

Post and Telegraphs Code

(ii) The institution of a Renewals Reserve Fund built up from contributions charged to the revenues of the Department.

(iii) The institution of Suspense Accounts linked up with the main Government Account, in which are recorded the transactions relating to the purchase and consumption of stores, and the Departmental Workshops.

(iv) The opening, in the Government Ledger, of a head to exhibit the true or commercial profit or loss on the working of the Department. As a corollary to this decision it has been ruled that the Department should bear all charges incurred on its account in other Departments and should be entitled to receive credits for all services rendered by it to other Departments.

Capital Account and Renewals Reserve Fund.

5. The assets of the Department were valued as on 1st April 1925, and the Valuation Reports revealed (i) that the amount of expired Capital Outlay or arrears of Depreciation was very considerable, and (ii) that assets representing an appreciable amount of outlay in the past have either been lost or abandoned. The latter have been written off, but as regards the former, it has been decided that the actual cost of rehabilitating assets over and above that chargeable to the Renewals Reserve Fund, will be met out of interest-bearing advances from General Revenues.

6. Two sections of the major head, "69—Capital Outlay on Posts and Telegraphs not charged to Revenue", have been allotted outside the Revenue Accounts to record the capital at charge of the Department. The reconstituted Capital Accounts start, as from 1st April 1925, with the 'present' or depreciated values of assets existing on that date and will include in future, in addition to these initial amounts, the total capital outlay on the acquisition or construction of new assets and the total of interest-bearing advances obtained from General Revenues for the rehabilitation of assets existing on 1st April 1925.

7. Another major head, "21—Capital Outlay on Posts and Telegraphs Charged to Revenue" is also allotted to the Department and to this head is transferred, at the end of the year, a portion of the amounts recorded under "69—Capital Outlay" representing such items of expenditure as are intended by the Government of Pakistan to be met from ordinary revenues, as opposed to loan funds. Interest is chargeable to the Department on the total at charge of its Capital account irrespective of the source from which the Government of Pakistan provided the funds, ordinary revenues or loans.

Note.—At present the outlay on Postal Buildings and the Railway Mail Service Vans is treated as Capital Outlay charged to Revenue.

8. The Renewals Reserve Fund Account is included in Section "P—Deposits and Advances" of the Government Account. It is operated on the Sinking Fund plan and receives credits for the annual provision set apart from the Revenues of the Department and for interest accruing on its balances. It is debited with the cost of making good depreciation of assets accruing from 1st April 1925, the date of its institution.

Stores and Manufacture Suspense Accounts.

9. The Department purchases and keeps for issue as required, large amount of stores for maintenance and construction and reconstruction of

assets. The accounts of these transactions in stores constitute its Store Suspense Account to which are debited all outlay on the purchase of stores, cost of manufactured articles received from Telegraph Workshops and materials returned from works, and credited by debit to accounts of works and services, on which they are consumed, the value of stores issued from stock.

Similarly, the Manufacture Suspense Account includes the accounts of manufacturing operations and other jobs undertaken in the Telegraph Workshop. It is debited with the entire amount of (i) wages to workmen, (ii) value of material, and (iii) on-cost, calculated at the prescribed rates, and is credited with the value, including a proper share at the prescribed rate of on-cost, of the outturn.

The two Suspense Accounts are kept in detail outside the main accounts and work from balance to balance. In the case of the Stores Suspense, the balance represents, broadly speaking, the value of stock in hand, and, in the case of the Manufacture Suspense, that of works in progress. The increase or decrease in the balances is booked under the major head "69—Capital outlay not charged to Revenue" and these entries constitute the link between the latter and the Suspense Accounts.

Renewals and Replacements.

10. The total outlay on renewals and replacements of assets is recorded initially under four sub-divisions "69—B—I, 69—B—II, 69—B—III and 69—B—IV" of the major head "69—Capital Outlay on Posts and Telegraphs not charged to Revenue". Such portion of the outlay as may be chargeable to the Renewals Reserve Fund is subsequently transferred to the Revenue Accounts to which is credited an equal amount transferred from the Renewals Reserve Fund. The balances under the heads "69—B—1, 69—B—11, 69—B—III and 69—B—IV" represent the amount of interest-bearing advances obtained from General Revenues in liquidation of the arrears of depreciation.

Revenue Accounts.

11. As a result of the reorganisation of the Revenue Accounts of the Department, contributions to cover depreciation are charged as part of the year's working expenses and the Department also makes a further contribution to General Revenues to cover its pensionary liability towards its employees.

12. In the Pakistan Posts and Telegraphs Department, the general plan of the Revenue Accounts is such as to ensure the preparation of the profit and loss accounts of each of the four branches, viz., (i) Post Office (ii) Telegraphs, (iii) Radios, and (iv) Telephones separately.

13. There is a large amount of revenue expenditure which relates jointly to more than one branch of the Department. The arrangement of the accounts is such that receipts or expenditure relating solely to one branch are exhibited separately, while those relating to more than one branch are isolated for subsequent apportionment between the branches concerned.

14. The interest on Capital at charge of the Department is recorded under the major head "20—Posts and Telegraphs—Interest on Debt". Realisations of revenue, and revenue expenditure other than interest are booked under the major head "XIX—Posts and Telegraphs".

The head "XIX—Posts and Telegraphs" is divided into a series of Abstracts and sub-divided into a number of detailed heads.

Note.—A complete list of the account heads prescribed for the Pakistan Posts and Telegraphs Department is given in Appendix 4 to the Posts and Telegraphs Initial Account Code, Volume I.

15. Deleted.

Profit and Loss Accounts.

16. The finances of the Department form part of the general finances of the Government of Pakistan. The Department has to meet all liabilities from its own revenues. The surplus left after meeting the liabilities is surrendered to Government and becomes merged in the General Revenues of the Government of Pakistan while the loss is met from the General Revenues.

The Profit and Loss account of the Department is a real account inside the Government accounts and includes interest on Capital Outlay as a component part. It also includes the inter-branch adjustments mentioned in Articles 304 to 306.

The Profit and Loss account is prepared annually from the net Profit and Loss Account in the Ledger (*vide* Article 319) after the final closure of the accounts. It shows the final results of the working of the Department during the year. The Profit and Loss Account is exhibited in the Finance and Revenue Accounts of the year and also in the Appropriation Accounts. The results are shown separately for the different branches, *viz.*, (i) Postal, (ii) Telegraphs, (iii) Radios, and (iv) Telephones.

Initial Accounts.

Post Offices.

17. The account unit is the Head Post Office which incorporates in its accounts the transactions of the Sub and Branch post offices under it. The primary accounts maintained by the Head Post Office are—

- (a) The Treasurer's Cash Book ;
- (b) The Head Office Summary ;
- (c) The Head Office Cash Book.

18. On the first of each month, a Cash Account is sent by each Head Post Office to the Accountant General, Posts and Telegraphs Branch, concerned. The entries are taken from the Head Office Cash Book ; and a statement is given at the foot of the account showing total drawings from, and remittances to each treasury, with which the Head Office (including its sub and branch offices) has transactions. The cash account is signed by the Postmaster and is accompanied by a cash balance report as well as vouchers and schedules.

19. In addition to the monthly Cash Account and Cash Balance Report, the Head Office sends daily, weekly or fortnightly, as the case may be, to the Accountant General, Posts and Telegraphs Branch, concerned, journals of Money Order, Savings Bank, and Pakistan Savings Certificate transactions of its own and its sub and branch offices supported by vouchers.

Railway Mail Service.

20. The account unit is the Head Record Office and the primary account maintained in the office is the Cash Book in which transactions with the local Head Post Office are recorded. Cash accounts are submitted bi-monthly by each Head Record Clerk to the Audit Office, which incorporates the accounts in the Classified Abstract of the Head Post Office concerned.

Departmental Telegraph Offices.

21. The account unit is the Departmental Telegraph Office and each officer in charge accounts for all receipts and disbursements of such an office. The primary account record is the Cash Book; at the close of the month, a classified account, called the Primary Abstract of the Cash Book, is prepared and sent to the Accountant General, Posts and Telegraphs Branch, concerned.

The officer in charge also sends message drafts and other returns connected with Message Revenue to the Telegraph Check Branch of the Accountant General, Posts and Telegraphs Branch, concerned.

Telegraph (including Telephones) and Wireless Engineering Offices, including Radio Offices and Stores.

22. Separate accounts are maintained by each Divisional Engineer, each Engineer-in-charge of a Wireless Region and each Officer in charge of a Radio Office not located within a Wireless Region. Divisional Engineers and Engineers-in-charge, are responsible for rendering accounts of all receipts and expenditure incurred in connection with the construction, maintenance and repair of Telegraph (including Telephone) lines and Apparatus and Plant, and Wireless assets, respectively, within their jurisdiction, while the officers in charge of the Radio Offices have to account for all receipts and disbursements of their respective offices.

23. The primary account record is the Cash Book; and at the close of each month, a classified abstract of the Cash Book is prepared and sent to the Accountant General, Posts and Telegraphs Branch, concerned.

In regard to store transactions, the Depot officers send daily accounts of receipts and issues to the Accounts Office, Telegraph Stores, Karachi. Two consolidated abstracts, *viz.*, one of the Head Depot, the two Branch Depots and the transfer entries relating to them and another of the Divisional Depots are compiled by that office each month and sent to the Accountant General, Punjab, Posts and Telegraphs Branch, Lahore.

The Divisional Engineers and Engineers-in-charge of Wireless Regions prepare Stores Account Current for each month from the receipts and issue stores vouchers received from day to day from the Accounts Office, Telegraph Stores, Karachi, in respect of receipts of and issues from the Head Depot, and from the Depots concerned in respect of receipts of and issues from the other Depots. Another consolidated abstract of receipts and issues of stores is prepared each month by the Accounts Office, Telegraph Stores, Karachi, for "remittance" items for each Division and wireless Region and sent to the Divisional Engineers and Engineers-in-charge concerned. The latter agree their monthly Store Account Current with this Abstract and then send the Store Account to the respective Audit Office.

23-A. The Accounts Officer, Telegraph Stores, Karachi, maintains a cash book in which are recorded all receipts and payments relating to his

office and the Controller of Telegraph Stores. Similarly the Accounts Officer, Telegraph Workshops, Kotri, maintains a cash book for recording all receipts and payments relating to his office and the Superintendent, Telegraph Workshop, Kotri. Each of these Accounts Officer submits a monthly Cash Account to the Accountant General Punjab, Posts and Telegraphs Branch, Lahore.

23-B. The Officers-in-charge of the two Branch Depots prepare and submit their monthly Cash Accounts to the Accountant General, Punjab, Posts and Telegraphs Branch, Lahore.

Compilation of accounts in the Audit Offices.

General.

24. The accounts received in the Audit Offices, are scrutinized to see that each item of receipt and payment has been correctly classified to the proper head of account. This process is carried out in great detail, and eventually the monthly accounts are compiled into consolidated monthly accounts for each Postal, Traffic and Engineering Circle and the various stages of compilation are described in Articles 25 to 28.

Posts and Telegraphs Traffic and Telegraph Engineering office Accounts.

25. The monthly transactions of a Head Post Office are posted into a Classified Abstract which brings out the monthly totals of receipts and payments of all kinds, under each detailed and minor head of account.

26. The Audit Office is not required to prepare similar classified abstracts of the transactions of Departmental Telegraph Offices, Telegraph (including Telephone) Engineering Divisions, Wireless Regions and Radio Offices as classified accounts are received from them.

27. The compilation of the accounts mentioned in Articles 25 and 26 is made in the Detail Book which is maintained for each Circle. From the Detail Book of each Circle a Circle Abstract is prepared which brings out the monthly totals of receipts and payments of all kinds occurring in all the Post Offices, Telegraph Offices, Telegraph Engineering Divisions etc., in each Circle under each detailed and minor head of account. The Circle Abstracts are submitted by the Audit Officers to the Auditor General, for consolidation into a General Abstract.

Stores Detail Books are also maintained by the Accountants General, Posts and Telegraphs Branch, and Stores Circle Abstracts are submitted to the Auditor General, for incorporation of Stores transactions into the General Abstract.

28. Deleted.

Compilation of Accounts in the Office of the Auditor General

29. The accounts appearing in the Circle Abstracts are posted into the General Abstract with the help of accounting machine. The accounts of the transactions in England in respect of the Pakistan Posts and Telegraphs Department as furnished by the High Commissioner for Pakistan in London, are received by the Accountant General, Punjab, Posts and Telegraphs Branch, Lahore, from the Accountant General, Pakistan Revenues, Karachi. Necessary adjustments in respect of English Expenditure and Exchange are made by the Accountant General, Punjab, Posts and Telegraphs Branch, Lahore. These adjustments are also incorporated in the General Abstract. When completed the General Abstract constitutes a single account of the transactions of all the branches of the Pakistan Posts and Telegraphs Department for a month.

30. On completion of the General Abstract, extracts therefrom are sent monthly to the State Bank of Pakistan and the Director General, Posts and Telegraphs.

31. The General Abstract for March Final as prepared in the office of the Auditor General brings out the progressive figures of the accounts of each Posts and Telegraphs Audit Circle up to the end of the financial year.

32. The Auditor General also compiles the annual accounts of the Posts and Telegraphs Department (including transactions in England) for incorporation into the Finance and Revenue Accounts of the Government of Pakistan which is presented to the Legislature (*vide* Article 258 of the Audit Code).

General duties of Posts and Telegraphs Audit Officers as Accounting Officers

33. The rules in Articles Chapter 1 of the Account Code Volume I, lay down the duties of Audit Officers as accounting officers, and are applicable generally to the Auditor General, and to the Posts and Telegraphs Audit Officers under his control. It should, however, be understood that the duties of preparing a monthly detailed account of the Posts and Telegraphs Department and submitting an extract thereof to the State Bank of Pakistan and of preparing a detailed annual account of the Department devolves on the Auditor General.

34. The Posts and Telegraphs Audit Officers under the control of the Auditor General are in direct account current with other Audit or Accounts Officers (Civil, Railways, Military, etc.).

The Auditor General watches that transactions between the Posts and Telegraphs Audit Offices under his control and other Audit or Account Officers appearing in the Accounts Current are speedily adjusted.

The Accountant General, Punjab, Posts and Telegraphs Branch, Lahore, is responsible for preparing the Outward Accounts Current with the High Commissioner for Pakistan in London in respect of Posts and Telegraphs transactions and for forwarding them to the Accountant General, Pakistan Revenues, Karachi.

35. The responsibility for maintaining the Journal and Ledger of the Pakistan Posts and Telegraphs Department under the classes of heads mentioned in Article 20 of the Account Code, Volume I, lies with the Auditor General. The detailed instructions in regard to the maintenance of these books are given in Chapter 7.

36. Deleted.

37. The Accountants General, Posts and Telegraphs Branch, are subordinate to the Auditor General in all matters affecting accounts and should refer to him all questions bearing on the classification of receipts and charges. They should not allow the opening of manuscript heads in the accounts without the previous consent of the Auditor General.

38. The Posts and Telegraphs Accounts and Audit Officers subordinate to the Auditor General are responsible for maintaining the details of outstanding balances in their books. The duty of reviewing these balances in accordance with Chapter 10 of this Code and of submitting a copy of the review report to the Auditor General also devolves on them.

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Introductory

39. The general rules which regulate accounts current with other departments are prescribed in Chapter 7 of the Account Code, Vol. IV, and an accurate knowledge of the general principles and routine laid down therein is presumed in the following rules. As explained in Article 61 of that code, an account current purports to be an extract from the books of the officer who despatches it and to show the amounts he has passed to the debit or credit of the other party to the account, with necessary explanations of the credits, and with documents supporting the debits.

40. Accounts current are of two kinds :—

- (i) *First.*—Accounts current with foreign States or other independent bodies which are of the nature of advance accounts, and can be settled only by actual recovery or payment of the net debit or of the net credit, e.g.—
 - (a) Accounts current with Pakistan States.
 - (b) Accounts current with Foreign Administrations on account of International and Imperial Reply Coupons.
 - (c) Money order accounts with foreign countries not adjusted through the London Accounts.

The procedure relating to the adjustment of transactions under the above three classes of these accounts current is described in Chapter 13 of the Posts and Telegraphs Audit Code, Volume I, and in Chapter 6 of the Posts and Telegraphs Audit Code, Volume II.

(ii) *Second.*—Exchange Accounts with Government and departments whose accounts come within the Government system of accounts. In them no actual recovery or payment is required, but the debit in A.'s account with B.'s on the central books of the Auditor General set against the credit on B.'s account with A, and the adjustment is complete to the extent to which the debits in one set of accounts correspond with the credits in the other. So far as the Pakistan Posts and Telegraphs Department is concerned these Exchange Accounts may be divided into four categories *viz.* ;—

1. Exchange Account between Civil and Posts and Telegraphs.
2. Exchange Account between Posts and Telegraphs and Military (including Marine).
3. Exchange Account between Posts and Telegraphs and Railways.
4. Account Current between High Commissioner for Pakistan in London and Government of Pakistan (Posts and Telegraphs portion).

41 to 47. Deleted.

Exchange Accounts with the Civil, Railway and Military (including Marines)

General procedure.

48. The procedure for Exchange Account between Civil and Posts and Telegraphs is described in Chapter 14 of the Account Code, Vol. IV. The two Accountants General, Posts and Telegraphs Branch, at Lahore and Dacca, are treated as independent Accounts Officers of the Pakistan Posts and Telegraphs Department for purposes of exchange accounts. The first three classes of Exchange Accounts mentioned in Article 40 (ii) are dealt with finally by them. In addition the Accountants General, Posts and Telegraphs Branch, Lahore, has been entrusted to deal with the Accounts Current between High Commissioner for Pakistan in London and Government of Pakistan (*vide* Article 34).

49. As prescribed in Article 100 of the Account Code, Vol. IV, each of the two Accountants General, Posts and Telegraphs Branch, exchanges accounts with the Civil, Military and the Railway Accounts Officers. A

detailed list of the Civil, Military and the Railway Accounts Officers in account with each Accountant General, Posts and Telegraphs Branch, is given in Annexure A to this Chapter and Annexure C to Chapter 14 of the Account Code, Vol. IV.

Outward Accounts.

50. A single Exchange Account is prepared for all transactions relating to the Postal, Telegraph, Telephone and Wireless Branches of the Pakistan Posts and Telegraphs Department.

The outward accounts are prepared in Form A. O. 15 and the accompanying schedules in Form A. O. 16 and A. O. 17 in which details of debits and credits passed on as original items to the other party to the account are given. Details in respect of responding adjustments are not given. Remittance transactions relating to different branches are shown separately in the Schedules accompanying the Exchange Accounts.

51. As the Pakistan Posts and Telegraphs Department is the second side in exchange account transactions with the Civil and the first side in similar transactions with the Railways and the Military the headings or nomenclature of exchange accounts should strictly conform to this principle. Thus the remittances to the Civil Department are shown under head I and remittances to Military Department are shown under head II while remittances from those Departments to the Pakistan Posts and Telegraphs Department are shown under head II or head I according as the remittances are from the Civil or the Military Department. Miscellaneous transactions passed on to other Departments as adjustable by them (original items) are shown under head III, in the case of the Civil Department and under head IV in the case of the Military and Railway Departments.

52. When an Accountant General, Posts and Telegraphs Branch, has to pass on an item to an Accounts Officer (*vide* Article 49) with whom he does not exchange Accounts he has to pass that item on to the Accountant General, Posts and Telegraphs Branch, who exchanges accounts with that Accounts Officer through the "Remittances—Transfers to Posts and Telegraphs Circles under the Jurisdiction of the other Audit Office". The latter Accountant General, Posts and Telegraphs Branch, adjusts the item to the appropriate Exchange Account head and includes it in his outward accounts.

53. The monthly outward exchange accounts are despatched on the last day of the month following the month of account. The accounts for March Final are despatched on the 31st July and those for 1st and 2nd Supplementary are despatched on the 10th September and 10th October respectively.

53-A. Inter Government adjustments in respect of transactions pertaining to a financial year will not be carried out by the State Bank in the accounts for that year, if the necessary advice is not sent, so as to reach it on the 15th April of the succeeding year at the latest. For this purpose, advance schedules in respect of Provincial transactions arising in the accounts of the Posts and Telegraphs for February and March should be furnished by the Posts and Telegraphs Audit Offices to the Civil Accounts Officers concerned by the 25th March and 10th April respectively. For the Railway transactions occurring in March, the last intimation should

be sent so as to reach the Accountant General, Pakistan Revenues, and the Railway Accounts Officers not later than the 7th April, and advance schedules for February should be sent by the 25th March.

Disposal of Inward Accounts.

54. *Remittances.*—Transactions on this account appear under head I and II. No adjustment is required to be made in respect of credits and debits appearing in the Inward Accounts under these heads as the transactions relating to payments into treasuries and drawings from treasuries appearing in the Cash Accounts and the Primary Abstracts or Accounts Current as the case may be, are booked direct under these heads against the Accounts Officers concerned.

