive such documents.

(2) The official designated to receive the cheques and advices must open the package containing the documents in presence of an official charged with the duty of reconciling the banking account. These officials may not be responsible for the payments to which the cheques and advices refer.

(3) The officials mentioned in sub-paragraphs (1) and (2) must deal with the contents of the packages as follows:

- (a) *Paid cheques* must be carefully checked against the lists of debits and credits.
- (b) Both the officials must sign and date the lists of debits and credits as evidence that the checking has been carried out.
- (c) The official charged with reconciling the banking account must keep the lists together with the paid cheques under lock and key until the reconciliation is completed.

(4) After the end of each month, the official responsible for reconciling the bank account must reconcile the balances in the Legislature's banking account with the Legislature's books.

(5) The supervisor in the Finance Section charged with the duty must control the reconciliation monthly and carry out a complete and detailed check at least twice a year.

74. What are the requirements for the crossing of official cheques?—(1) The accounting officer must ensure that all official cheques bear the words "not negotiable" between two parallel lines.

(2) The accounting officer may permit the cancellation of the crossing on a cheque only in exceptional circumstances and then only on the written request of the payee.

(3) Before an uncrossed cheque is handed to the payee, the Finance Section must obtain the following:

- (a) a written acceptance of full responsibility by the payee if the cheque is lost, stolen or destroyed;
- (b) an acknowledgement of receipt by the payee in person.

75. What happens if official cheques are endorsed by payees?—(1) Where payment is made by cheque an endorsement is, subject to the provisions of these Regulations, accepted as a proper acquittance.

(2) In terms of section 83 to 86 of the Bills of Exchange Act, 1964 (Act No. 34 of 1964), endorsements are not required on cheques paid into a bank for credit of the account of the payee. Payment by the banker is *prima facie* evidence of the receipt by the payee of the sum mentioned in the cheque.

76. What happens if a negotiated cheque is lost in transit between branches of banks?—(1) If a crossed or uncrossed cheque which has been negotiated by a bank is subsequently lost in transit between branches of the bank, the Finance Section may issue a cheque for the same amount to the bank which negotiated the original cheque at its written request.

(2) The Bank must provide essential details of the lost cheque, but an affidavit or indemnity is not necessary.

77. How is cash obtained for official purposes?—(1) The Finance Section must draw cheques issued to obtain cash for official purposes in favour of the Head of the Section in official capacity and the cheque must be cashed only by the Head of the Section.

(2) Two authorised signatories must sign the cheque with the words "crossing cancelled, for official purpose payable only at ..." (name of bank and centre), must be written or stamped on the cheque.

78. What are the requirements to issue replacement cheques?—(1) The Deputy Head: Finance has the discretion to issue, in the manner described in these Regulations, a cheque to replace a lost, destroyed, or stolen cheque of which the validity has not expired.

(2) The Deputy Head: Finance must give due consideration to factors that may influence the replacement such as the lapse of time from the date of issue, the integrity and financial status of the payee.

(3) The Deputy Head: Finance may authorise the replacement cheque only after—

(a) in the case of cheque not received by the payee—

- (i) a written declaration is obtained from the payee to the effect that the relative cheque was not received and that should it be received at a later date, that it will be returned to the department and;
- (ii) it is established that the relevant cheque has not already been negotiated; and
- (iii) 14 days have elapsed from the date of the cheque;

(b) in the case of a cheque which has been lost, destroyed or stolen after receipt by the payee—

- (i) a written affidavit or solemn affirmation is obtained from the payee to the effect that the relative cheque was lost, destroyed or stolen after its receipt, and not negotiated by the payee;
- (ii) it is established that the relevant cheque has not already been negotiated;
- (iii) 14 days have elapsed from the date of the cheque; and
- (iv) an indemnity, guaranteed if necessary by an acceptable person or authority against any loss which may be sustained by the Legislature as a result of the lost or stolen cheque being

negotiated, is obtained.

(4) The Finance Section may replace outstanding, lost, destroyed or stolen cheques of which the validity has expired, in the manner described in these Regulations. A reasonable lapse of time must be allowed after the validity of the cheques has expired.