55. *Miscellaneous transactions.*—These are passed on by the Civil Accounts Officers under head IV and by the Military and Railway Accounts Officers under head III. The transactions pertaining to Telegraph Stores (including freight charges) are taken to the final head by the Accountant General, Posts and Telegraphs Branch, Lahore. All other transactions are adjusted to the final head by each Accountant General, Posts and Telegraphs Branch, pertaining to his audit jurisdiction.

56. If any item appearing in the inward exchange account relates to the audit jurisdiction of or is adjustable on the books of the other Audit Officer the exchange account should be cleared by passing it on to that Audit Office through the head "Remittances—Transfers to Posts and Telegraphs Circles under the jurisdiction of the other Audit Office". This procedure should not, however, be adopted (except under special circumstances) to effect adjustment of an item passed on by an Accounts Officer who exchanges accounts with both the Accountants General, Posts and Telegraphs Branch (*vide* Article 49). In such cases the Accounts Officer should be asked to write back the item and to pass it on direct to the Accountant General, Posts and Telegraphs Branch, concerned.

Adjustments.

57. The following registers and books are maintained in the Account Current Section of the office of each Accountant General, Posts and Telegraphs Branch, to watch the adjustment of the items appearing in the inward exchange accounts:—

- (1) Inward adjustment register of credits and debits (A. O. 20).

Note.—In order to adapt Form No. A. O. 20 to the needs of the Pakistan Posts and Telegraphs Department, column 6 should be utilized for names of circles.

- (2) Objection Book, and Adjustment Register, Form No: A. O. 23.
- (3) Progress register, Form No. A. O. 24.

A register in form P. W. A. 54, is maintained for adjustment of items not received through the Inward Exchange Accounts, *e.g.*, (i) Adjustment of original credits on account of Funds advised by the other Audit Office, (ii) Re-adjustment from one head to another, (iii) Re-adjustment on account of writes back, etc. Adjustments incorporated in this Register as well as those incorporated in the Inward Adjustment Register are compiled in the Exchange Account Abstract prepared in forms A. G. P. T. 521-A and A. G. P. T. 521-B, in the manner described in the following article.

Adjustment Register and Exchange Account Abstract

58. In dealing with the Inward Adjustment Register the rules in Articles 137 to 146 of the Account Code, Vol. IV, should be carefully observed so far as they are applicable. The amounts entered in the column "Adjusted" of that register should be posted in the Exchange Account Abstract (Forms A. G. P. T. 521-A, and A. G. P. T. 521-B). When there is more than one amount under the same detailed head, the figures should first be consolidated at the foot of the Adjustment Register and the consolidated figures under each head should be posted in the Exchange Account Abstract in lump in respect of each Exchange Account separately. The total against each Exchange Account head shown in the Abstract should be agreed with the total under the column "Adjusted" in the Inward Adjustment Register. The Exchange Account should be prepared in two volumes one for credit items and the other for debit items appearing in the Inward Exchange Accounts, and there should be a separate Exchange Account Abstract in respect of each Posts and Telegraphs Circle for which a separate Detail Book is maintained.

The items included in the register in Form P. W. A.-54 under each head of account should be consolidated under debits and credits for each head in the register itself and the consolidated amounts posted under the relevant heads of accounts in the debit or credit volume, as the case may be, against the entry "Add amounts as per register in Form P. W. A. 54". A grand total should then be struck for posting in the Detail Book. An agreement should be effected between the two sides of each volume of the Exchange Account Abstract and for this purpose the total of the amounts posted under the detailed heads against the entry "Add amounts as per register in Form P. W. A. 54" should be posted in column 2 of each volume.

The Exchange Account Abstracts when passed by the Gazetted Officer should be made over to the Book Section for posting in the Detail Book.

Note.—Full particulars of transactions relating to "Stores and Workshops" which appear in the Exchange Accounts received in the office of the Accountant General, Posts and Telegraphs Branch, Lahore, are communicated along with the relevant vouchers through memos. to the Telegraph Engineering (Works) Audit Section for adjustment. The amounts are entered in column 6 of the Inward Adjustment Register. These transactions are after audit accounted for in the Transfer Entry Register maintained in form No. P. W. A. 54 in the Telegraph Engineering (Works) Audit Section, and incorporated by it in the Stores Cash Detail Book (Vide Article 188 *ibid*). The months of adjustment of the amounts are communicated by the Telegraph Engineering (Works), Audit Section to the Account Current Section where necessary notes are kept in the Inward Adjustment Registers and responding adjustments agreed with the Detail Book figures. These amounts do not, therefore, appear in the Exchange Account Abstracts".

Advances recoverable and suspense items

59. Advances recoverable or suspense items should not be left outstanding under the exchange account, pending recovery but should be adjusted to the appropriate debt head (Account Code, Volume IV, Article 143), and an intimation of the adjustment sent to the section concerned for inclusion in the Objection Book.

The items of "Advances" brought to account by transfer entries under Article 159 of the Posts and Telegraphs Audit Code, Volume I, in advance of the receipt of the inward accounts should be posted in the

sub-column "Writes back of rejected items and other items already responded to" under the column "Omitted" of the Inward Adjustment Register.

Objections

60. Every item not finally disposed of should be entered in an Objection Book, in Form No. A. O. 23, and settled by means of references to the officers concerned. An adjustment register (Form A. O. 23) and an abstract of objections A. T. M. 131 are also maintained. A register of items outstanding in the Objection Book for more than six months (Form S. Y. 286) should also be maintained. In it the substance of correspondence carried on, in respect of each outstanding item should be shown, and the register should be submitted to the Gazetted Officer for review once a month.

Note.—The provisions of Article 136 of the Account Code Vol. IV should be kept in view and an item should not be kept outstanding in Exchange Accounts for minor reasons, provided it be clear that the item relates to Pakistan Posts and Telegraphs Department. The item should be adjusted but kept under objection till the irregularity is removed.

Progress Register

61. Each Accountant General, Posts and Telegraphs Branch, should maintain progress Register and submit the annual consolidated Abstracts to the Auditor General in accordance with the procedure laid down in Articles 144 to 146 of the Account Code, Volume IV.

62. The Progress Register should be examined from time to time, specially towards the close of the year, and the result of the examination should be communicated to the other party to the Account in Form S. Y. 93A.

63. In order to enable the Auditor General, to exercise effective control over the progress of adjustments a statement showing the outstandings in respect of the accounts for the quarters ending June, September, December and March should be submitted to his Office on the 10th September, 10th December, 10th March and 10th July respectively. The outstandings for each month should be shown in lump without details, in respect of each Accounts Officer. Along with the statement for the 2nd quarter and subsequent quarters a list showing in detail the items of the previous statement or statements which remain outstanding on the date of submission of the statements for the second and the subsequent quarters should be sent with brief explanation of delay in adjustment in each case.

64. Balances required to be communicated to the other party to the account at the end of March Final Accounts under Article 146 of the Account Code IV should be communicated by the 31st August. A copy of this communication should also be furnished to the Office of the Auditor General together with a detailed list of outstanding for the fourth quarter.

65. The Annual Consolidated Abstract of the Progress Register prescribed in Article 146 of the Account Code IV (*vide* Article 61) should be submitted to the Auditor General and to the other party to the account on the 20th December. Full and clear explanation of items

shown as outstanding under heads I and III in the case of Military and Railway Exchange Accounts and under heads II and IV in the case of Civil Exchange Accounts should be given in Form A. O. 26 along with the Abstracts.

Note.—In the case of Exchange Accounts with the Accountant General, Pakistan Revenues, the Annual Consolidated Abstract of the Progress Register should be sent 10 days after the receipt of the final Supplementary Accounts for March in case they are not received before the 10th December.

Rectification of errors

66. Erroneous debits and credits passed on to an Accounts Officers should be written back in accordance with the instructions contained in Articles 62 and 136 of the Account Code, Vol. IV. Errors committed in passing on an amount through one of the heads I to IV of the Exchange Account instead of another should, however, be rectified by mere addition and deduction in the Progress Register of Exchange Account for the month in which the errors took place. These corrections should not pass through the regular accounts, *vide* Article 76, *ibid*.

When such a correction is made in respect of an Inward Account a corresponding correction should also be made in respect of the Outward Account for the month in which the responding adjustment has been made. Any adjustment or readjustment to a departmental head necessitated by such a correction should, however, be made by a transfer entry.

Exchange Account between Civil and Posts and Telegraphs

67. The procedure for Exchange Account between Civil and Posts and Telegraphs is described in Chapter 14 of the Account Code, Vol. IV.

68. A special procedure is prescribed for the adjustment of credits and debits between the Telegraph section of the Pakistan Posts and Telegraphs Department and Public Works Section of the Civil Department, *vide* paragraphs 496 to 498, Public Works Account Code. Advices and Acceptances of Transfer credits and debits are exchanged between the Accountants General, Posts and Telegraphs Branch, and Public Works Officers of the Divisions concerned; and in the Exchange Accounts only the totals of such debits and credits are shown supported by schedules showing the numbers and dates of advices and acceptances of Transfers. No advices and acceptances of Transfer are, however, exchanged in connection with works on buildings executed by the Public Works Department on behalf of the Pakistan Posts and Telegraphs Department. Such charges are included in the Civil Exchange Accounts supported by schedules giving details of the charges and are adjusted in the Posts and Telegraphs books without further audit.

Remittances

69. The Accountants General, Posts and Telegraphs Branch, are responsible for the reconciliation of debits and credits appearing under head II. A Register showing the remittances and settlement of differences is maintained in Form No. A. C. 7 for reconciliation of remittances made to the Department by the Civil Department.

Scale of Postage and Revenue Stamps

70. Ordinary revenue, Service, Commemorative, Air Mail Postage and Tobacco Excise Revenue stamps, and Postal stationery are sold at Civil Treasuries and the rules relating to the supply and distribution thereof are to be found in Appendix 5 to the Posts and Telegraphs Initial Account Code, Vol. I.

71. The accounts of the Pakistan Posts and Telegraphs Department are closed before the Civil Exchange Accounts for the month are received. In order therefore that the revenue from sale of stamps may be brought on to the Posts and Telegraphs books for the month to which the transactions relate, the Civil Accounts Officers intimate the stamps figures to the Accountants General, Posts and Telegraphs Branch, in a statement, by telegram or telephone, by the 6th of the month following the month of account. These figures are correct to the nearest rupee, and are adjusted in the Account Current Section on receipt of the intimation. Slight differences noticed on receipt of the Exchange accounts are readjusted in the accounts of the subsequent month.

Note 1.—No check is exercised by the Posts and Telegraphs Department in respect of credits afforded by the Civil Accounts Officers on account of sale of stamps except in the following cases. Under a special arrangement, the Accountant General, Jammu and Kashmir State, holds an imprest of ordinary postage stamps of the face value of Rs. 1,50,000 for supply on payment to the Pakistan Post Offices located in the Kashmir State Territory. The imprest is recouped by him by indents on the Sialkot and Rawalpindi Government Treasuries. A duplicate copy of the indent showing the supplies actually made is furnished by the Treasury Officer concerned to the Accountant General, Punjab, Posts and Telegraphs, Branch, Lahore. The Accountant General, Punjab, Civil Branch, Lahore, affords credit on account of these supplies in his Exchange Account as a distinct item under "Sale of Stamps" and furnishes a statement showing the particulars of indents along with the Exchange Account. On receipt of duplicate copies of the indents from the Treasury Officers the particulars thereof are noted in a register maintained for the purpose of checking the credits afforded by the Accountant General, Punjab, Civil Branch, Lahore. The statements received with the Exchange Accounts are verified with the details noted in this register and discrepancies, if any, as well as the balances remaining unadjusted are pointed out to the Accountant General, Punjab, Civil Branch, Lahore. Necessary action is also taken by the Accountant General, Punjab, Posts and Telegraphs Branch, Lahore, to see that no balance is left at the close of the financial year. Each entry in the register should be initialled by the auditor and attested by the Accountant. The register should also be submitted to the Gazetted Officer in charge of the Section on the last day of each month for his review.

Note 2.—The monthly statements of total sales of the Tobacco Excise Revenue Stamps of each denomination are compiled by the Accountants General, Posts and Telegraphs, Branch, from the figures furnished in the Extracts from the P. O. registers accompanying the monthly cash accounts of Head Post Offices. These statements are forwarded by the 15th of the following month to the appropriate Territorial Administrative authorities.

72. Gross amounts as credited in the exchange accounts of the Civil Department are adjusted on the books of the Posts and Telegraphs Department under Abstract A—Postage and Message Revenue—Sale of Stamps. The gross amounts, however, include—

- (a) Value of stamps purchased by Postmasters from their cash balance which form a portion of the cash balance until they are sold; and
- (b) Value of stamps used for realising customs duty.

73. The value of stamps remaining unsold in the hands of Postmasters at the end of the month is adjusted by the Audit offices in the manner described in Articles 147 and 148.

An adjustment is also made in the Audit Offices monthly for the value of stamps used in realising customs duty on foreign Inward parcels and letters. The requisite amount which is determined as laid down in Article 592 of the Posts and Telegraphs Audit Code, Volume II, is deducted from the head "Sale of Stamps".

Note.—Stamp Imprest granted to officers in charge of Departmental Telegraph Offices and Radio Offices by Treasury Officers are not included in the gross amount credited in the Exchange accounts of the Civil Department, but the "cash" portion of such Imprests in the hands of the officers in charge, at the end of the month, representing value of stamps sold, but not paid into the Treasury is adjusted in the manner described in Article 171.

74. A statement showing the gross sale proceeds of stamp credited by the Civil Accounts Officers in the Exchange Accounts throughout the year and the amount actually taken as revenue in the departmental account is submitted by Office of the Auditor General to the Director General of Posts and Telegraphs annually after the March final accounts have been closed. Differences between the two sets of figures due to adjustments made in the departmental books are explained in the statement.

For the compilation of the statement mentioned above an annual statement is submitted by each of the Audit offices showing by circle gross sale proceeds of ordinary and service postage stamps issued from treasuries during the preceding financial year (exchange Account figures) as booked up to the end of the March final accounts so as to reach the Office of the Auditor General by the 20th of July. Any difference between the booked figures and the Exchange Account figures should be explained in the statement.

Exchange of Postage Stamps

75. Treasury Officers are allowed in special cases to exchange ordinary postage stamps for service postage stamps purchased by mistake, or when they cannot be used owing to a change in the status of the purchasing office; but in every case they are required to obtain the sanction of the Director General of Posts and Telegraphs. When any such exchanges appear to have been made, the necessary adjustment should be made between "Service" and "Ordinary" stamps under Abstract A and the orders of the Director General asked for, if they are not quoted by the Civil Accounts Officers.

Cost of packing and freight of Postage Stamps despatched to the various provinces, etc., for sale

76. All charges in connection with the packing and conveyance of postage stamps supplied to the various provinces or to the Central areas and to the treasuries and sub-treasuries within a province are debitable to the Pakistan Posts and Telegraphs Department.

The controller of stamps, has been authorised either to pay the freight charges in cash at the time of despatch of each consignment and pass on the debit to the Pakistan Posts and Telegraphs Department or despatch the consignments by the credit note system making the notes as payable by the Pakistan Posts and Telegraphs Department.

✓ Miscellaneous receipts and payments by Civil Officers

77. The following is a list of the more important of the miscellaneous transactions credited and debited in the Civil Exchange accounts:—

- (1) Postal Insurance Premia.
- (2) Cost of Stationery and Printing.
- (3) Cost of manufacture of stamps, post cards, Pakistan Postal Orders, etc.
- (4) Miscellaneous recoveries from pensions made under the authority of the Posts and Telegraphs audit offices.
- (5) Cost of articles supplied by Civil Jails, the Public Works Department, Workshops, etc.
- (6) Postal share of the cost of Levy Lines in Baluchistan.
- (7) Cost of land acquired for the Pakistan Posts and Telegraphs Department.
- (8) Public Works Department charges on Posts and Telegraphs Buildings.
- (9) Cost of Publications supplied by the Central Publication Branch.
- (10) Cost of metal tokens.
- (11) Ferry charges and Establishment charges, Dera Ghazi Khan.
- (12) Diet money, etc., of postal employees cited as witnesses.
- (13) Cost of stores purchased through the Supply Deptt.
- (14) Cost of conveyance of stamps and Postal Stationery.
- (15) Deleted.
- (16) Share of Establishment and contingent charges of stamp offices.
- (17) Cost of purchase of Government Promissory Notes.
- (18) Credit on account of sale proceeds of Government Promissory Notes.
- (19) Interest on Government Promissory Notes.
- (20) Customs duty.
- (21) Freight charges.
- (22) Charges on account of mathematical instruments supplied to the Telegraph Branch.
- (23) Credits on account of condemned typewriters sold through the Controller of Printing and Stationery.

78. The treatment in the Pakistan Posts and Telegraphs Department of some of the items of the foregoing list is described below:—

(1) Postal Insurance Premia realised in the Civil Department are credited in the Exchange Accounts of the Civil Accounts Officer concerned. Certified lists of premia, showing details of the credits, are sent by them direct to the office of the Accountant General, Posts and Telegraphs Branch, Dacca. The amounts credited in the Exchange accounts are adjusted by the Account Current Section of the respective Accountant General, Posts and Telegraphs Branch, and a statement

showing the amounts credited by each Civil Accounts Officer, the months of credits and the adjustment made in each Postal circle, is sent by that Section to the Life Insurance Branch at Dacca, for verification with the certified lists, and with the booked figures which are communicated by the Book Section of the Office of the Auditor General.

(2) Cost of Stationery and Printing :—

- (a) Stationery is supplied to the indenting officers of the Pakistan Posts and Telegraphs Department by the Controller of Printing and Stationery, who sends vouchers for the supplies (except those for sealing wax) direct to the Accountant General, Punjab, Posts and Telegraphs Branch, Lahore, to whom the Accountant General, Pakistan Revenues, passes on debits on this account quoting the number and dates of the Controller's forwarding letters against these items of debits. Priced vouchers signed by the indenting officers are received direct from them in the office of the Accountant General Punjab, Posts and Telegraphs Branch, Lahore. The debits are adjusted by the latter under Abstract H.

The debits on account of the supply of sealing wax are passed by the Accountant General, Pakistan Revenues, to the respective Accountants General, Posts and Telegraphs Branch, who adjust them in the manner prescribed in Article 241-A, Posts and Telegraphs Audit Code, Volume I. The vouchers in respect of these debits also are received by the Accountants General, Posts and Telegraphs Branch, direct from the Controller of Printing and Stationery and the indenting officers.

Debits on account of freight bills preferred by the Karachi Port Trust and countersigned by the Controller of Printing and Stationery should be adjusted by the Accountant General, Punjab, Posts and Telegraphs Branch, Lahore, under Abstract H—Stationery and Printing.

(b) Printing :—

- (i) *Printing done by the Central Government Press.*—Debits for printing (including the cost of stationery used in printing) are raised monthly against the Accountant General, Punjab, Posts and Telegraphs Branch, Lahore by the Accountant General, Pakistan Revenues, who, under special arrangement, allocates the charges between several branches of the Pakistan Posts and Telegraphs Department, viz., Postal, Telegraphs (including Radios) and Telephones. No vouchers are received in support of these debits which are adjusted by the Accountant General, Punjab, Posts and Telegraphs Branch, Lahore, according to the allocation given in the Exchange Account of the Accountant General, Pakistan Revenues.
- (ii) *Printing by Provincial Government and Jail Presses.*—Debits for these are raised by the Civil Accounts Officer concerned against the respective Accountant General, Posts and Telegraphs Branch, and are supported by countersigned vouchers.

(3) Cost of manufacture of stamps, post cards, Pakistan Postal Orders, etc.

Stamps, post cards, Pakistan Postal Orders, etc., are manufactured by the Security Printing Press, and the cost is debited to the Pakistan Posts and Telegraphs Department by Accountant General, Pakistan Revenues, through his Exchange Accounts with the Accountant General, Punjab, Posts and Telegraphs Branch, Lahore. The adjustment is made by the Account Current Section to the appropriate head under Abstract H.

Under convention with Bahawalpur and Kashmir States, free supplies of service postage stamps are made to them up to the limits of Rs. 4,000 and Rs. 20,000 respectively. Any supply in excess of the limit is paid for by the States. The head of the circle exercises necessary check in this respect. The cost of manufacture of these service stamps supplied to the States free of cost is also borne by the Pakistan Posts and Telegraphs Department.

(4) The Accountant General, Pakistan Revenues, passes on annually a debit for about Rs. 35,000 on account of the postal share of the cost of Levy lines in Baluchistan through his Exchange Accounts with the Accountant General, Punjab, Posts and Telegraphs Branch, Lahore, who exercises check over the debit in communication with the Postmaster General, Sind and Baluchistan Circle, Karachi.

(5) Cost of Publications, etc., is debited by the Accountant General, Pakistan Revenues, or by the Provincial Accountants General according as the supply is made by the Central Publication Branch or the Provincial Book Depots to the respective Accountants General, Posts and Telegraphs Branch.

(6) Cost of metal tokens manufactured at the Mint is debited by the Mint Master through the accounts of the Accountant General, Punjab, Civil, Lahore. The value of unserviceable tokens returned to the Mint is realised by the Pakistan Posts and Telegraphs Department by raising an original debit on a certificate given by the Mint.

(7) Cost of stores purchased through the Supply Department is debited by the Audit Officer, Industries, Supply and Food, Karachi. The charges are supported by bills countersigned either by the consignees of the Pakistan Posts and Telegraphs Department or by the Inspecting Officer of the Supply Department. For every heavy charge two bills are made out, one for 90 per cent. of the charge and another for 10 per cent. The former is countersigned by the Inspecting Officer of the Supply Department and the payment is made outright by the Audit Officer, Industries, Supply and Food, Karachi. The ten per cent. bill is paid only after countersignature by the consignee. The connection between the two sets of bills is made by the Audit Officer, Industries, Supply and Food, Karachi, who exercises a complete check and as a consequence no scrutiny is made in the Account Current Sections of the offices of the Accountants General, Posts and Telegraphs Branch, beyond seeing that the vouchers are properly countersigned and that the amounts have been correctly taken into the Exchange accounts.

79. The following are some of the most important of the "Miscellaneous" transactions with the Civil Department which ordinarily appear in the Posts and Telegraphs Accounts:—

(1) *Meteorological allowances and fees.*—Meteorological allowances or special fees for working extra hours or late fees for Storm Signal or

Express Weather Messages granted to the Posts and Telegraphs officials (*vide* paras. 137—140 of the Manual of Appointments and Allowances of Officers of the Posts and Telegraphs Department), in connection with Observatories where there are no Civil Treasuries, are paid through the Post and Telegraph Offices on Establishments pay bills countersigned before payment by the Meteorological Reporter concerned or the local Civil Surgeon. Such charges are passed on to the Accountant General, Pakistan Revenues, through the Exchange Account of the Accountant General, Posts and Telegraphs concerned.

Meteorological allowance bills of Observers of the Meteorological Department staff stationed at certain places where there are no Civil Treasuries are also paid through the local Post Offices at those stations under the procedure described in item 15 under Section "II—Civil Department" of Appendix 6 to the Posts and Telegraphs Initial Account Code, Volume I. Debits for all such payments is raised by the Accountant General, Posts and Telegraphs Branch, concerned against the Meteorological Department in the Exchange Account with the Accountant General, Pakistan Revenues. For the services rendered by the Posts and Telegraphs Department in connection with these payments, a commission at the rate of Rs. 2-12-0 per cent. of the amount paid is charged from the Meteorological Department. The amount of the commission due should be calculated by the Accountant General, Posts and Telegraphs Branch, concerned and necessary debit for the same raised against the Meteorological Department by *per contra* credit to the head "Abstract O. I—Services rendered to Other Departments—Postal—Miscellaneous Services."

(2) *Rent of Public Works Department buildings occupied by Posts and Telegraphs Officers.*—The rent is credited to the Civil Accounts Officer concerned.

(3) Commission on free money orders.

(4) Provincial share of subsidy for carrying mails from Akyab to Chittagong.

(5) *Cost of maps supplied to the Pakistan Posts and Telegraphs Department.*—Original credits are afforded on receipt of invoices from the map record and issue office.

(6) *Fund deductions.*—The deductions from pay bills on account of subscriptions to the following funds are credited to the Civil Department concerned :—

- (a) Civil Funds.
- (b) Uncovenanted Service Family Pension Fund.
- (c) Bengal Christian Family Pension Fund.
- (d) General Family Pension Fund.
- (e) Civil Service of Pakistan Family Pension Fund.
- (f) General Provident Fund for officers of the Pakistan Audit and Accounts Service and permanent Assistant Accounts Officers.
- (g) Hindu Family Annuity Fund.
- (h) Bengal Service Family Pension Fund.
- (i) Financial Officer's Provident Fund.

Note.—The list of credits on account of subscriptions to the Funds realised from officials are forwarded by the Accountants General, Posts and Telegraphs Branch, to the Secretaries of the Funds and to the Civil Accounts Officer concerned, on the 24th of the months following that to which the accounts relate.

(7) *Salt Collections.*—The price and duty on certain classes of Salt together with commission, are paid by purchasers into post offices in cases where Civil Treasuries are situated at a great distance. The price and duty are credited (separately for each class of salt) to the Accountant General, Pakistan Revenues.

(8) Interest on Government securities held in trust by the Auditor General on account of Savings Bank depositors and on other accounts.

(9) Miscellaneous claims due to or by the African Protectorates (other than money order transactions) are passed on to the Accountant General, Pakistan Revenues, for adjustment (*vide* Articles 112 to 118 of the Account Code IV).

(10) Rent of Telegraph Lines, instruments, etc., leased to Canals.

(11) Rent of Telephones, Trunk Call fees, etc., in respect of Government departments and Government servants of other departments.

(12) Debits on account of Guarantee for Telegraph Offices.

(13) Lump Contribution to Accountant General, Pakistan Revenues, on account of pensionary liability of the Pakistan Posts and Telegraphs Department.

(14) Interest on Capital Outlay of the Pakistan Posts and Telegraphs Department passed on to the Accountant General, Pakistan Revenues.

Exchange Account between Posts and Telegraphs and Military (including Marine)

80. The rules in Chapter 12 of the Account Code, Volume IV, apply *mutatis mutandis* to the Accounts exchanged with Military Department. For the purpose of Article 170, *ibid*, the Office of the Controller of Military Accounts, Lahore, is considered to be the nearest one to that of the Accountant General, Posts and Telegraphs Branch, Lahore, and that of the Controller of Military Accounts, Dacca, to that of the Accountant General, Posts and Telegraphs Branch, Dacca.

81. The following are the more important transactions with the Military Department :—

(i) *Payments to, and drawings from, Military Treasure Chests.*—These are shown in the accounts under heads I and II according as the remittance is from the Military to the Pakistan Posts and Telegraphs Department or from the Pakistan Posts and Telegraphs Department to the Military.

(ii) *Military Pensions.*—Commencing from April 1890, the Post Office has undertaken to pay Military Pensioners from the following offices :—

Punjab and N.-W. F. Circle :—

Bahawalpur.

Bannu (Edwardesabad).

Campbellpur.

Dera Ismail Khan.

Dera Ghazi Khan.

Drosh.
 Gujrat.
 Gujranwala.
 Hazara (Abbottabad).
 Jhelum.
 Jhang.
 Kohat.
 Lahore.
 Montgomery.
 Lyallpur.
 Muzaffargarh.
 Multan.
 Mianwali.
 Peshawar.
 Qila Sheikhpura.
 Rawalpindi.
 Sargodha.
 Shahpur.
 Sialkot.
 Sind and Baluchistan Circle :—
 Quetta.

Debits on this account are passed on to the Controller, Military Accounts and Pensions, Lahore, *vide* Article 120 of the Account Code, Vol. IV.

(iii) *Commission on Military Pension Payments and Subsistence Advances.*—The Controller, Military Accounts and Pensions, Lahore, is to be debited monthly with commission at the rate of Rs. 1-10-0 per cent. on the actual payments on account of Military Pensions made during the month and 2 per cent. of the amount paid on account of subsistence advances. The credit for the commission should be booked in the Posts and Telegraphs accounts under the head Abstract—O—Section I—Payments of Military Pensions and subsistence advances.

(iv) *Field Post Offices.*—Charges incurred in the Post Office for such Post Offices as are opened and maintained in connection with Military operations should be debited to the Controller, Military Accounts, concerned.

Note.—The Director General has directed that the amount of postage written off as a charge against the Military Department under rule 29 of the Postal Manual (War), should, in future, be shown as a distinct item in the accounts furnished to the Military Accounts Department.

(v) Cost of medicine chests supplied by the Military Department to the Pakistan Posts and Telegraphs Department.

(vi) Postal Insurance Premia.

(vii) Works charges on Posts and Telegraphs buildings carried out by the Military Engineering Service.

(viii) Feed and keep of Elephants and Mules, etc., employed for conveyance of mails.

(ix) Hire of Seige train bullocks.

(x) *Pay and allowance of Military Officers.*—Amounts paid on this account are debited as “original items”.

(xi) Rent of Telegraph Lines.

(xii) Rent as also electric and water charges in respect of Civil buildings in charge of the Military Engineering Service but occupied by the Posts and Telegraphs Department and of Military buildings occupied by the Posts and Telegraphs Department, for departmental use—Original debits for rent, etc., of these buildings are raised annually by the Controllers of Military Accounts concerned against the Accountants General, Posts and Telegraphs Branch, in arrears in the accounts for March preliminary.

Exchange Account between Posts and Telegraphs and Railways

82. The rules in Chapter 13 of the Account Code, Vol. IV, apply *mutatis mutandis* to the Accounts exchanged with Railway Accounts Officers. The instructions contained in Articles 80 and 165 *ibid*, in respect of the Account for March should be observed carefully. As the Railway Accounts Officers close their accounts for March by the 10th May, every endeavour should be made to communicate all original transactions to be passed on to the Railway Accounts Officers in the accounts for a year, by the 30th April of the next year or by any earlier date as may be announced by the Railway Accounts Officers through their circular letters.

Adjustment and check of Railway Charges

83. The following are some of the more important transactions with Railways:—

1. Haulage of mails under weighment system.
2. Haulage on occasional despatches.
3. Conveyance of mails and banghy parcels.
4. Special train-hire.
5. Interest on capital cost of Post Office vans.
6. Maintenance of Post Office vans.
7. Railway freight on goods and parcels.
8. Cost of washing and cleaning Post Office vans and fittings.
9. Cost of repairing apparatus of down mail trains.
10. Cost of embedding cash chests.
11. Cost of zinc sockets.
12. Cost of wheels and trucks.
13. Cost of lighting Railway Service sorting offices.
14. Cost of fixing railings to doors, etc.
15. Cost of forms.
16. Cost of fitting up compartments of brake vans with pigeon holes and sorting-tables.

17. Cost of pass books.
18. Cost of fitting latrine accommodation in brake-vans.
19. Cost of Railway guides.
20. Maintenance of Post Office buildings.
21. Cost of turning Joint Stock Post Office vans.
22. Cost of repairs of mail compartments and venetial frames.
23. Rent of wires.
24. Rent of Telephone lines.
25. Value of stores issued to Railways.
26. Freight on stores.
27. Fares of Journey on account of free passes to Telegraph Officers are adjusted by deduction from Telegraph Branch bills for rent of lines, etc.
28. Rent of Linemen's quarters.
29. Balance of through messages.

Note.—The charges on account of items 23 to 25 are debited to the Railways as "original items" in the Pakistan Posts and Telegraphs accounts and those on account of items 26 and 28 are debited to Pakistan Posts and Telegraphs in the Railway accounts and adjusted in the books as responding items. Item 29 is treated as an original debit in the Pakistan Posts and Telegraphs books where the balance is in its favour and as a responding credit otherwise.

84. Rules regarding the charges for the conveyance of mails and construction, haulage and maintenance of Postol mail vans are given in Appendix 24 to the Posts and Telegraphs Initial Account Code, Vol. I.

85. Bills for railways charges are sent by the Railway Accounts Offices to the Postmaster General and the latter, after having duly checked and countersigned them, return them to the Railway Accounts Officers for transmission to the Accountant General, Posts and Telegraphs Branch concerned with their Exchange Accounts in support of debits raised therein.

86. An Audit Register is maintained in the Postal Audit Section in Form A. G. P. T.-509 for conducting check against sanctions of the Railway charges on account of interest on Railway vans, conversion of Railway vans and carriage of mails adjusted by book transfer, and in this register all such charges (whether sanctioned or not) adjusted monthly, are posted against the Railways concerned in the cage for the month in which the adjustment is made. To ensure the correctness of postings, the figures posted are consolidated under the heads of account concerned at the end of the register and agreed with the booked figures shown in the Detail Book against the entry "Transfer Entries" for the circle or circles under the jurisdiction of the Audit Office. It is then submitted to the Gazetted Officer for review. The check against budget allotment is conducted in the Postal Audit Section through a register in Form A. G. P. T.-90 for each circle—*vide* Article 503 of the Posts and Telegraphs Audit Code, Volume I.

Note.—In addition to the check conducted through the audit register mentioned above it should also be seen that the bills for all the Railway charges are duly countersigned by the heads of circles.

87. Deleted.

88. Bills for Special Train Hire are adjusted by Transfer Entry debiting the head "Special Train Hire" subordinate to "Abstract J-IV—Conveyance of mails" and crediting the Railway concerned.

89. Bills for charges unconnected with the Railway Mail Service, such as rent of Post Offices at Railway Stations, repairs to buildings, etc., after they are countersigned by the Heads of Circles are also forwarded to the Audit Offices concerned by the Railway Accounts Officers for necessary audit and adjustment. Audit of these bills will be conducted in the Audit Sections concerned as laid down in Article 93 of this Code.

90. Railway freight on goods and parcels are usually paid for on the credit note system. The Railway Accounts Officers prepare monthly bills supported by the credit notes issued by the officers of the Pakistan Posts and Telegraphs Department. No countersignature is required on these bills and the credit notes are accepted on the signature of the issuing officers. The responsibility of the responding officers in respect of debits raised by the Railway Accounts Officers on this account is defined in Article 136 of the Account Code IV.

Freight charges relating to Telegraph Stores are adjusted by the Accountant General, Posts and Telegraphs Branch, Lahore, and bills on this account are transmitted to him by the Accountant General, Posts and Telegraphs Branch, Dacca, when debits are passed on to him in accordance with Article 56. A cent. per cent. check is, however, exercised by the Accountant General, Posts and Telegraphs Branch, Lahore, on the credit notes relating to Telegraph Stores.

91. } Deleted
92. }

Rules for Audit of Service charges detailed in exchange accounts

93. All service charges debited in the Exchange Accounts (excepting cost of printing at Government of Pakistan Presses) will be audited in the Audit Offices. Audit of fixed charges will be conducted against sanctions noted in separate folios of the Establishment Audit Registers in the Audit Sections concerned. Fluctuating charges are admitted either on bills countersigned by the officers empowered to sanction such charges or against specific sanctions received from competent authority. Certain special rules relating to the audit of Railway charges are laid down in Articles 83 to 90 of this code.

Charges on account of stationery supplied by the Controller of Printing and Stationery should be scrutinised by the Accountant General, Posts and Telegraphs Branch, Lahore, who will see that the amount shown in the Inward monthly Exchange Account tallies with the amount shown in the priced vouchers for the month received from the indenting officers and that it is allocated to the different branches of the Department. This scrutiny will be made by the Account Current Section of the Office of the Accountant General, Posts and Telegraphs Branch, Lahore.

94. On receipt of an Exchange Account or advices and intimations with vouchers from the Railway Accounts Officers, all vouchers in respect of service charges (excepting those relating to charges on account

of stationery supplied by the Controller of Printing and Stationery and the cost of printing at the Government of Pakistan Presses) received in support of debits should be sorted according to Audit Sections, e.g., G. A., P. A., T. T., T. E. (E), T. E. (WK) and Pension. Separate transit registers in the prescribed form A. G. P. T. 48-A should be kept by the Account Current Section for each Audit Group and through these registers the vouchers should be sent to the Audit Sections concerned, and their due return, after audit and classification, before the date fixed for the preparation of the Exchange Account Abstracts should be watched by the Account Current Section. It should be seen by that Section that each voucher bears an audit encasement under the dated initials of the auditor, and that it has been duly reviewed by the Accountant of the Audit Section concerned. All such vouchers will be filed in the Account Current Section after necessary adjustment.

The objections arising out of the audit of the Exchange Account vouchers conducted in the Audit Sections should be included in the Objection Book maintained by the respective auditors of those Sections and properly pursued. All statistics and information relating to these vouchers, excepting those about the results of audit should, however, be furnished by the Account Current Section.

Exception.—The adjustment of Railway Credit Notes relating to Telegraph Engineering (Works) Section should be adjusted by the Telegraph Engineering (Works) Section as prescribed in Article 111 of the P. and T. Audit Code, Volume III. The Account Current Section should see that the vouchers received with the Exchange Accounts are duly transferred to that Section and that necessary adjustments are made promptly.

95. Auditors should be careful to note in their Audit Registers the sanction for the charges. In the case of debits of a recurring nature for which an old sanction exists, the sanction must be traced up by the Accountant and the register initialled only after he has satisfied himself of its sufficiency. The general rules of audit in Chapter 2 of the Posts and Telegraphs Audit Code, Volume I, for the admission of charges must be strictly followed, orders of the Accountant General being taken on doubtful cases.

96. An objection book and register in the prescribed form will be maintained in the Account Current Section in accordance with the general rule contained in Chapter 20 of the Posts and Telegraphs Audit Code, Volume I, and the Accountant should carefully examine them every month and take immediate action on any item remaining unsettled for a long time.

The Objection Book should contain only those items of the Inward Exchange Account, etc., which have not been finally settled under the provisions of Article 88 of the Account Code, Volume IV.

Account Current between High Commissioner for Pakistan in London and Government of Pakistan

97. The general rules regarding the Exchange of accounts with England and the High Commissioner for Pakistan in London will be found in Chapter 16 of the Account Code, Vol. IV.

Outward Accounts.

98. The outward account is prepared in accordance with the rules prescribed in Articles 216 and 217 of the Account Code, Vol. IV, and is despatched to the Accountant General, Pakistan Revenues, Karachi, in Form A. G. P. T. 517, by the 20th of the 2nd month following. Schedules in Form S. Y. 102 are submitted with the accounts. There should be a separate schedule for each sub-head shown in the accounts. The schedules are serially numbered and these numbers are quoted in the body of the accounts against the respective sub-heads. Vouchers, if any, should accompany the schedules. The several kinds of transactions which pass through this account as adjustable in England under the sub-head "Postal and Money Order transactions with the United Kingdom" are noted below:—

- (i) Sale of British Postal Orders by Pakistan Post Offices including transfer of Savings Bank accounts.
- (ii) Exchange of letters and newspapers and parcels.
- (iii) Exchange of money orders with the United Kingdom and countries and colonies served through the United Kingdom.
- (iv) Customs duty and other charges on parcels exchanged between Pakistan and United Kingdom and Egypt.
- (v) Compensation for lost or damaged articles.
- (vi) Exchange of Radio Telegrams with Great Britain and Northern Ireland.
- (vii) Transit charges on Air Mail Correspondence.
- (viii) Amounts of trade charge money order paid in Pakistan and Great Britain and Northern Ireland.
- (ix) Miscellaneous.

The items in response to those appearing in the Inward London Accounts are shown in the outward accounts as "Items adjustable in Pakistan".

99. A monthly account current in respect of item (1) of Article 98 is forwarded by the Accountant General, Posts and Telegraphs Branch, Lahore, direct to the Comptroller and Accountant General, General Post Office, London (*vide* Article 180 of the Posts and Telegraphs Audit Code, Volume II). The balance of this account is adjusted by the Accountant General, Posts and Telegraphs Branch, Lahore, and intimated to the Karachi Office of Account for inclusion in the General Account with Great Britain and Northern Ireland referred to in Article 100.

100. The Karachi Office of Account prepares a monthly General Account in Form F. M. O. 12 with the United Kingdom, in respect of all the items referred to in Article 98 and forwards it in duplicate to the Accountant General, Punjab, Posts and Telegraphs Branch, Lahore, who after check and making necessary adjustments transmits one copy

to the Chief Accounts Officer, office of the High Commissioner for Pakistan in London on the first mail day after 10th of the second month following that to which the accounts relate.

Note.—The relevant Schedules in the prescribed form should accompany the Outward London Account.

101. (a) Amounts on account of items (ii) and (iv) of Article 98 are shown in the General Account under the headings (1) Share of postage on parcels (which includes debits and credits on account of customs duty) and (2) Special train account. The claim of Great Britain and Northern Ireland and Pakistan in respect of the share of postage on parcels are shown to the credit of the Administrations concerned.

(b) The Lahore Audit Office affords original credits to be passed on in the outward London Account in respect of the amounts shown to the credit of Great Britain by a corresponding debit to the head "XIX—Posts and Telegraphs—Abstract A-II—Postal Receipts—Deduct Payments to other Postal Administrations". In respect of the amounts shown to the credit of Pakistan, original debit is raised in the outward London Account by credit to the head "Receipts from other Postal Administrations" in the same Abstract. Amounts relating to customs duty included in the "Share of Postage on parcels" are deducted before the adjustments are made.

(c) The item relating to "Special train Account" includes the yearly share chargeable against Pakistan for conveyance of mails by the overland route across France by special Mail Trains and is placed to the credit of Great Britain in the General Account by the Karachi Office of accounts on receipt of intimation from the Comptroller and Accountant General, General Post Office, London. The total amount due to France is apportioned between Great Britain and the Dominions and Colonies concerned on the basis of the actual weights of letters and other mails carried during October each year. The Lahore Audit Office adjusts the yearly debits to the head "XIX—Posts and Telegraphs—Abstract A-II—Postal Receipts—Deduct Payments to other Postal Administrations".

102. Debits and Credits on account of Customs duty included in the share of postage on parcels (in the General Account) shall be adjusted in the manner laid down in Articles 600 and 603 of the Posts and Telegraphs Audit Code, Volume II, and a monthly statement showing the amounts thus adjusted relating to the Dacca Audit Office shall be forwarded by the Lahore Audit Office to that Office.

103. The copy of the General Account sent to London is thoroughly checked by the British Post Office, and is returned to the Karachi Office of Account after correction. The errors noticed are included by the latter in a subsequent General Account as "Balance of Error". The corrected copy of the account is forwarded to the Accountant General, Punjab Posts and Telegraphs Branch, Lahore, by the Karachi Office of Account along with the general account in which the balance of error is included.

104. A register in Form A. G. P. T. 518 for adjustment of the various items shown by the Karachi Office of Account in the General Account is maintained in the office of the Accountant General, Punjab, Posts and Telegraphs Branch, Lahore, in which the items are posted under the proper heads of account.

105. The General Account showing all details is received by the Chief Accounts Officer, Office of the High Commissioner for Pakistan in London, long before the London Accounts Current, and he is, therefore, in a position to make adjustment of the items in advance in his accounts. The items are, therefore, shown in the Postal Accounts as adjustable in England. Other items shown in the accounts current are treated as adjustable in England or Pakistan as the case requires. A list of items classified according as they are adjustable in Pakistan or in England, is given in Annexure to Chapter 16 of the Account Code, Vol. IV.

106. An annual account showing the proportion of the cost of manufacturing and repairing the bags used for the exchange of mails between the United Kingdom and Pakistan to be borne by the Pakistan Posts and Telegraphs Department will be sent by the Secretary, General Post Office, London, to the Karachi Office of Account, which will give credit for the amount due in the monthly General Account with Great Britain and Northern Ireland.

Inward Account

107. The Inward Account Current from London will contain only actual and original receipts and payments and will exclude all items which have been shown in the Outward Account. This account is received by the Accountant General, Pakistan Revenues, who sends extracts from it to the Accountant General, Punjab, Posts and Telegraphs Branch, Lahore.

108. On receipt of extracts of the Inward London account, the Accountant General, Punjab, Posts and Telegraphs Branch, Lahore, sends extracts from the schedules in form A. G. P. T. 517-A. to the Dacca Audit Office for adjustment in so far as that Office is concerned. All other adjustments are made by the Accountant General, Punjab, Posts and Telegraphs Branch, Lahore.

The month of account in which adjustment is effected by the Audit Offices is noted against each item of the Inward London Account by the Office of the Accountant General, Punjab, Posts and Telegraphs Branch, Lahore, at the time of preparing the Outward Account every month.

109. The following are the more important items that appear in the Inward London Account :—

- (i) Cost of passages.
- (ii) Rebate on passages collected in England.
- (iii) Recoveries of subscriptions to the General Provident Fund.
- (iv) Payments made to Office of the High Commissioner for Pakistan in London by certain Colonial administrations and protectorates in settlement of Money Order account with India.
- (v) Value of cash certificates discharged at the Office of the High Commissioner for Pakistan in London.
- (vi) Debits on account of advances made by the Office of the High Commissioner for Pakistan in London.
- (vii) Miscellaneous.

Rate of Conversion

110. Deleted.

111. The rules regarding exchange are given in Chapter 17 of the Account Code, Vol. IV. The debits and credits appearing in the Inward London Account Current which are adjustable under Revenue, Service or Capital heads are generally adjusted to those heads on the basis of the average rate of exchange. The amount adjustable to the London Account Current head is always based on the rate of 2s. 1-29|32d. to the rupee. The difference between the amount arrived at by applying the former rate or any other adjusting rate in force and the latter rate, viz., 2s. 1-29|23d. to the rupee is adjusted to the head "Exchange on Remittance Accounts". (Arts. 207 and 227 of Account, Vol. IV).

112. }
 113. }
 114. }
 115. } Deleted.
 116. }
 117. }
 118. }
 119. }
 120. }

ANNEXURE A

(See Article 49).

List of Account Officers who are in account with each Accountant General, Posts and Telegraphs Branch.

Names of the Accountants General, Posts and Telegraphs Branch	Names of Civil Account Officers	Names of Defence Account Officers	Names of Railway Account Officers
1. Accountant General, Punjab, Posts and Telegraphs Branch, Lahore.	1. Accountant General, Pakistan Revenues, Karachi.	1. Controller of Military Accounts, Rawalpindi.	1. Financial Adviser and Chief Audit Officer, North Western Railway, Lahore.
	2. Audit Officer, Industries Supply and Food, Karachi.	2. Controller of Military Accounts, (O. and C. H. Rawalpindi.)	2. Financial Adviser and Chief Audit Officer, East Bengal Railway, Chittagong.
	3. Comptroller, Sind, Karachi.	3. Controller of Military Accounts and Pensions, Lahore.	
	4. Accountant General, Punjab, Civil, Lahore.		

CHAPTER 3

Transfer Entries

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Introductory

121. The rules relating to transfer entries laid down in Articles 248 to 250 of the Account Code, Volume IV, apply *mutatis mutandis* to the accounts of the Posts and Telegraphs Department and should be carefully observed in the Office of the Auditor General and the Audit Offices.

Recurring Transfers

122. Recurring or periodical transfers are somewhat numerous in the Posts and Telegraphs accounts, and it is necessary for the Accountants in charge of the Book Sections of the Office of the Auditor General and the Audit Offices in the cases of entries made in their respective offices, to see that they are regularly made. A list of such transfers is given in Appendix 2.

Annual transfers should, as a rule, be avoided except in the cases mentioned in Appendix 2 and in cases of the nature referred to in Article 250 of the Account Code, Volume IV.

Watch of Periodical Adjustments

123. The Book Sections of the Office of the Auditor General and the Audit Offices should maintain a Broadsheet showing (1) all the periodical adjustments which are usually required to be made in the office, (2) the name of the Section responsible for making the adjustments, (3) due dates, and (4) the actual date of adjustment. With the help of this Broadsheet the Accountant in charge of the Book Section of the Office of the Auditor General, as well as of the Audit Offices should remind the sections concerned in time, so as to ensure that all adjustments are made as far as possible, before the close of the March Final Accounts. He should report to his Gazetted Officer any serious delay in making such adjustments on the part of the sections concerned (*vide* Article 249 of the Account Code, Volume IV).

The Broadsheet should be submitted to the Gazetted Officer for inspection as soon as the March Final Accounts are closed and again after the first and second batches of Journal entries are closed.

Correction of Accounts

T.E. 124. The general rules relating to the correction of errors in the accounts are laid down in Articles 246 and 251 of the Account Code, Volume IV, and are reproduced below, with the necessary modifications :—

- (a) If an item, which properly belongs to a revenue or service head, is wrongly classified under another revenue or service

head, the error may be corrected, at any time before the accounts of the year are closed, but, after the accounts of the year are closed, no correction is admissible. If the amount involved does not exceed ten rupees, and the mistake is discovered even before the accounts of the year are closed, no formal transfer is necessary, it being sufficient simply to make a note of the error against the original entry. If, however, the error affects the revenue and expenditure of different Governments, a Capital head outside the Revenue account or the transactions of a Commercial Department, it should be corrected by transfer, in all cases, as soon as the error is discovered.

Note 1.—Adjustments in rectification of errors affecting the Capital and Revenue Major Heads relating to years, the account of which have already been closed, should be made without financial effect by alteration of progressive figures in both the Revenue and Capital Sections of the Posts and Telegraphs Accounts in all cases.) This is done to prevent unnecessary inflation of the current year's accounts and the voting of grants of doubtful propriety which the inclusion of the correcting entries in the current accounts would otherwise involve.

The error relating to previous years should be noted in a register as soon as it is detected, and the total amounts of corrections to be made under each detailed head of account should be intimated to the Office of the Auditor General in the form of a statement by the 31st May each year for incorporation in the Finance and Revenue Accounts under Progressive Capital Outlay and Profit and Loss Accounts.) Corrections should also be made in the Loose Leaf Ledger and the Register of Works when necessary.

Note 2.—Erroneous classification of "Compensation for lost or damaged insured and other articles" and writes-off to "Profit and loss" should be rectified by transfer entries, however small the amounts may be.

Note 3.—Erroneous classification of charges against estimates for works shall be rectified so long as the sanction remains current.

(b) An error which affects a debt or remittance head must be corrected by transfer, however old and however small it is. If the accounts of the year in which the error took place are not closed, the correction is made by removing the item from the head under which it was wrongly taken to that to which it properly belongs. If the accounts of the year in which the error took place are closed, the following procedure should be observed:—

- (1) Item taken to one debt or remittance head instead of another,—the correction will be made by transferring it from the one to the other.
- (2) Item credited to a debt or remittance head instead of to a revenue head, or debited to a debt or remittance head instead of to a service head,—the correction should be made by transferring it to the head under which it should originally have appeared.
- (3) Item credited to a revenue head instead of to a debt or remittance head,—the correction should be made by debiting refunds and crediting the proper head.

- (4) Item debited to a service head instead of to a debt or remittance head,—the correction should be made by debiting the proper head and crediting "Fees and other receipts—other items."

125. As the budget estimates of the Posts and Telegraphs Department are not based on the separate accounts of Post or Telegraph Offices, and as the compilation of statements and returns in connection therewith is required to be made by Circles, for which the figures are available from the Detail Book, transfer adjustments are not required to be noted in the body of Classified Abstracts of the Postal Accounts or the classified accounts of the Traffic and Engineering Branches. But if any adjustment affects the details of Fund recoveries, etc., which are separately recorded in schedules appended to the Classified Abstract or the monthly accounts of the Traffic and Engineering Branches, a note of the adjustments should be made in the appropriate schedules.

126. When an adjusting transfer brings in an item on the authority of an original document, the number of the entry in the Adjustment Book should be noted across the item in that original document. The Accountant, who passes an entry in the Adjustment Book, is responsible for seeing that proper note is made, if the document on which it is to be made is within his charge, or for giving notice of the entry to the Accountant in whose charge the document is.

127. Whenever a transfer adjustment is made either debiting or crediting a Money Order, or Savings Bank Debt head, the Adjustment Register should be sent to the Money Order or Savings Bank Section, as the case may be, for note. The Accountant passing the adjustment is responsible to see that an adjustment of such kind is passed by him only after the item in the Adjustment Register is initialled in token of note by the Accountant of the Money Order or the Savings Bank Section.

Outline of Procedure

128. The general rules of procedure laid down in Rule 1 below Article 524, and Articles 252 and 258 of the Account Code, Volume IV, will apply in the compilation of adjustments of the Posts and Telegraphs Department.

129. The following Forms are prescribed for use for each circle:—

- (1) Adjustment Book.—P.W.A.-54.
- (2) Abstract of adjustments—A.G.P.T.-519.
- (3) Combined Transfer Ledger and Abstract—A.G.P.T.-AC-32.
- (4) Combined Transfer Ledger and Abstract (for use in Money Order Section only). A.G.P.T.-AC-32-A.
- (5) Register of transfer entries made (for use in Money Order Section only). A.G.P.T.-574.

129-A. (a) Each group under an Accountant in the Postal Accounts Section and every other section except the Money Order Section in the Audit Offices should maintain an Adjustment Book in Form No. P.W.A. 54 for each Circle separately. All corrections in accounts rendered necessary on account of periodical transfers or misclassification should

be entered in the Book with full particulars, initialled by the Auditor and passed by the Accountant or the Gazetted Officer. On the 15th of each month the books should be closed by totalling the entries on both the debit and the credit sides. Below the closing totals for the month, all the items of adjustment should be abstracted under the respective heads of account, and the abstract totalled. After the agreement of the totals of the debits and credits with the monthly totals already arrived at, a copy of the abstract should be made out in Form No. A.G.P.T. 519, duly signed by the Accountant and sent to the Book Section on the 16th of each month along with the "Adjustment Book". A "nil" abstract should be sent, if there are no adjustments in a month.

(b) Money Order Section should, however, follow the instructions in Article 458 of the Posts and Telegraphs Audit Code, Volume II, and furnish to the Book Section an abstract in Form No. A.G.P.T. 519 on the due date.

(c) In the Account Current Section, the form "Exchange Account Abstract" will include all adjustments relating to Civil, Military and Railway as well as items which are not received through any Exchange Account as mentioned below:—

The Inward Adjustment Registers of the Exchange Accounts will be posted in detail and at the end of the monthly postings, a consolidation will be made by each detailed head of account and the consolidated figures under each head will be posted in the Exchange Account Abstract in lump, in respect of each Exchange Account separately. In addition to the inward Adjustment Registers which are used only for items appearing in the Exchange Accounts, a separate Register for adjustment of (i) items of original credits and debits on account of funds, etc., advised by other Audit Offices (ii) items due to re-adjustment on account of write-back, etc., and (iii) items due to re-adjustment from one head to another, should also be maintained. A register in Form P.W.A. 54 will be maintained for the purpose and a consolidation made at the end of monthly entries, showing the total adjustments made under each head of account. The total of the adjustments in this Register for each head will then be inserted in the Exchange Account Abstract as additional items at the bottom of the Abstract and a grand total struck for posting in the Detail Book. There will be an Exchange Account Abstract in respect of each Posts and Telegraphs Circle for which a separate Detail Book is maintained. This Abstract will be divided into two parts—one for receipts and the other for expenditure.

(d) The Auditor, Book Section, will initial the Adjustment Books in token of having received the abstracts. The abstracts for each Circle should then be arranged by Sections and wanting ones called for. The entries in the abstracts received from different Sections should then be posted in the left hand column of the Combined Transfer Ledger and Abstract (A.G.P.T.-AC-32). The Consolidated total against each head in the latter should then be abstracted in the right hand columns of this form for posting in the Detail Book direct. It should be seen that the total of the debit side agrees with the total of the credit side.

130. From the Combined Transfer Ledger and Abstract for each circle, the figures will be posted in the corresponding columns of the Details Book, immediately under the total of cash transaction (see

130—140-B]

Article 164). The debits to a revenue head of receipts and the credits to a service head of charges will appear in the "Deduct" line, but all other entries (with the exception of those of the kind mentioned in Rule 1 under Article 254 of the Account Code, Volume IV) are entries of addition, and will appear in the "add" line.

131. The Abstract of adjustments received from the Audit Sections and the Combined Transfer Ledger and Abstract should be submitted to the Accountant General, Posts and Telegraphs Branch, or the Gazetted Officer in charge, with the Circle Abstract, when the latter is submitted for approval.

132. The Postal Insurance and the Government Security Sections of the Audit Office at Dacca will incorporate the transfer entries relating to the Postal Circle under the audit jurisdiction of that office in the local Detail Book and will submit to the Lahore Audit Office, by the 20th of each month, Abstracts of Transfer Entries relating to Postal Circles under the audit jurisdiction of that office, in Form A.G.P.T. 519, duly signed by the Gazetted Officer in charge.

133 to 136. Deleted.

137. The procedure for making corrections and abstracting them will be the same on the Telegraph Traffic, Telegraph Engineering and Wireless Accounts with this difference that the Abstract from the several Adjustment Books will be posted in a Primary Abstract or the Account Current form known as the "Adjustment Account". This "Adjustment Account" should be laid before the Accountant, Book Section, who will pass it in the same manner as a Departmental Disbursing Officer's monthly account.

138. Deleted.

139. Deleted.

140. The Adjustment Accounts referred to in Article 137 will be posted for addition or deduction, as the case may be, against "Transfers" under the various heads concerned, in the Detail Books under preparation at the time.

140-A. Deleted.

140-B. Deleted.

CHAPTER 4.

Consolidation of Accounts.

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Note.—The transactions under the following Abstracts are confined to a few Head Offices only. For the sake of convenience and economy, the detailed heads under these Abstracts are not printed in the main Classified Abstract, but separate Appendices are printed for recording the details under them as shown below :—

Abstract C—Direction—printed as Appendix A (Form No. A. G. P. T.-541).

Abstracts D—Account and Audit—printed as Appendix B (Form No. A. G. P. T.-542).

Abstract E—Control (Circle Offices)—printed as Appendix C (Form No. A. G. P. T.-543).

Abstract J—Postal Expenses—

I. General Superintendence, Railway Mail Service.

III. Sorting and other charges (Railway Mail Service Divisions under Heads of Circles).

IV. Conveyance of Mails.

All these are printed as Appendix D (Form No. A. G. P. T.-544).

Procedure in Posting

144. The general rule laid down in para. 5 of the Audit Manual, requiring that the audit of vouchers must invariably precede their posting in the Classified Abstract is not wholly applicable to the Pakistan Posts and Telegraphs Department, *vide* Article 12 of the Pakistan Posts and Telegraphs Audit Code, Volume I. The accounts for the first period are audited and the classification of the bills and vouchers, etc., checked before receipt of the accounts for the second period. When the accounts for the second period are received, the audit of the bills is postponed, but the amounts shown in the Cash Account are agreed with the totals of the several schedules, British Postal order lists, etc. The amounts shown in the latter are also checked with those shown in the bills and vouchers. The totals of the cash account and the schedules are checked arithmetically; and any discrepancy or error found is promptly brought to the notice of the Disbursing Officer. When this *prima facie* audit has been completed, the sub-auditor will classify the bills and schedules for the second period, and will then proceed to consolidate the charges on a separate sheet of paper according to the classification recorded on the bills, showing under each detailed head of account the gross amount of payment, as well as the deductions relating to each bill, irrespective of whether any charges pertaining to any bill have been placed under objection or not. (But see Article 22 of the Account Code, Volume IV, which applies to the Pakistan Posts and Telegraphs Department also). When all the bills have been posted, a proof of the accuracy of the postings should be effected by seeing that the net amount shown in the Schedule of Bills Paid agrees with the gross amount of Payments *minus* the deductions recorded in the compilation sheet. Similarly the items in the schedules of Unclassified Receipts and Payments will be consolidated on a separate sheet of paper and agreed with the totals of the Schedules concerned. The consolidated totals under each detailed head of account as shown in the compilation sheets will then be posted against the appropriate heads in the Classified Abstract, or if the charges relate to any of the Abstracts mentioned in the note to Article 143, in the appropriate appendices, the final grand total of the appendices being transferred to the main Classified

Abstract. In the Classified Abstract, detailed entries of Fund deductions should also be made in the pages set apart for the purpose, so as to facilitate the preparation of the Certified List of Fund recoveries which are furnished monthly to the Secretaries or Managers of the several Funds.

Note 1.—The deductions on account of the sterling and rupee branches of Provident Funds should be posted and accounted for separately.

Note 2.—The debit in the cash accounts under "Forward Postage" is deducted from the credit under "Letter Postage" and the net amount is taken to the head "Postage realised in cash" in the Classified Abstract.

Incorporation of Railway Mail Service Accounts

145. Bi-monthly cash accounts are submitted by the Head Record Clerks of Railway Mail Service Divisions (*vide* Article 378 of the Posts and Telegraphs Initial Account Code, Volume I). These are incorporated in the Classified Abstracts of the Head Post Offices concerned. The following is a general outline of the procedure which should be observed in dealing with these accounts.

146. For each Railway Mail Service bill there will be—

- (1) a charge under miscellaneous payments in the Head Office Cash Account supported by the Head Record Clerk's receipt, and
- (2) a charge in the Railway Mail Service bi-monthly Cash Account supported by the prescribed bill.

These must, in the first instance, be "agreed" by the auditor. The several entries on the payment side of the Cash Account should be checked with the vouchers and the arithmetical accuracy of the totals on both sides of the account should be tested and proved. The fund and other deductions on each bill must be noted on the head record clerk's receipt, and then added to the total of the payment side of the account. The revised total of the cash account for the 1st to 10th of each month should be carried forward to the cash account for the second period, so as to arrive at a grand total for each month. Beyond testing the total, no examination of items shown on the receipt side of the cash account need be made. The gross amount of the bills should be compiled on a separate sheet of paper by detailed heads, and posted in Appendix D and the total of Appendix D transferred to the Classified Abstract (*vide* Article 144). The deductions should be posted directly into the Classified Abstract from the entries made by the Auditor on the Head Record Clerk's receipts. The total of the gross posting in Appendix D *minus* the deductions posted in the Classified Abstract should agree with the total net payments for the month as shown in the Head Record Clerk's account.

Post Office Balances

147. The procedure relating to the treatment of balances in hand shown in the Head Office Cash Accounts will be as follows. The balances consist of:—

- I. Cash;
- II. Postage Stamps;
- III. Postage due on articles in Deposit;
- IV. Stamps other than Postage Stamps.

V. Revenue Stamps.

VI. Tobacco Excise Revenue Stamps.

Of these, the amounts of items I and IV will be summed up and posted in the proper columns in the General statement of account in part (I) of the Classified Abstract; while items II, III, V and VI will be dealt with in the manner indicated in Article 148.

148. The Auditor will ascertain the net difference between the opening and the closing balances under items II, III, V and VI and classify them respectively, under the following heads of account:—

- (i) Abstract A-I-Joint Receipts:—
 - (a) Sale of Ordinary Stamps.
- (ii) Abstract A-II-Postal Receipts:—
 - (a) Postage realised in cash.
- (iii) 'Provincial Revenue Stamps' in the account current with the Civil Accountant General concerned.
- (iv) 'Tobacco Excise Revenue Stamps' in the account current with the Civil Accountant General concerned.

If the balance is "diminished" the head of account will be credited and if "increased" debited (by deduction from credit in the case of items II and III and by a direct debit in the case of items V and VI).

The differences thus included in the amounts booked under "Sale of Ordinary Stamps" and "Postage realised in cash" should also be separately indicated at the bottom of the page of the Classified Abstract containing these heads of account. For the purpose of proving the accuracy of the month's entries in the Classified Abstract, (as contemplated in Article 150,) the net total of the differences under items II and III should be added to or deducted from the Abstract of Receipts at the end of the Classified Abstract, against "Postal Cash Balance". Similarly the amount booked under "Provincial Revenue Stamps" and "Tobacco Excise Revenue Stamps" should also be deducted from the Abstract of Receipts or Payment, as the case may be.

Balances of abolished Head Offices

149. When a Head Post Office is abolished and converted into a Sub-office, great care should be taken to prevent confusion in the transfer of the balances from the old to the new head office. The essential requirement is that the transfer is effected completely in one month's account. For example, in the case of a head office A, converted into a sub-office with effect from the 1st July and placed under another head office B from the same date, the balance held by A on the 30th June should be classified and posted under "Remittances" while that held by B should be increased by the balance of A, the latter being incorporated in B's account by a *per contra* credit to "Remittances", in the accounts for the same month.

Completion of the Classified Abstract

150. When all the postings on the Receipt and Expenditure sides of the Classified Abstract have been completed, the entries for the month under each minor head, should be summed up, and the totals transferred to the Abstracts of Receipts and Payments at the end of the Classified

Abstract. Finally, a proof of the accuracy of the month's entries should be effected through the memoranda inserted for the purpose at the end of these Abstracts.

151. The next stage in the compilation of the Classified Abstract is the preparation of the General statement of account in part (I) of the Abstract. The opening and closing balances of the month, which, as stated in Article 147, will be confined to the balances shown in the Cash Account under "Cash" and "Stamps other than postage stamps" only, will be entered in the appropriate columns, after comparison with the previous month's balances and verification with the Cash Balance report for the last working day of the month. The aggregate of the receipts and payments will be entered from the Abstracts of Receipts and Payments at the end of the Classified Abstract.

152. On completion, the sub-auditor will make over the Classified Abstract to the Auditor who, after examining it, will fill in the certificate in part (I) of the questionnaire which appears at the beginning of the Classified Abstract and submit it, together with the cash account and its supporting documents, to the Accountant. The Accountant, after applying the check indicated in the latter portion of part (I) of the questionnaire, will submit the Classified Abstract with the cash account, etc., to the Gazetted Officer in charge. After the Classified Abstract has been passed by the Gazetted Officer, it should be made over to the Detail Book Poster.

Classified Abstract for March

153. The column for March in the Classified Abstract should be posted from the supplementary Cash accounts for March, i.e., those that include the figures of the Sub and Branch Offices up to the 31st of the month. The ordinary Cash Account and the Cash Balance report for the month, which are received in advance, should be ignored.

Subsequent Corrections

154. After the Classified Abstract has been made over to the Detail Book Poster, no further corrections, etc., can be made by the auditor except by transfer entries, which should be examined and passed by the Accountant under the rules laid down in Chapter 3.

Due dates of completion of Classified Abstracts

155. The last Classified Abstract of each Postal Circle should be completed and made over to the Detail Book Poster on the 10th of the month following that to which the account relates, but most of the Abstracts should be completed long before that date, which is the outside limit for each Circle. The Accountant in charge of the Postal Accounts Section will keep a list of Classified Abstracts due, in the following form :—

Register showing the dates of completion of Classified Abstracts of—
circle during—

Name of Office	Due date of completion	Actual date of completion	When made over	Initials of poster	Remarks

This register should be reviewed by the Gazetted Officer on the last working day of each month.

Telegraph Traffic and Telegraph (including Telephone) Engineering and Wireless Accounts

155-A. A Primary Abstract of the cash book is submitted monthly by each Departmental Telegraph Office to its Audit Officer (*vide* Article 406 of the Posts and Telegraphs Initial Account Code, Volume I). As these accounts are rendered in a classified form, they are not posted in a Classified Abstract as in the case of the Post Office Accounts.

155-B. Similar classified cash accounts incorporated in the Account Current and Schedules are submitted by the Telegraph (including Telephone) Engineering Divisions. Wireless Regions and Radio Offices not in the jurisdiction of Wireless Regions.

The Accounts Officer, Telegraph Stores, Karachi, the Accounts Officer, Telegraph Workshops, Kotri, and the Officers-in-Charge of Branch Stores Depots at Sargodha and Dacca also submit classified cash accounts incorporated in the Account Current and Schedules similar to those of the Telegraph (including Telephone) Engineering Divisions to the Accountant General, Posts and Telegraphs Branch, Lahore.

155-C. On receipt of the Primary Abstract or the Account Current the auditor applies the preliminary check referred to in Article 144 and rectifies any error or misclassification found therein. The Primary Abstract or the Account Current is then submitted through the Accountant to the Gazetted Officer-in-charge. After approval of the Gazetted Officer, it is made over to the Detail Book Poster.

Statement of Disbursers' Accounts

156. The last stage before handing over a Classified or a Primary Abstract or an Account Current to the Detail Book keeper is the posting of the balances and totals in the statement of disbursers' accounts in Form A.G.P.T.-545. Each sub-auditor as he completes his Classified or Primary Abstract or Account Current, will post in it the entries relating to the Classified or Primary Abstract or Account Current. A separate statement of disbursers' accounts will be prepared for each Circle, Division or Region by posting the amounts relating to each Head Post Office, Telegraph Office, Radio Office, Telegraph Engineering Division and Wireless Region. The posting for all Post Offices should be made first and then for Telegraph Offices, Radio Offices, Telegraph Engineering Divisions and Wireless Regions. The total for all Post Offices will be shown below the last entry of the Post Offices, and similarly for Telegraph Offices, for Radio Offices, for Telegraph Engineering Divisional Offices and for Wireless Regional Offices. It is to be noted that Head Record Clerks of R. M. S. Divisions are not treated as disbursers for the purpose of this statement, as their accounts are incorporated in those of Head Post Offices. The statement of disbursers' account is, however, also prepared for the Accounts Officer, Telegraph Stores, Karachi, and the Accounts Officer, Telegraph Workshops, Kotri.

Note 1.—It may be convenient to note the several cases in which the auditors combine, each making his own entries to form a single statement :—

- (1) Register of special recoveries :—
(Article 355 of the Posts and Telegraphs Audit Code, Volume I).
- (2) Check register of cash remittances between Post Offices :—
(Article 244 of the Posts and Telegraphs Audit Code, Volume I).
- (3) Broad sheet of Treasury Suspense Account :—
(Article 263 of the Posts and Telegraphs Audit Code, Volume I).
- (4) Register of British Postal Orders transferred from one Post Office to another :—
(Article 163 of the Posts and Telegraphs Audit Code, Volume II).
- (5) Broadsheet of Deposits, 'Other Deposits' :—
(Article 289 of the Posts and Telegraphs Audit Code, Volume I).
- (6) Register of Permanent Advances :—
(Article 286 of the Posts and Telegraphs Audit Code, Volume I).
- (7) Broadsheet of Advances Recoverable :—
(Article 483 of the Posts and Telegraphs Audit Code, Volume I).
- (8) Broadsheet of Suspense Account :—
(Article 483 of the Posts and Telegraphs Audit Code, Volume I).
- (9) Register of recoveries and refunds on account of Money Order discrepancies :—
(Article 492 of the Posts and Telegraphs Audit Code, Volume II).

157. As soon as all the Abstracts of a Circle have been posted into the statement of disbursers' accounts, it should be totalled and made over to the Detailed Book keeper for completion, by entry in it of the amounts (if any) which pass into the accounts through the Combined Transfer Ledger and Abstract. The amount to be posted against the head 'Transfer' should be calculated in the manner described in Articles 55 and 258 of the Account Code, Volume IV.

158. The form thus prepared brings together the aggregate of the month's receipts and payments with the opening and closing balances of all Disbursing Officers, and so furnishes an effective check on the totals of the Circle Abstract. The grand totals of receipts and payments in the statement of disbursers' accounts and the Circle Abstract should always be equal.

After the disbursers' account has been reconciled with the Circle Abstract, it should be put up for the inspection of the Gazetted Officer in charge of the Section.

Detail Books

159. Particulars relating to a year's transactions of the Head Post Offices including R. M. S., Telegraph Traffic and Telegraph Engineering and Wireless Offices in a Circle are brought to account, from month to month, in a Detail Book. *which is called Detail Book.*

160. A separate Detail Book is maintained for each circle. The form of the Detail Book is A. G. P. T.-546 which is essentially the same as Form No. A. O. 46 and of which the arrangement is similar to that laid down in Article 233 of the Account Code, Volume IV.

161. As soon as each Classified or Primary Abstract and Account Current is ready, it should be made over to the Detail Book Poster concerned, who will at once proceed to post the figures in the Detail

Book. When the postings under each head have been completed, the total of the detailed items should be independently cast across the page to the total column of the Detail Book, without reference to the total already made in the Classified or Primary Abstract and Account Current.

162. The postings of the amounts under the detailed heads, and totals under minor heads should be checked independently with the entries in the Classified or Primary Abstract and Account Current. The person who checks the postings is required to put his initials at the foot of each page of the Detail Book, and if all the entries of a month on one page of the Detail Book are posted by one man and checked by another the poster and checker, severally, should place their initials at the foot of the page.

163. Deleted.

163-A. *Treatment of Cash and Imprest Balances.*—In the case of Telegraph Traffic, Telegraph (including Telephone) Engineering and Wireless Accounts the imprest balances are treated as part of the cash balances. The sum total of both as they appear at the end of each Account Current will therefore be posted in lump under the heads "Opening Balance" and "Closing Balance" as the case may be in the Disbursers' Accounts.

As regards stamp imprest balances a statement in Form A.G.P.T.-548 showing the details of these balances held separately in cash and stamps by the Departmental Telegraph and Radio Offices in a Circle at the end of each month should be compiled by the Audit Offices from the Stamp Imprest Account given at the end of the Primary Abstracts. The increase or decrease in the total cash portion of the imprest for a circle over the preceding month's holding should be adjusted by a transfer entry by credit or debit to "XIX—Posts and Telegraphs—Abstract A. I.—Sale of ordinary stamps", *per contra* debt or credit being given to "Suspense Account—Stamps Imprest held in cash by Telegraph Masters and Radio Officers".

Closing the Detail Books

164. After all the Classified Abstracts, Primary Abstracts and Account Currents of the Circle have been posted and the postings totalled, the amounts of Audit Office adjustments relating to the Circle should be incorporated by posting into the Circle Detail Books, under each detailed head, the net amount relating to it as worked out in the Combined Transfer Ledger and Abstract, *vide* Article 130.

165. The monthly total, including the Cash transactions and the postings from the Combined Transfer Ledger and Abstract, will then be struck and the Detailed Book made over to the Poster of the Circle Abstract.

166. } Deleted.
to }
171. }

Circle Abstract

172. The next process is the preparation of the Circle Abstract of Receipts and Payments of each Circle in Form No. A.G.P.T.-549. There should be one such Abstract for each month. Every head for which

a column is provided in the Detail Book must also appear in the Circle Abstract, and against each of these will be entered the total of the month's entries, i.e., total of cash transactions and Audit Office transfers as shown in the Detail Book.

173. The column headed "Total previous months" in the Circle Abstract should be filled in by the Audit Office from the previous month's total of the Detail Book. The other money columns, *viz.*, "Adjustments in the Office of the Auditor General—add—deduct", "Monthly total" and "Progressive total" will be left blank. These will be filled in by the Office of the Auditor General (*see* Article 136).

Note.—Heads for transactions which do not appear in the Classified Abstract (for instance, "Foreign Money Order") but pass in to the Postal Accounts through adjustments made in the Audit Office, will be printed in the Circle Abstract.

Closing the Circle Abstract

174. The total of the receipts and payments in the Circle Abstract will be checked against the statement of disbursers' accounts (*see* Article 158) from which will be posted, also, the opening and closing balances for the month. The grand totals of receipts and payments including respectively the opening and closing balances for the month, must always be equal for each Circle.

Despatch of Circle Abstracts

175. The Circle Abstracts should be forwarded to the Office of the Auditor General so as to reach that office by the 27th of the month following the month of account. Care should be taken that the despatch of the Circle Abstracts is not delayed, as on their punctual receipt in the office of the Auditor General depends the submission by that office, on due dates, of the several returns required by the Accountant General, Pakistan Revenues, the Director General and the Government of Pakistan. Circle Abstracts for the month of January should, however, be sent to the Office of the Auditor General four days earlier than the usual due date.

176. } Deleted.
to
187. }

Telegraph Check Branch Detail Book

188. A separate Detail Book is maintained for the accounts of the Telegraph Check Branch by Telegraph Check Branch of each Audit Office. This Detail Book is posted from the Primary Abstract of the Telegraph Check Branch prepared from the record of its transactions in the Cash Book, under Article 345 of the Message Revenue Audit Code. An Abstract of Receipts and Expenditure is prepared from the Detail Book and a copy of it is made over by the Telegraph Check Branch to the Book Section for forwarding it to the Office of the Auditor-General along with other Abstracts on the date mentioned in Article 175.

Stores and Manufacture Accounts

189. The transactions included under Stores and Manufacture Suspense lead to a double series of entries in the accounts, one portraying the effect on the stock and the other exhibiting the payment or receipt

of money. Accounts entries of the former kind are made strictly in accordance with the ordinary usage in double entry book-keeping, i.e., for every credit to one head, there must be a corresponding debit to another. Accounts entries relating to cash are made, on the other hand, according to the usual practice in Government Accounts; i.e., the payment or receipt is debited or credited to the proper head of account without a separate *contra* entry to another head of account. Thus, if articles worth Rs. 500 are purchased from a firm and brought on to stock the transaction of receipt of stores is included in the account as follows:—

	Rs.
Stock Debit	500
Purchase Account Credit	500

The payment to the firm, however, is debited to Purchase Account without a *contra* credit to cash.

Note.—The explanation given above does not take into account the theoretical aspect of debiting the total of disbursements to the Disburser in the Statement of Disbursers' Account or, in the case of a Department like the Posts and Telegraphs which draws its funds from Civil treasuries, of the credit to Civil Departments for the total amount of drawings.

190. The system explained in Article 189 requires that there should be two sets of initial accounts, one for recording transactions in stores, and the other for transactions in cash and book transfers relating to or consequent on the former. The abstracts of receipts and issues of stores described in Articles 349—358 of the Posts and Telegraphs Initial Account Code, Volume II, constitute the initial accounts of transactions of the first kind; and the monthly accounts of receipts and expenditure submitted by Officers-in-charge of the two Branch Store Depots under Article 625 *ibid.* coupled with the cash accounts of the Accounts Officer, Telegraph Stores, Karachi, and the Accounts Officer, Telegraph Workshops, Kotri; *vide* Article 297 of Posts and Telegraphs Initial Account Code, Volume II, constitute those of transactions of the second kind. A similar differentiation is observed in the earlier compilatory processes by which the initial accounts of the Department are prepared.

191. From the initial accounts referred to in Article 190, the office of the Accountant General, Punjab, Posts and Telegraphs Branch, Lahore, prepares two Detail Books one of transactions in "Stores" and the other of transactions in "Cash" (including Book-Transfers).

✓ Store Detail Book

192. The Stores Detail Book mentioned in Article 191 exhibits (besides all workshop transactions) all the stores transactions in so far as they relate to—

(i) The sub-suspense heads under "Stores Suspense", e.g., General Stores, Sales, Purchases, Stores in transit, etc.

(ii) Certain final heads under working expenses such as "unserviceable stores written off", "stock adjustment", "Losses of stores written off", etc., etc., the funds in respect of which are not controlled by the Divisional Engineers Telegraphs (including Telephones) and Engineers-in-charge Wireless.

(iii) The net monthly debit or credit to each Divisional Engineer and Engineer-in-charge in respect, of stores finally issued to or received from works and for the detailed accounting of which he is responsible to his own audit office.

193. To accommodate the net monthly debits or credits against Divisions and Regions referred to in Article 192 (iii) the name of each Engineering Division or Wireless Region is shown as a remittance head of account, and the net debit or credit pertaining to each Division or Region is booked in lump under these remittance heads.

194. In order to book the debits and credits to works and contingencies under the relevant final heads under Capital, Renewals and Working Expenses another Stores Detail Book is maintained separately for each circle by the Work Audit Section of each Audit Office in the same way as the Detail Book for cash expenditure is maintained. This Detail Book is posted from the monthly Stores Account Current received from the Divisional Engineers (*vide* Article 638 of the Posts and Telegraphs Initial Account Code, Volume II) and the abstracts of stores adjustments made in the Audit Office.

195. The Stores Detail Book mentioned in Article 194 exhibits the following :—

(a) Debits or Credits to the final heads under Capital, Renewals and Working Expenses, and

(b) Corresponding credits or debits to the respective Divisions or Regions, appearing under the remittance heads referred to in clause (iii) of Article 192.

196. Both the Stores Detail Books mentioned above are divided into the following three parts :—

I.—Receipts :

- (a) Deduct Working Expenses.
- (b) Net Receipts (XIX Posts and Telegraphs).
- (c) Suspense Accounts.

II.—Expenditure :

- (a) XIX Working Expenses, 21—Capital Outlay charged to Revenue, 69-A. Capital Outlay not charged to Revenue and 69-B. Renewals and Replacements of Wasting Assets debit to Renewals Reserve Fund.
- (b) Stores and Manufacture Suspense Accounts, *i.e.*, Appendices A-I and B-I to 69-A Capital Outlay (included in the Stores Detail Book of the Works Audit Section of the Lahore Audit Office only).

III.—Expenditure—Debt and Remittance heads :

- (a) Stores Remittance heads.
- (b) Suspense Accounts.

197. The total under Working Expenses in Part II is transferred by minus debit to the head "Deduct Working Expenses" in Part I. This is necessary as Working Expenses are taken in reduction of Gross Receipts, under the head "XIX Posts and Telegraphs" in the Government Account.

The Stores remittance heads appear in Part III only of the Detailed Books. The debits or credits booked by the Works Audit Section (Stores and Workshop portion) of the Lahore Audit Office under these heads are cleared by *per contra* minus debit or minus credit under the same heads in the Works Audit Sections of the two Audit Offices. These Stores remittances should on no account be mixed with cash remittances for which advices of transfer debit are exchanged between the Audit Offices. All that should be done is that the Works Audit Section (Stores and Workshop portion) of the Lahore Audit Office as soon as it has posted the Detailed Book should communicate to its own Works Audit Section as well as to that of the Dacca Audit Office the net debit or credit appearing against each Division in the Detail Book in a statement in form 'K'. It will be the duty of the Work Audit Section of the Audit Offices to see that the net debit or credit shown against each Division in this statement exactly tallies with the minus debit or minus credit appearing against the same Division in their Detail Book for the month. A certificate of agreement should be recorded by the auditor concerned on the statement in form 'K' before it is filed.

198. The Stores and Manufacture Suspense Accounts include three Sections, *viz.*, (i) General Stores, (ii) Workshop Stores and (iii) Workshop Manufacture. The arrangement of detailed heads and methods of posting are described in Annexure A to this Chapter. The method of posting illustrates the principle of double entry explained in Article 189, Sections (1) and (2) are totalled and balanced together while Section (3) is totalled and balanced separately, the balance consisting of the difference between the debits and credits to each Suspense Account.

199. It will be seen that in the Stores Suspense Accounts the amount of the net total represents solely the amounts of the following items, the other debits and credits adjusting each other:—

(i) On the debit side—

(A) For General Stores.

Receipts from Manufacture Account and from Workshop Stores by debit to stock.

(B) For Workshop Stores.

Receipts from General Stores or from Workshop Manufacture.

(ii) On the credit side—

(A) For General Stores.

Issues to works or offices and transfers to Workshop Stores.

(B) For Workshop Stores.

Issues to final service heads or to Manufacture or General Stores.

The net total of Section III.

Manufacture Suspense is represented solely by the following items, the other debits and credits cancelling each other:—

(i) On the debit side—Receipts of raw materials from Workshop Stores by debit to Manufacturing operation.

(ii) On the credit side—Issues to final service heads and to General Stores or Workshop Stores by debit to stock.

The grand total of all the three sections of the Stores and Manufacture Suspense Accounts will be determined solely by the issues to final heads under "69-A.—Capital Outlay not charged to Revenue", 21—Capital Outlay charged to Revenue, 69-B.—Expenditure debit to the Renewals Reserve Fund, XIX—Posts and Telegraphs—*Deduct Working Expenses*".

Stores Cash Detail Book

200. The Cash Detail Book is divided into the following parts:—

I.—Receipts.

- (a) Income-tax.
- (b) Net Receipts XIX—Posts and Telegraphs.
- (c) Debt and Remittance heads.

II.—Expenditure.

(a) Heads under XIX—Posts and Telegraphs—*Deduct Working Expenses*, 69-A.—Capital Outlay not charged to Revenues, 21—Capital Outlay charged to Revenues, and 69-B.—Expenditure debit to Renewals Reserve Fund.

(b) Stores and Manufacture Suspense Accounts, i.e., Appendices A and B to 69-A.—Capital Outlay.

III.—Expenditure—Debt and Remittance heads.

Part I, Part II (a) and Part III of the Stores Cash Detail Book as described above are similar to the other Cash Detail Books and are used to record the expenditure in cash (or by book transfers) debit to final heads of account incurred by the officers of the Stores and Workshops branches as well as by the Accounts Officers, Stores and Workshop. Part II (b) deals with the Suspense Accounts. The arrangement of the detailed heads and the method of posting are described in Annexure B of this Chapter.

201. The Cash charges including both adjustments of freight and indirect percentage charges in connection with the Stores accounts of the Divisional Engineers and Engineers-in-charge are booked in Part II of the Cash Detail Book of the two Audit Offices.

Submission to the Office of the Auditor General

202. Stores Circle Abstracts are prepared by the Audit Offices and submitted to the Office of the Auditor General on the 27th of the month following the month of account. The Lahore Audit Office submits additional Abstracts in respect of the Cash and Stores Detail Book of the Stores and Workshop Branch on the same date.

Stores and Manufacture Suspense Schedules

203. The Suspense Schedules are prepared in Form No. A. G. P. T.-553 by the Works Audit Section, Stores and Workshop portion of the office of the Accountant General, Punjab, Posts and Telegraphs Branch, Lahore. They are posted by combining the Stores and Workshop Suspense Accounts of the Stores Detail Book with the Stores and Workshop Suspense Accounts of the Store Cash Detail Book. The Stores Suspense Account includes

transactions of General Stores and those of Workshop Stores and consequently the first two sections of the Stores and Workshop Suspense Accounts of each of these two Detail Books are combined in the Stores Suspense Schedule while the Manufacture Suspense Schedule is posted from the third section only.

204 (a). In the Stores Suspense Schedule the following debit items are posted from the Stores Suspense Accounts of the Stores Cash Detail Book.

- (i) Charges in England—
 - (a) Par Value
 - (b) Loss or gain by exchange.
- (ii) Pakistan charges on English Stores—
 - (a) Customs duty.
 - (b) Landing charges.
- (iii) Purchase of Stores in Pakistan.

The remaining items are posted from the following sources :

- (i) Manufactured articles received from Telegraph Workshops—

This is posted from the Stores Suspense Accounts of the Stores Detail Book.

- (ii) Materials returned from works—

The value of Stores returned from works are booked under the final heads by the two Audit Offices in their Work Audit Section Stores Detail Books and these figures are communicated to the Accountant General, Punjab, Posts and Telegraphs Branch, Lahore, by the Audit Office concerned.

- (iii) Suspense Accounts—

- (a) Receipts—The figures relating to the head “Debit Suspended” or “Credit Suspended” if any, are posted under this head from the Stores Detail Book.

- (b) The credits to Stores Suspense Accounts are posted from the following sources :—

- (i) The book value of Stores issued to works or Offices.

These figures are communicated to the Accountant General, Punjab, Posts and Telegraphs Branch, Lahore, by the Audit Office concerned.

- (ii) Recoveries on account of sales—

These figures are posted from the Stores-Suspense Accounts of the Store cash Detail Book.

- (iii) The figures for “Stock Adjustment Account”, “unserviceable stock materials and losses written off” and “Deduct value of stores issued to works or manufacture from the unserviceable dump” are posted from the Stores Detail Book.

205 (a). In the Workshop Manufacture Suspense Schedules the debits are posted from the following sources :—

205—207]

I.—Direct charges

(i) *Raw materials drawn from stores.*

This is posted from the Workshop Manufacture Suspense Accounts of the Stores Detail Book.

(ii) *Labour and other Cash charges.*

This is posted from the Workshop Manufacture Suspense Accounts of the Store Cash Detail Book.

(iii) *On-cost.*

The total amount of recoveries of Workshop on-costs leviable on the manufactured articles as credited to Abstract 'O' of the Working Expenses is to be taken under this head.

(b) The credits to Manufacture Suspense Accounts are all posted from the Stores Detail Book excepting the following items which are posted from the Manufacture Suspense Accounts of the Stores Cash Detail Book :

(i) *Recoveries on account of sales.*(ii) *Net loss or gain on estimates.*

206. Amount under detailed heads of the Stores and Workshops Suspense Accounts of the Stores Detail Book other than those enumerated in Articles 204 and 205 are neglected in the posting with the result that the Stores Suspense and Manufacture Suspense Schedules are constituted entirely on the basis of receipts and payments of money in respect of stores and manufacture operations and thus correspond with the ordinary principles of the Government budget which is based on receipts and payments of money.

207 (a). The balance of the Stores Suspense Account thus represents the balance of outlay on Stores exclusive of unliquidated liabilities and unrealised assets. It differs from the actual value of stock in hand by the net outstandings under the sub-suspense accounts as shown below :—

Stock of Stores in hand.

Add outstanding under—

(i) Sales—representing unrealised value of Stores sold.

(ii) Stores in transit—representing value of stores issued from one depot (or head of account) but not acknowledged by another depot (or head of account).

Deduct—outstandings under (1) Purchases—representing value of Stores purchased in Pakistan but not paid for, (ii) London Stores—representing value of stores purchased in England payments of which have not been intimated.

Total—Balance of Stores Suspense Account.

(b) The balance under the Manufacture Suspense Account can be analysed similarly as follows :—

Value of works in progress—

Prime cost.

On-cost.

Add outstandings under—Sales—representing unrealised value of works done in the Workshops on payment.

Total—Balance of Manufacture Suspense Account.

(c) The net total of each suspense schedule (in other words the net difference between total debits and total credits) should be equal to the sum of the net totals of the corresponding sections of the Stores Detail Book and Stores Cash Detail Book.

(d) The Suspense Accounts work from balance to balance and the closing balance at the end of a month is obtained by adding to or subtracting from the balance at the beginning of the month the net difference between the total debits and total credits, according as the former is larger or smaller than the latter.

208. The suspense schedule prepared in accordance with the principles laid down in Articles 203 to 207 should be submitted to the office of the Auditor General by the 11th of the 2nd month following the month to which the account relates. When submitting the schedules for March Final and Supplementary accounts the opening and closing balances should be analysed in detail and these figures should be communicated to the Accounts Officer, Telegraph Stores, Karachi, for Stores Suspense Schedules and to the Accounts Officer, Telegraph Workshop, Kotri, for Workshop Manufacture Suspense Schedules, for reconciliation with the figures in the valued ledger and the various sub-ledgers maintained in their Offices for the sub-suspense heads. The figures for the monthly debits and credits appearing in the Detail Books under the sub-suspense heads should, also be communicated to those officers after submission of the monthly schedules to the Auditor General, for the same purpose.

208-A. The following checks should be exercised after submission of the schedules every month and if any difference is noticed, steps should be taken for their rectification.

- (i) That the value of stores posted in the Stores Detail Book as remittances to the Divisions agrees with the book value of Stores shown on the credit side of the Stores Suspense schedule.
- (ii) That the figures against the head "Stock Adjustment Account" "Unserviceable Stores written off", "Losses of Stores written off" and "Deduct value of Stores issued to Works or Manufacture from the unserviceable stores dump" appearing in the Stores Suspense Schedule agree with the corresponding entries under Abstract C.
- (iii) That the expenditure shown in the Stores Detail Book under Working Expenses and Capital Outlay on account of manufacturing works or repairs done in the Telegraph Workshops correspond with the total value of prime cost and on-cost of manufactured articles or repairs as shown on the credit side of the manufacture suspense schedule.
- (iv) That certain figures in the two suspense schedules, such as raw materials sent to Telegraph Workshops, etc., correspond with each other.

SECTION III.—*Procedure relating to the Adjustment of Receipts and Expenditure finally booked in England.*

209.
to
223-A. } Deleted.

Statements

224. Schedules showing particulars of Receipts and Expenditure finally booked in England are received monthly in the Lahore Audit Office from the Chief Accounts Officer to the High Commissioner for Pakistan

in London through the Accountant General, Pakistan Revenues, Karachi. Transactions, appearing in the Revenue portion are adjusted in the Book Section of the Lahore Audit Office while those appearing in the Capital portion are communicated by the Book Section to the Works Audit Section (Stores and Workshop portion) for adjustment and inclusion in the Store Cash detail Book.

Monthly Adjustments

225. The following procedure should be adopted in carrying out the adjustments monthly :—

The Sterling transactions will be converted into rupee currency at the average monthly rate of exchange communicated by the State Bank of Pakistan (*vide*, Article 230 of the Account Code, Volume IV) and the rupee equivalents will be debited to the appropriate heads of account in the relevant Abstracts under "XIX—Posts and Telegraphs—Deduct Working Expenses" by credit to Abstract P. The credit to Abstract P will be shown separately under the heads (i) par value, *i.e.*, the rupee equivalents of the sterling transactions converted at the rate of 2s.— $1\frac{29}{32}$ d. to the rupees, and (ii) Loss or gain by exchange, *i.e.*, the difference between the par value and the rupee equivalents at the average rate of exchange. The amounts representing the "Loss or gain by exchange" in Abstract P will thereafter be debited or credited to Abstract Q by a corresponding credit or debit, as the case may be, to the head "Exchange on Remittance Accounts".

The procedure described above will be applied *mutatis mutandis* for the accounting of similar transactions under the heads "XIX—Posts and Telegraphs—Gross Receipts" and "69—Capital Outlay".

Note.—The expenditure in respect of the subsidy for the carriage of mails by the P. and O. Steamers during each quarter of the calendar year finally booked in England is adjusted to the head "Payments under the Postal arrangements with the Lords of His Majesty's Treasury" in Sub-Division VIII of Abstract J.

Broadsheet

226. A broadsheet in the form shown below should be maintained in the Lahore Audit Office to watch that the sterling amounts for which adjustments are made in the books of the Pakistan Posts and Telegraphs Department agree with those in the monthly statements received from the High Commissioner for Pakistan in London through the Accountant General, Pakistan Revenues, Karachi. The register should be submitted to the Gazetted Officer in charge by the end of each month.

Broadsheet of English Expenditure

Months of accounts	Total amount in sterling	Equivalent amount in Rupee Currency	Adjusted in			Total
			April,	May,	And so on	
April ...						
May ...						
Etc. ...						
Total ...						

Cash and Stores transactions are incorporated in two separate General Abstracts. The first three entries mentioned above relate to the Cash General Abstract and the last three entries appertain to the Stores General Abstract. When the Stores General Abstract is compiled it should be seen that the figures under the "Stores Remittance" heads cancel each other leaving no balance to affect the grand total on the expenditure side.

233. There should be one General Abstract for each month for the transactions of the Pakistan Posts and Telegraph Department. In the first instance, it will be prepared in loose sheets, and on the completion of the month's posting bound up in three separate volumes, one for the Receipts portion, another for the Service expenditure under 'XIX—Posts and Telegraphs' and the third for the Debt head expenditure. Each item appearing in the Circle Abstracts and the Detail Books will be posted into the General Abstract by means of an accounting machine. The totalling on each page will also be done by means of this machine. When completed, the General Abstract will bring out, for the whole of the Pakistan Posts and Telegraphs Department, under each major, minor and detailed head of account, the total transactions for the month as well as the total progressive figures up to the end of the month.

NOTE.—A certificate should be recorded in the General Abstract below the Grand Total of Receipts and Expenditure for a month thus:—"Cross totals have been checked and the grand total of receipts and expenditure agreed." This certificate should be signed by the machine operator and the auditor of the compilation group and the General Abstract should then be submitted to the Accountant in charge of the Book Section for review.

234. Deleted.

General Statement of Disbursers' Accounts.

235. A General statement of all the disbursers' accounts for a month is prepared in the Office of the Auditor General in Form No. A. G. P. T.-545. In this form the names of circles are entered in column 1 and against these are posted the grand totals of receipts and payments as well as the opening and closing balances of each Circle.

The form thus prepared brings together the aggregates of the months' receipts and payments with the opening and closing balances of all disbursing officers and so furnishes an effective check on the totals of the General Abstract. The latter shows the amounts received and paid on all accounts while the former shows the amounts received and paid by all Accountants. The grand totals in both should therefore be equal.

SECTION V.—*Monthly and other periodical returns.*

Compilation and Despatch

236. A progressive statement in Form No. A. G. P. T.-556, showing the revenue and service charges of the Pakistan Posts and Telegraphs Department, will be compiled from the General Abstract and forwarded to the Director General, Posts and Telegraphs, on or before the 5th of the second month following that to which it relates.

In March, however, a statement showing service charges (Working Expenses only) for the month of January will be forwarded to the Director General of Posts and Telegraphs on the 1st day of the month. The remaining figures for Revenue and Capital will be furnished on the usual due date, viz., 5th of March.

It shows the appropriations for a year for the minor and detailed heads under each Abstract, and the actuals under these heads for, and the progressive figures up to, the month. The actuals for the previous year as well as the actuals for, and the progressive figures up to, the corresponding month of that year are also shown in the statement. Concise explanations of heavy difference between the appropriations and the actuals are given in the remarks column.

Note.—A summary of revenue and expenditure under certain heads in Forms A. G. P. T.-503 and 504 will be compiled circle by circle from the Circle Abstracts and forwarded to the Director General of Posts and Telegraphs on the 15th of the 2nd month following the month of account, for incorporation in the Bulletin of statistics published by the Director General of Posts and Telegraphs.

236-A. A statement showing Revenue and Expenditure of the Central Government appearing in the books of Posts and Telegraphs Department to the end of the month should also be compiled in the Book Section of the Office of the Auditor General and forwarded to the Accountant General, Pakistan Revenues, Karachi, so as to reach him on the 1st of the 2nd month following the month to which it relates.

237. An abstract account of progressive receipts and charges under major and minor heads will also be compiled from the General Abstract in Form A. G. P. T. 557 for submission to the Secretary to the Government of Pakistan in the Ministry of Finance, and the State Bank of Pakistan. The account should be despatched on or before the 20th of the second month following that to which it relates. Every care must be taken to make the account correct as the figures are printed by the State Bank of Pakistan and become the standard for reference. The Gazetted Officer in charge of the Book Section should personally examine the figures, as peculiarities in them may easily draw his attention to errors that may have been committed in the compilation of the account.

Note 1.—The accounts for March preliminary should be despatched to the State Bank of Pakistan on the 18th of May.

Note 2.—A separate statement showing the distribution of the credits and debits by provinces under the head "Accounts current between Civil and Posts and Telegraphs" is furnished to the State Bank of Pakistan along with this abstract account.

238. A statement showing the amounts booked under the head "Officers who retired on or before 1st April 1937" under "Abstract G—Pensionary charges" should be furnished to the Accountant General, Pakistan Revenues, on the following dates:—

- (i) figures for the whole year—By the 1st August of the year following that to which the figures relate;
- (ii) figures for the first six months—By the 15th November each year;
- (iii) figures for first eight months—By the 5th January each year.

238-A. A statement in Form No. S. Y. 129-B, showing expenditure against grant under '22 Interest on Debt and Other Obligations' for accounts for the months of September to December should also be furnished to the Accountant General, Pakistan Revenues, each year by the 15th of the 2nd month following the month to which the accounts relate.

239. Deleted.

SECTION VI.—March Final Accounts.

(a) Procedure in the Audit Offices.

240. As soon as the accounts for March preliminary are closed, an examination of the account figures should be made by the Audit Offices to see what corrections due to misclassification, errors and omissions are required to be made therein. These adjustments as well as the annual transfer entries referred to in Article 122 should be made in the accounts for March Final.

241. Adjustments made in the accounts for March Final should be posted in the Detail Books maintained in the Audit Offices, and a final total of the transactions including the figures for March preliminary should be brought out. A Circle Abstract should be prepared for March Final by the Audit Offices and submitted to the Office of the Auditor General so as to reach it on or before the 7th of July.

For Telegraph Check Office and Stores (both Cash and Stores) separate Detail Books should be forwarded to the Office of the Auditor General.

Note.—In respect of Wireless and Telegraphs (including Telephone) Engineering Accounts, separate accounts for March Supplementary are not received from the Disbursing Officers but all adjustments to be carried out in the accounts for March Final are noted in the Transfer Entry Books (see Article 137). Separate Account Current for each Circle will be prepared from these Transfer Entry Books and will be posted directly into the verified Detail Book.

242. Deleted.

243. Deleted.

(b) Procedure in the Office of the Auditor General.

244. The books of the Auditor General remain open for adjustments and transfers until the 31st July, when the final accounts for March are made up.

245. The preliminary accounts for March should be closed as usual and the monthly account returns should be submitted to the authorities concerned on the due dates. No transactions should be left over for adjustment in the final accounts which could very well be included in those for March preliminary.

246. On receipt of the Circle Abstracts for March Final, the Book Section of the Office of the Auditor General will incorporate therein all adjustments made in March Final Accounts in that Office. A General Abstract for March Final will then be prepared for the whole of the Pakistan Posts and Telegraphs Department in the manner laid down in Article 232. Another General Abstract will also be prepared taking into account progressive figures only up to March Final as shown in the Circle Abstracts and in the Detail Books. A reconciliation will then be made between the two sets of figures under the detailed heads under each Abstract, and errors and discrepancies which can be located on the spot should be set right by a formal transfer entry or by plus and minus entries (see Note below Article 246 of the Account Code, Volume IV), against the respective heads, provided that the figures reported monthly to the State Bank of Pakistan (*vide* Article 237) are not altered thereby. Due intimations of such corrections should be sent at once to the Audit Offices concerned for incorporation in the Detail Books concerned. Discrepancies or errors which cannot be located should be referred to the Audit Offices concerned and settled promptly.

247. After reconciliation, the progressive figures for March Final should be reported to the State Bank of Pakistan, the Secretary to the Government of Pakistan in the Ministry of Finance on the 31st July, in Form A. G. P. T.-557. A progressive statement in Form A. G. P. T.-556 showing the revenue and service charges of the Pakistan Posts and Telegraphs Department for March Final will also be sent to the Director General,

Posts and Telegraphs, on or before the 10th August. Although the final accounts for March may be corrected by subsequent entries (*see* Articles 248 *et seq.*), the despatch of these statements should not be delayed merely for the reason that they are not absolutely complete but every endeavour should be made to incorporate in them all adjustments and corrections that can possibly be made by the date of despatch.

SECTION VII.—*Adjustment after the Closure of March Final Accounts.*

Compilations

248. Correcting or additional entries made in the accounts of the Audit Offices for the past year, after the submission of the March (final) accounts, should be forwarded to the Office of the Auditor General in the form of Circle Abstracts, as the case may be, so as to reach that office by the 1st September. If any entries are made after that date, they should be reported in the same form by the 1st October, after which no entries can be made. These entries should be very few and mostly for rectifying misclassifications or errors in the accounts for the year just closed.

249. Correcting or additional entries made in the Office of the Auditor General after the despatch of the final accounts for March should in the first instance be incorporated in the Circle Abstracts received from the Audit Offices. From these documents a General Abstract will be compiled in the Office of the Auditor General for each batch of Journal Entries. An account should be rendered to the State Bank of Pakistan in Form A. G. P. T.-557 for each batch of Journal Entries. The account for the first batch should issue on the 10th of September and that for the second batch on the 10th of October, after which no entries will be permitted except with the previous consent of the Auditor General. The due date for submission of subsequent batches of Journal Entries after the second should be that prescribed by the Auditor General in each case.

Note 1.—The instructions contained in Article 244 of the Account Code, Volume IV, should be carefully observed.

Note 2.—The second batch of Journal Entries should contain only important items, save in so far as they relate to suspense heads. Adjustments after the close of the second batch of Journal Entries should be avoided as a general rule; but any specially important adjustments, which require to be made after the despatch of the second batch of Journal entries, should be reported to the Auditor General supported by an explanation from the Head of the Audit Office of the reasons why it could not be made earlier.

SECTION VIII.—*Miscellaneous.*

General Instructions

250. The following instructions should be carefully observed in the Audit Offices in closing the accounts for each month and for the year:—

- (i) The heads '20—Posts and Telegraphs—Interest on Debt' the credit side of 'Renewals Reserve Fund', 'Abstract N—Annual Contribution to Renewals Reserve Fund', and 'Extraordinary receipts on Capital Account' under 69-A, sub-head I under Abstract O, should not be operated on without the previous approval of the Auditor General.

Exception.—The annual adjustment of Interest on Capital invested in Stores and Workshops and the adjustment of Interest on Capital Works during the period of construction may be made without previous reference to the Auditor General.

- (ii) "Miscellaneous Post and Telegraph advances" should be cleared at the close of the year by adjustment to final heads.

- (iii) The total charges (Cash and Stores) for "I—Post Office— (a) Buildings" under 69-A should be transferred monthly from 69-A to 21—Capital Outlay on Posts and Telegraphs—charged to Revenue.

251. The cross checks referred to in Article 208-A in respect of Stores and Manufacture Suspense Schedules should also be exercised by the Office of the Auditor General.

ANNEXURE A.

Arrangement of Detailed heads in the Stores and Workshop Suspense Accounts of Stores Detail Book (See Article 198).

The table shown below indicates the arrangement of detailed heads in the Stores and Workshop Manufacture Suspense Accounts of the Stores Detail Book and the method of posting under each detailed head.

The *raison d'être* of the posting will be grasped easily, if it is remembered that the descriptive headings of Detail Book Sections are to be interpreted literally. Thus the value of stores 'sold' is posted under "sales" in the debit portion of the detail book because it is a debit to the head "sales" although that head appears on the credit side of the Suspense Schedule and the amount under the debit head is posted from the Abstract of Issues. Again the debits to "purchase" on account of payments of suppliers or credits to "sales" on account of recoveries from parties to whom stores are sold, do not appear in the Stores Detail Book but in the store cash Detail Book of the A. G., P. & T. Branch, Lahore.

Sections I and II.

Stores Suspense—General and Workshop Stores ... Method of posting.

(A) DEBITS.

1. Stock of General Stores—

(i) Receipts from Workshop Manufacture ... ..	...	...	} The amount should be posted from the consolidated Abstract of receipts, contra credits being allowed to Workshop Manufacture Suspense and Stock of Workshop Store.
(ii) Receipts from workshop stores ... ..	...	...
(iii) Receipts from other sources ... ..	...	...	} The sum of the totals under (i) Purchase, (ii) London Stores, and (iii) Stores in transit appearing in the consolidated abstract of Receipt and posted in the first instance against the corresponding heads in Section (B)—credits, should be taken under this head.

2. Stock of Workshop Stores—

(i) Receipts from General Stores	} The amounts of the first two items should be posted from the receipt side of the Account Current of Workshop Stores, contra credits being allowed to Stock of General Stores and Workshop.
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Sections I and II.—contd.

Stores Suspense—General and Workshop Stores

Method of posting.

(A) DEBITS—contd.

(ii) Receipts from Workshop Manufacture Suspense	}	Manufacture Suspense. Item (iii) should represent the sum of the amounts appearing under the heads "Purchase", "London Stores" and "Stores in transit" on the receipt side of the Account Current and initially taken under the corresponding heads in Section (B).
(iii) Receipts from other sources.		

3. Sub-Suspense heads—

(i) London Stores (General Stores)	}	The amounts should be those appearing in the consolidated Abstract of issues.
(ii) Stores in transit (General Stores)	...	...
(iii) Sales (General Stores)	...	...

(B) CREDITS.

1. Stock of General Stores—

(i) Issues to Workshop Stores (for issues from General Stores)	...	...	...	The amount is obtained from the consolidated abstract of issues, a contra debit being taken to stock of workshop stores in Section (A).
(ii) Issues to other heads	...	...	...	These figures represent the total of the consolidated Abstracts of issues minus the amount of item (i) above.

2. Sub-Suspense heads—

(a) London Stores—				}	These amounts should be posted from the consolidated abstract of issues and the Account Current of Workshop Stores (Credit) the contra debit being taken to stocks of General Stores and Workshop Stores—Receipts from other sources.
(i) General Stores	...	...	...
(ii) Workshop Stores	...	...	...
(b) Stores in transit—					
(i) General Stores	...	...	...
(ii) Workshop Stores	...	...	...
(c) Purchase—					
(i) General Stores	...	...	...
(ii) Workshop Stores	...	...	...

3. Stock of Workshop Stores—

(i) Issues to General Stores	}	Items (i), (ii) and (iii) are all posted from the Account Current of Workshop Stores (credit side), contra debit being taken to the Stock Accounts in Section (A).
(ii) Issues of raw materials to Workshop Manufacturers	...	...	...
(iii) Issues to other heads	...	...	...

Item (iii) represents sum of the Sub-suspense heads included in Section (A).

Section (III).

Workshop Manufacture Suspense.

Method of posting.

(C) DEBITS.

- | | | |
|---|--------|---|
| 1. Raw materials drawn from Workshop Stores | ... .. | The amount should be posted from the Account Current of Workshop Manufacture, a contra credit being allowed to the stock of "Workshop Stores", under Section (B) above. |
| 2. Receipts from other heads | ... .. | The value of casting turned out from foundry is taken to this head, a contra credit being allowed to the head "Store in transit" on the credit side. |
| 3. Sub-Suspense heads— | | |
| (i) Sales | ... .. | The sum total of prime cost and on-cost for works done on payment as shown on the credit side of the Account Current is posted to this head, a contra credit being taken to the heads "Issues to other heads", "Prime cost" and "on-cost" absorbed on issues to sales "on the credit side". |
| (ii) Stores in transit | ... .. | The value of castings issued to foundry is taken to this head, a contra credit being allowed to the head "issues to other heads" on the credit side. |

(D) CREDITS.

1. Issue to General or Workshop Stores—

Prime cost	...	...	...	...	...
On-cost	...	...	...	...	...

2. Issue to Service head—

Prime -cost	...	...	...	...	...
On-cost	...	...	...	...	...

Figures are posted from the credit side of the Account Current of Workshop Manufacture, contra debit being allowed to stock accounts of General and Workshop Stores and Capital and Revenue heads.

3. Issues to other heads—

Prime cost
------------	-----	-----	-----	-----	-----

The sum total of all heads on the credit side of the Account Current less the sum total of issues to General and Workshop Store is posted under this head.

4. Sub-suspense heads—

(i) Stores in transit
-----------------------	-----	-----	-----	-----	-----

Vide remarks against item C(2) above.

(ii) Sales—

Prime-cost	...	...	...	...	...
On-cost	...	...	...	...	...

The amounts are posted from the Account Current, vide also remarks against item (3) (i).

ANNEXURE B.

Arrangements of detailed heads and details of transfer entries in the Stores and Workshop Suspense Accounts of the Store Cash Detail Book.

Section I and II.

Stores Suspense—General and Workshop Details of Transfer entries.
Stores.

(A) DEBITS.

1. Charges in England on account of purchase of Stores including E xchange.	London stores	...	...	Dr.	
	(i) Charges in England Par Value.				
	(ii) Loss or gain by Exchange.				
	(1) Account between High Commissioner for Pakistan in London and Government of Pakistan	...	...	Cr.	
	"Revenue and capital transaction of the Government of Pakistan".				
	(iii) Capital accounts not charged to Revenue.				
2. Landing charges	...	...	...	(2) Exchange on Remittance Account Capital Outlay.	
3. Custom duty	...	...	...	Custom duty	... Dr.
				Civil Department	... Cr.
4. Purchase of stores—					
(i) Stores Depot	...	...	...	Purchase	... Dr.
(ii) Workshop	...	...	...	Civil or Military etc. Departments	Cr.
5. Sales	...	...	...	Adjustment departmental charges levied on issues of store debitable to sales.	
Total Debit	...	...	...	Abstract B.—Miscellaneous Revenue and Abstract O.—III—Credit.	

(B) CREDITS.

1. Realisation of book value and Departmental charges levied on stores debited to sales.	Book Adjustments made by debit to Civil, Military or Railway Department.
--	--

Workshop Suspense—Workshop Manufacture.

Section III ... Workshop Manufacture Suspense.

(C) DEBIT.

1. Labour and other charges	...	...	Labour and other charges	... Dr.
			Demand payable	... Cr.
2. On-cost account—				
Total on-cost credited to Abstract O	...	...	Manufacture Suspense Account	Dr.
			Abstract O.—Working Expenses	Cr.
3. Sales (surcharge in respect of works done in the Workshop on payment)	...	...	Sales	... Dr.
			Abstract B.—Miscellaneous Revenue	Cr.

*Sections I and II—contd.*Stores Suspense—General and Workshop
stores.

Details of Transfer Entries.

(D) CREDITS.

- | | | | | | | |
|--|-----|-----|-----|------------------------------|-----|-----|
| 1. Recoveries on account of sales | ... | ... | ... | <i>Abstract C-III (B)</i> | ... | Dr. |
| 2. Adjustment of net gain or loss on estimates | | | ... | Net gain or loss on estimate | ... | Cr. |

CHAPTER 5.

Appointment of General and Joint Heads.

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Introductory

252. The four branches of the Pakistan Posts and Telegraphs Department, the profit or loss in which has to be exhibited separately are (1) Post Office, (2) Telegraphs, (3) Radios, and (4) Telephones. In the various processes of accounts described in Chapter 4, all items of receipts and expenditure are booked, so far as they can be identified, as pertaining to a particular branch under a specific head relating to that branch. Items that cannot be so identified are of two classes:—(i) General items or items relating to all the four branches of the Department, e.g., pay of the Director General or the Financial Adviser and (ii) Joint items or items relating to two branches. Further, all expenditure of one kind is booked under one Abstract, even though portions of it can be definitely identified as relating to a particular branch; for instance, the whole of Interest on Capital Outlay is booked under one major head '20.—Posts and Telegraphs—Interest on Debt' although the interest chargeable to each of the branches is easily known from the Block Account. This is done for purposes of financial control and appropriation audit and the conflicting aims of unitary control and separate accounting are reconciled by dividing the Abstract concerned into suitable minor heads, e.g., (i) Post Office, (ii) Telegraphs, (iii) Radios, and (iv) Telephones.

253. The first step in the preparation of the Profit and Loss Account consists, therefore, of the apportionment, between branches, of General and Joint expenditure.

254. The heads under which general and joint expenditure is recorded in the accounts are as follows:—

Abstract A.—Postage and Message Revenue.

I.—Joint Postal and Telegraph Receipts.

Abstract B.—Miscellaneous Revenue.

I.—Joint Postal, Telegraphs including Radio and Telephone Receipts.

Abstract C.—General Administration.

I.—General Charges.

II.—Stores Depot and Workshops.

III.—Stores Account Office.

IV.—Charges in England.

V.—Loss or gain by Exchange.

Abstract D.—Account and Audit.

Abstract E.—Control (Circle Offices).

Abstract F.—Engineering Expenses.

I.—Research and Training.

II.—Divisional Offices.

A.—Supervision Joint.

Abstract G.—Pensionary charges.

I.—Joint and General charges.

Abstract H.—Stamps, Postcards, Printing and Stationery.

A.—Stamps, Postcards, etc.

I.—Joint charges.

B.—Stationery and Printing.

Abstract I.—Maintenance of Assets.

(a) III.—Research and Training.

(b) V.—Maintenance of Store Depot and Workshop Assets.

Abstract N.—Contribution to the Renewals Reserve Fund.

Abstract O.—Deduct credits to Working Expenses.

III.—Recoveries of Indirect and Freight charges on stores issued to works chargeable to Capital and Renewals Reserve Fund.
Amount recovered for custody of mobilisation stores.

IV.—Recoveries of on-cost on manufactured articles issued from Workshops.

20. Posts and Telegraphs—Interest on Debt.

Apportionment of Abstract A

Postage and Message Revenue

255. The sub-head "I.—Joint Receipts (Postal and Telegraphs)" appearing under Abstract A—is the only joint head of receipt of which the amount is divisible between the Post Office, and Telegraphs and Radio. The following detailed heads appear under this sub-head:—

- (a) Sale of ordinary stamps.
- (b) *Deduct*—Value of stamps used for realising customs duty.
- (c) *Deduct*—Refunds.
- (d) Sale of service stamps.
- (e) *Deduct*—Value of stamps affixed to Pakistan Postal Orders.

Chap. 5] APPORTIONMENT OF GENERAL AND JOINT HEADS. [256—256-A

256. The telegraph share of the "Joint Receipts" is comprised of the following:—

- (1) Value of stamps used on Inland and Foreign telegrams issued during the year.
- (2) Miscellaneous receipts through stamps, such as—
 - (a) stamps collected by Licensed Telegraph Systems,
 - (b) undercharges recovered in stamps,
 - (c) fees for registration of abbreviated telegraphic addresses collected in stamps.

Figures under all these items are intimated to the Office of the Auditor General by the Telegraph Check Branch of each of the two Audit Offices in an annual statement on or before the 25th of July (see Article 351-A of the message Revenue Audit Code).

The figures for Radio share of sale of stamps are also intimated to the Office of the Auditor General by the Telegraph Check Branch of each of the two Audit Offices by the 25th July each year.

256-A. (a) On receipt of the statement prescribed in the second sub-para. of Article 187—Posts and Telegraphs Initial Account Code, Volume I, the sale proceeds should be calculated by adding the totals of columns 2 and 3 and deducting therefrom the total of column 4 and credited to the head "Abstract B—Miscellaneous Revenue—II.—Telegraphs and Radio Receipts—Fees and other receipts—other items" by *per contra* debit to the head "Abstract A.—Postage and Message Revenue—I.—Joint Receipts (Postal and Telegraphs)—Sale of ordinary stamps".

On receipt of the statement prescribed in the third sub-para. of Article 187 of the Posts and Telegraphs Initial Account Code, Volume I, similar adjustment should also be made in respect of the amount shown in column 7 (value realised) of the statement.

(b) On receipt of the annual statements from the Heads of Circles, as well as the quarterly statements in respect of the publications of the Wireless Branch, as prescribed in Article 188, Posts and Telegraphs Initial Account Code, Volume I, the publications should be classified under the categories shown in column (1) of the table below, the total of the sale-proceeds should then be apportioned between the various branches of the Department at the percentage rates shown against each category in column (2) of the table below:—

Categories of the Publications	Percentage rates of apportionment of the sale-proceeds between the various branches of the Department
1. General	{ Postal 60 per cent. Telegraphs 34 per cent. Radio 1 per cent. Telephone 5 per cent.
2. Joint (Posts and Telegraphs)...	{ Postal 80 per cent. Telegraphs 20 per cent.
3. Joint (Posts, Telegraphs and Radio)	{ Postal 80 per cent. Telegraphs 18 per cent. Radio 2 per cent.
4. Joint (Telegraphs, Radios and Telephones)	{ Telegraphs 88 per cent. Radio 2 per cent. Telephone 10 per cent.
5. Telegraphs	Telegraphs 100 per cent.
6. Radio	Radio 100 per cent.
7. Telephones	Telephones 100 per cent.

The apportionments thus made will then be adjusted by credit to the detailed head "Fees and other receipts—other items" under the respective Sub-Division of Abstract B and debit to the head "Abstract A—Postage and Message Revenue—I.—Joint Receipts (Postal and Telegraphs)—Sale of ordinary stamps".

(c) The adjustments in respect of the annual statements should be made in the March (Final) accounts of the year to which the statements relate while those in respect of the quarterly statements should be made quarterly, the final adjustment being made in the March (Final) accounts of the year.

256-B. The total of the Telegraph and Radio share of gross sale of stamps thus worked out, should be deducted from the net total amount under "Abstract A-I.—Joint Receipts (Postal and Telegraphs)" as booked in the General Abstract for March Final after meeting the amounts of (i) Customs duty realised in stamps, (ii) Refunds and (iii) Adjustments on account of sale proceeds of publications indicated in Article 256-A. The residue of receipts under that head will then represent the Postal share.

Apportionment of Abstract B

Miscellaneous Revenue

257. The receipts booked under the sub-head "I.—Joint Receipts—Fees and other receipts" require apportionment. The detailed heads under this sub-head are—

- (i) Examination Fees, etc.
- (ii) Kiosk advertisement Receipts.
- (iii) Advertisement Receipts.
- (iv) Recoveries of indirect charges on stores issued to contribution works and sales.
- (v) Recoveries of freight charges on stores issued to contribution works and sales.

The receipts under (i), (ii) and (iii) are to be apportioned to the four branches in the following ratios :—

- (i) Examination fees—Postal 50%, Telegraphs 28%, Telephone 20% and Radio 2%.
- (ii) Kiosk Advertisement Receipts—Telegraph 25% and Telephones 75%.
- (iii) Advertisement Receipts—Postal 60%, Telegraphs 34%, Telephone 5% and Radio 1%.

The receipts under (iv) and (v) are to be apportioned to Telegraphs, Radio and Telephone in the proportion of book value of stores consumed in the branches, i.e., in the same ratios which are prescribed for apportionment of the charges under C-III in Article 260.

Apportionment of Abstract C

General Administration

258. The sub-divisions under 'Abstract C' are 'I—General charges', 'II—Stores Depot and Workshops', 'III—Stores Accounts Office', 'IV—Charges in England' and 'V—Loss or gain by Exchange'. The procedure of apportionment of these sub-divisions is described in Articles 259 to 260-A below.

259. The charges booked under the sub-head "I—General charges" of "Abstract C—General Administration" are apportioned between the four branches of the Department on the basis of the following percentages :

Post Office 50 per cent., Telegraphs 22 per cent., Telephones 19 per cent., Radio 9 per cent.

260. The charges booked under the sub-heads 'II—Stores Depot and Workshops' excluding those relating to value of unserviceable material written off and 'III—Stores Account Office' should be apportioned between Telegraphs, Radio and Telephones in the proportion of the book value of the stores consumed in the branches, whether on original or reconstruction works or on maintenance, the value of Stores debited to Abstracts or portions of Abstracts which are general or joint being neglected.

The Accountant General, Posts and Telegraphs Branch, Lahore, submits, by the 10th July each year, a statement showing the apportionment of the net value of unserviceable materials written off (after deduction of the amount of sale proceeds) under each of the heads (i) Telegraphs, (ii) Telephones, (iii) Radio and (iv) General (*vide*.....article of the Posts and Telegraphs Audit Code, Volume III). The figures shown under "IV—General" should be distributed in the proportion of the figures for each branch shown against (i), (ii) and (iii) in the statement.

260-A.—The charges booked under the sub-divisions 'IV—Charges in England' and 'V—Loss or gain by Exchange' are apportioned in the manner indicated below :—

The detailed heads under "IV—Charges in England" are (i) Leave salary and deputation pay (ii) Sterling overseas pay (iii) Allotments of pay of officers (iv) Miscellaneous. The charges booked under (i), (ii) and (iii) relate to all officers of the Department (excluding those of the Account and Audit). The charges should, therefore, be apportioned amongst the different branches in the same proportion in which the pay charges of the officials concerned are apportioned. For this purpose the leave salary or deputation pay and allowances of an official drawn in England should be treated as relating to the sub-division of the Abstract to which the pay of the official before proceeding on leave or deputation was debited. The sterling overseas pay and allotments of pay should be treated as relating to the sub-division of the Abstract to which the officer's pay for the year is debited. Soon after the receipt of the accounts up to March of the High Commissioner for Pakistan through the Accountant General, Pakistan Revenues, the Lahore Audit Office will make up a list of officials who have drawn leave salary, sterling overseas pay, etc., in England during the year. The Lahore Audit Office will show the head of account (Abstract and its relevant sub-division) to which pay of each official is debited in the portion of the list relating to it and send it to the Office of

the Auditor General. The portion of the list relating to the Dacca Audit Office will be sent to that Office by the Lahore Audit Office for giving similar information therein and then sending it to the Office of the Auditor General. On receipt of the duly completed lists from both the Audit Offices the charges relating to each official should be compiled according to the relevant Abstract and its sub-divisions. The total amount thus worked out under the general and joint heads under each Abstract should then be apportioned in the proportion in which the general and joint charges of the Abstract concerned are apportioned.

The charges booked under the detailed head '(iv)—Miscellaneous' should be apportioned on the basis of the information given in the statement received from the High Commissioner for Pakistan.

The amount booked under the sub-division "V—Loss or gain by Exchange" should be apportioned in the ratio in which the total amount under "IV—Charges in England" is distributed to each branch.

Apportionment of Abstract D

Account and Audit

261. The entire expenditure of the office of the Accountants General, Posts and Telegraphs Branch, should be distributed among the heads noted below :—

- (i) Post Office.
- (ii) Telegraph Traffic.
- (iii) Telegraph Engineering.
- (iv) Telephone.
- (v) Radio.

262. The apportionment under the above heads should be made as follows :—

I. Pay and allowances of clerks and Subordinate Accounts Services (Permanent).

(1) This should be divided into two categories :

(a) Direct work, and (b) General work.

(a) *Direct work*.—The cost of the staff of the sections or works, which can be directly taken to any particular head mentioned above, should be taken to that head. For instance, Savings Bank, Cash Certificate, Money Order, Postal Accounts, Telegraph Traffic, etc., etc., come under this category.

Note 1.—The cost of Telegraph Technical Audit and Telegraph Engineering Sections should be distributed among the four branches in proportion to the cash expenditure on original and repair works of the three branches, Telegraphs, Telephones and Radio as well as that on building works of the Postal Branch done through Departmental agencies. In the case of building works of all the branches done through outside agencies only half the expenditure should be taken into account. If, however, any staff in the Sections can be identified for any branch, the cost thereof should be taken to the branch concerned.

The cost of Inspection staff should be distributed between Telegraph Traffic, Telegraph Engineering and Post Office in the ratio of time taken by the staff in inspecting these offices, Postmaster-General's office being included under Post

Office. The cost of inspection of Engineering Divisions should then be further distributed in the manner prescribed in the previous paragraph.

Note 2.—Pay of the clerks engaged in the Postal Accounts Section for audit of the Postmaster General's office and the Director General's office bills should be treated as 'general work' and distributed to the branches as indicated below.

Note 3.—The cost of stores and workshops audit should be apportioned between "Telegraph Engineering" "Radio" and "Telephone" in the proportion of the stores consumption in each branch.

(b) *General work* :—

- (i) The cost of staff employed in General Provident Fund, Gazetted Audit and Pension sections should be distributed with reference to the number of accounts, officers, and cases respectively relating to each head mentioned above.
 - (ii) The cost of the staff engaged in the Book, Account Current, Higher Audit and in the audit of the Postmaster General's Office and the Director General's Office bills, should be distributed to the different heads in the ratio obtained for both the Direct work and General work in item (i) above.
 - (iii) The cost of the staff engaged in the General Record Section should be distributed in the ratio obtained for both Direct works and General works in items (i) and (ii) above.
- (2) Pay of permanent establishments and allowances should be apportioned separately, as separate figures for pay of permanent establishment are required for apportionment of pensionary contribution.
 - (3) The pay and allowances of men actually engaged in the section or work should be taken into account.
 - (4) The pay of reserve clerks should be distributed to sections in the proportion of the number of men sanctioned for sections, and then apportioned as described above.

II.—PAY OF TEMPORARY ESTABLISHMENTS

The pay temporary clerks should be taken to the sections for which they are sanctioned, and distributed according to the method described in Section I above.

III.—PAY AND ALLOWANCES OF OFFICERS

(1) The pay and allowances of the Accountant General (as debited to the Post and Telegraph Branch) and Deputy Accountant General should be distributed amongst the heads in the proportion of the entire pay of sub-ordinates, Office Establishment, Assistant Accounts Officers and Menials.

(2) The pay and allowances of the Assistants Accounts Officers should be distributed in the proportion of the charges for the Sections of which they hold charge.

IV.—PAY OF MENIALS

The distribution of the pay of menials should follow the distribution of the pay of the staff in the section to which they are attached or the pay of the officers as the case may be.

V.—CONTINGENCIES (INCLUDING REPAIRS TO BUILDING)

The contingent charges which can directly be taken to any particular head should be debited to that head. The rest of the charges which are general in character should be distributed in the ratio of the entire charges of the officers and staff enumerated above.

263. The distribution of charges for all the heads as described in Article 262 above should be consolidated in the following form, and submitted to the Office of the Auditor General by the 31st July each year :—

*Apportionment of expenditure for the year 19....relating to.....
Audit Office booked under "Abstract D."*

Post office	Telegraphs.						
		Traffic	Engineer- ing	Telephone	Radio	Total	
	1	2	3	4	5	6	7
1. Pay of Officers ...							
2. Pay of Permanent Establishment.							
3. Total							
4. Pay of Temporary Establishment.							
5. Allowances, Honoraria.							
6. Contingencies including repairs to buildings.							
Total.....							

NOTE 1.—Care should be taken to see that the total figures agree with the amount booked in the accounts including March (Final) of the year.

NOTE 2.—The statement should show only the gross expenditure. The deductions for the cost of life Insurance Section debitable to Post Insurance Fund which will be included in the figures under column 2 may be indicated separately in the foot-note of the statement.

NOTE 3.—1/23 rd of the amount of account of the Telegraph Check Branch should be taken a Radio share, and the rest as "Telegraph Traffic" in the statement by each Audit Office.

264. The charges relating to the Office of the Auditor General (Post and Telegraph portion) should be apportioned in proportion of the pay relating to the Post and Telegraph Audit Offices under the control of the Auditor General.

265. Deleted.

266. On receipt of the statements from the Audit Offices *vide* Article 263 above, the Book Section of the Office of the Auditor General should consolidate the figures and include therein the figures for the Office of

the Auditor General, *vide* Article 264 above. The total figures thus worked out for different branches of the Department should be taken to the Profit and Loss Accounts of the Department.

266-A. Charges in England and Loss or gain by Exchange are apportioned amongst the four branches in the ratio of the pay charges relating to the two Audit Offices.

Apportionment of Abstract E

Control (Circle Offices)

267. The charges booked under 'Abstract E—Control (Circle Offices)' should be apportioned between Postal, Telegraph, Radio, and Telephone branches in the ratio of the respective shares of pay of officers and establishment under the following minor heads:—

- (i) *Abstract J.*—Excluding the share of pay charges relating to combined Offices.
- (ii) *Abstracts F-II-A., F-II-B and F-II-C.*—
- (iii) *Abstract K.*—Including the share of pay charges relating to combined Offices.
- (iv) *Abstract L.*—
- (v) *Abstract M-I.*—

Apportionment of Abstract F

Engineering Expenses

268. The Director General is responsible for the administrative control of Telegraph Engineering and of Telephone Engineering and Traffic; and the same unification of functions exists practically throughout the Engineering Branch. On the Telephone side, the Engineering Branch is responsible not only for maintenance, but for the handling of traffic, while on the Telegraph side the technical maintenance of lines as well as of apparatus rests with the Engineering Branch, but the control and handling of traffic is entrusted to an entirely separate branch called Telegraph Traffic.

269. Telephone Trunk wires are treated as being rented to the Telephone Branch at a rate intended to cover interest on capital cost, depreciation and maintenance. In the accounts, therefore, both Capital and Revenue expenditure on Telegraph and Telephone Trunk lines and wires are booked under the head, Telegraphs, while lines and wires constituting local Telephone systems are booked under Telephones. Telephone Trunk apparatus, however, is not governed by this arrangement, but constitutes Telephone property.

270. The following are the sub-heads of Abstract F, which require to be apportioned:—

- I.—Research and Training.
- II.—Divisional Offices —
 - A.—Supervision (Joint).

271. Apportionment of Abstract F-II-A.—The following percentages have been fixed for the apportionment of the expenditure booked under F-II-A. Telegraphs 57 per cent., Telephones 38 per cent., and Radios 5 per cent.

272 to 277. Deleted.

278. Apportionment of Abstract F-I—Research and training—Joint Charges—Telegraph, Radio and Telephone.

Sub-head 'F-I—Research and Training' includes the pay and allowances and other charges of the staff subordinate to the Director General meant for this purpose. The apportionment of these charges should be done on the basis of the following percentage fixed by the Director General :—

	Per cent.
Telegraphs	20
Telephones	45
Radios	35

279. and 280. Deleted.

Apportionment of Abstract G

Pensionary Charges

281. The amount under Abstract G. I.—Pensionary Charges—General and Joint should be apportioned between the four branches of the Pakistan Posts and Telegraphs Department in proportion of the gross pay and leave salary of the permanent pensionable staff employed in each branch.

The respective shares of gross pay and leave salary of general and joint staffs booked under the various general and joint heads, determined as already described in this Chapter, should be added to the gross pay and leave salary of the staff belonging exclusively to each branch.

Note 1.—Recoveries from outside departments or for supervision of capital and reconstruction works by revenue staff should not be taken into account, because the rates at which they are made are supposed to be inclusive of pensionary charges, etc.

Note 2.—The amount of pay included in the Telegraph share of combined office charge should be treated as a Telegraph item.

Note 3.—Leave and deputation salaries and sterling overseas pay, booked in the Accounts of the Chief Accounts Officer, Office of the High Commissioner for Pakistan in London should be taken into account in this calculation.

Note 4.—The pay of non-pensionable establishment, viz., Extra Departmental Agent and Delivery Allowance in J. II should be excluded from the calculation.

Apportionment of Abstract H

I.—Stamps, Postcards, etc.

282. The amount of Abstract H.—I-A Joint Charges which includes the following items should be apportioned between Post Office and Telegraphs in the proportions shown against each :—

	Post Office	Telegraph
(i) Share of Establishment and contingencies of Stamp Office	$\frac{31}{32}$	$\frac{1}{32}$
(ii) Cost of printing and over-printing of Postage Stamps and	$\frac{15}{16}$	$\frac{1}{16}$
(iii) Conveyance and freight charges of Stamps and Postal Stationery.	$\frac{999}{1000}$	$\frac{1}{1000}$

It should be verified each year by the Director General whether these ratios continue to represent the true shares applicable to the two branches. The principle of apportionment to be adopted for purposes of this verification is described in Article 283.

283. The basis for apportioning the establishment charges and the cost of printing, between the Postal and Telegraph Branches, depends on the estimated number of stamps used for collecting the revenue of either branch. The calculation is made thus :—

(a) From the amount realised on account of sale of stamps in a year should be deducted the value of Postal Stationery like post cards, envelopes and wrappers, etc. The balance represents the total Departmental revenue realised from the sale of stamps, which is shared between Post Office and Telegraphs as calculated in Articles 256 and 257. Let these shares be X and Y. For estimating the numbers of stamps used to realise these amounts, it may be assumed that the Postal share is derived from the sale of one-anna stamps and the telegraph share from that of one eight-anna and one four-anna stamps used together. On this assumption the numbers will be—

$$\text{Postal : } X \times 16 = X_1 \text{ (say).}$$

$$\text{Telegraphs : } Y \times 16 \times \frac{1}{12} \times 2 = Y_1 \text{ (say).}$$

$$\text{The telegraph share will therefore be } \frac{Y_1}{X_1 + Y_1}$$

For purposes of apportionment of printing charges a deduction of 10 per cent. on this share is, however, necessary to make allowance for the large number of high denomination stamps used by Telegraphs. The telegraph share of cost of printing charges should therefore be represented by the ratio

$$\frac{9Y_1}{10(X_1 + Y_1)} = \frac{1}{A} \text{ (say).}$$

(b) The heads establishment charges and conveyance charges include those in respect of Postal stationery as well. The value of these articles is usually about one-third of the total sale of stamps, etc., but post cards, envelopes, etc., entail heavier storage and incidental, expenses than stamps. The share of establishment charges relating to these articles of Postal stationery is, therefore, computed at one-half of the total. The other half may be assumed to represent similar charges on 'Stamps' including both

the Postal and the Telegraph shares and is divided between the branches on the same basis as the cost of printing. The telegraph share of the total charge for stamp office incidentals would thus come to $\frac{1}{2} \times 1 \frac{1}{2} A$.

II.—Stationery and Printing

283-A. The charges under this sub-head are booked for each branch separately except those for the Radio Branch which are not shown separately but merged in those for the Telegraph Branch in the General Abstract. It has, therefore, been decided that 1 per cent. of the total amount booked under the sub-head "B.—Stationery and Printing" should be taken as the Radio share. The Telegraph share will, therefore, be obtained by deducting the Radio share from the total amount booked under "Telegraphs including Radios."

Abstract I.—Maintenance of Assets

283-B. The only heads under this abstract which require apportionment are, (b) III—Research and Training Joint Charges and (b) V—Maintenance of Stores Depot and Workshop Assets. The charges appearing under "Research and Training" are apportioned in the proportion in which the charges appearing under 'Abstract F-I—Research and Training' are apportioned, while the charges appearing under "Maintenance of Stores Depot and Workshop Assets" are distributed in the proportion of the book value of stores consumed in each branch.

Apportionment of Abstract N

283-C. The Renewals Reserve Fund receives credit for all annual contribution from Working Expenses of such amount as may be fixed by the Government from time to time and shown in Annexure C to Chapter 3 of the Posts and Telegraphs Initial Account Code, Volume I. The amount should be apportioned between the four branches of the Department according to the percentages intimated by the Director General for each year.

Apportionment of Abstract O

Deduct—Credits to Working Expenses

284. The only heads under this Abstract which require apportionment are (1) 'Amount recovered for custody of mobilisation stores' appearing under 'III—Recoveries of Indirect and Freight charges on stores issued to works chargeable to Capital and Renewals Reserve Fund' and (2) 'IV.—Recoveries of on-cost on manufactured articles issued from Workshops. As the amount under the former head represents share of supervision charges for custody of mobilisation stores recovered from the Military Department, and that under the latter head represents share of supervision charges debited to the Manufacture Suspense Account, the credit in both cases should be distributed to the branches in proportion of the book value of stores consumed in each branch.

Appointment of 20 Posts and Telegraphs—Interest on Debt

285. The only head requiring apportionment is "Average Interest Bearing Balance of Stores and Manufacture Suspense" initially merged under "Telegraphs". The amount should be distributed in the proportion of the book value of stores consumed in each branch.

286 to 288. Deleted.

Adjustment

289. As soon as the accounts for March final are closed, all receipts and expenditure of the Pakistan Posts and Telegraphs Department under General and Joint heads will be distributed among the branches in accordance with the rules for apportionment described in Articles 255 to 285, suitable forms in manuscript being used for the necessary calculations. The amounts recorded under General and Joint heads should then be transferred to the branch sub-heads by a journal entry which should be prepared thus:—

1. Debit (*Deduct from Credit*)—
 - Abstract A.—Postage and Message Revenue.
 - I.—Joint Receipts.
 - To
 - Abstract A.—Postage and Message Revenue.
 - II.—Postal Receipts.
 - III.—Telegraph receipts.
 - Radio Receipts* Credit.
- 2.—Debit (*Deduct from Credit*)—
 - Abstract B.—Miscellaneous Revenue.
 - I.—Joint Receipts.
 - To
 - Abstract B.—Miscellaneous Revenue.
 - II.—Postal Receipts.
 - III.—Telegraph receipts.
 - Radio Receipts*.
 - IV.—Telephone Receipts. Credit.
 - 3. Credit (*Deduct from Debit*)—
 - Abstract C.—General Administration.
 - I.—General charges.
 - III.—Stores Depot and Workshops.
 - IV.—Stores Accounts Office.
 - V.—Expenditure in England.
 - By
 - Abstract C.—General Administration.
 - Postal*.
 - Telegraphs*.
 - II.—Radios.
 - Telephones* Debit.
 - 4. Credit (*Deduct from Debit*)—
 - Abstract D.—Account and Audit.
 - I.—Posts and Telegraphs Audit Offices.
 - By
 - Abstract D.—Account and Audit.
 - Postal*.

Telegraphs*.
 Radio*.
 Telephones* Debit.

5. Credit (*Deduct from Debit*)—

Abstract E.—Control (Circle Offices).

By

Abstract E.—Control (Circle Offices).

Postal*.
 Telegraphs*.
 Radios*.
 Telephone* Debit.

6. Credit (*Deduct from Debit*)—

Abstract F.—Engineering Expenses.

I.—Research and Training.

II.—Divisional offices.

A.—Supervision (Joint).

By

Abstract F.—Engineering Expenses.

Telegraph*.
 Radios*.
 Telephones* Debit.

7. Credit (*Deduct from Debit*)—

Abstract G.—Pensionary charges.

I.—Joint and General charges.

By

Abstract G.—Pensionary charges.

Postal.
 Telegraphs.
 Radios.
 Telephones Debit.

8. Credit (*Deduct from Debit*)—

Abstract H.—Stamps, Postcards, Printing and Stationery.

A.—Stamps, Postcards, etc.

I.—Joint charges.

B.—Stationery and Printing.

By

Abstract H.—Stamps, Postcards, Printing and Stationery.

Postal.
Telegraphs*.
Radios*.
Telephones Debit.

9. Credit (*Deduct from Debit*)—

Abstract I.—Maintenance of Assets.

(b) III.—Research and Training Joint Charges.

(b) V.—Maintenance of Stores Depot and Workshop Assets.

By

(b) Telegraphs.

(c) Radios.

(d) Telephones Debit.

10. Debit (*Deduct from Credit*)—

Abstract O.—*Deduct credits to Working Expenses.*

III.—Recoveries of Indirect and Freight charges on stores issued to works chargeable to Capital and Renewals Reserve Fund.

Amount recovered for custody of mobilisation stores.

IV.—Recoveries of on-cost on manufactured articles issued from Workshops.

To

Abstract O.—*Deduct credits to Working Expenses.*

Telegraphs*.

Radios*.

Telephones* Credit.

Note.—The heads marked with asterisk (*) appear in the Net Profit and Loss Account. They do not appear separately in the Abstracts as they are not required at the initial stage of accounting.

290. The journal entry prepared as laid down in Article 289 should be brought on to the Net Profit and Loss Account (*vide* Article 319).

CHAPTER 6. Cost Calculations.

SECTION I.—Adjustments with other Departments.

Introductory 291 Cost of Audit 291-A Cost of Post Office Savings Bank ... and Government Security Work 292 Cost of Pakistan Savings Certificate Work, 294		Cost of collection of Customs duty 297 Cost of Working the Post Office Insurance Fund 298 Custody of Army Mobilization Stores 300
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SECTION II—Costing of Inter-branch Services

General Remarks 301 Telegraph Share of Combined Office Charges 302 Joint Buildings 303		Repairs to Buildings by Divisional Engineers, Telegraphs ... 305 Other items 306 Method of Adjustment ... 307
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SECTION III.—Cost of services rendered.

Introductory

291. The Pakistan Posts and Telegraphs Department is utilised, on account of its widespread organisation, by other Departments to perform multifarious services which are not strictly speaking included in its ordinary functions. For instance, military pensions are paid through Post offices; payments for salt are made into the Post Office; Savings Bank with a large number of branches is managed by the Post Office, etc. The Department is remunerated for:—

- (1) Management of the Post Office Savings Bank and work in connection with Government Securities;
- (2) Sale and discharge of Pakistan Savings certificates.
- (3) Collection of Customs duty on Postal articles;
- (4) Management of the Post Office Insurance Fund;
- (5) Payments of Military pensions and subsistence advances [*vide* Article 81 (iii)].
- (6) Collection of Salt Revenue.
- (5) Custody of Telegraph stores for the Army Department.

Cost of Audit.

291-A. I. The cost of Audit for Savings Bank, Government Securities and Pakistan Savings certificates work in the Audit Offices should be calculated in the following manner:—

- (1) Actual expenditure should be taken into account in respect of the following items:—
 - (a) Pay including expatriation allowance, if any, of the Accountants of the Section.
 - (b) Pay of clerks and menials of the Section.
 - (c) Pay of temporary staff engaged in the Section.
 - (d) Overtime allowance or honorarium paid to the men in the Section.
 - (e) Cost of purchase or overhauling of the machines used in the Section.

(f) Other expenditure which can be directly debited to the working of the Section.

Note 1.—The cost of leave reserve at the fixed percentage rate on the pay of accountants and clerks should also be added.

Note 2.—In case a whole time Accountant is not engaged in any Section, share of pay, etc., should be taken with reference to the time devoted for the work of the Section.

(2) The share of expenditure in respect of the following items should be calculated in the proportion of the time spent on the work of the Section concerned, the proportions taken being approved by the Accountant General, Posts and Telegraphs, himself :—

(a) Pay and allowances of the Sectional officer and his peon.

(b) Pay and allowances of the Accountant General (as debited to the Posts and Telegraphs Branch), and Deputy Accountant General and his peon.

(c) Pay and allowances of the Inspecting staff including the Gazetted Officer and his peon.

Note.—The share of the travelling allowance for inspection tours of Post Offices should also be taken into account in this calculation.

(3) The share of expenditure in respect of the following items should be taken in the proportion of the number of men in the Section concerned to the strength of the entire office :—

(a) Contingencies—excluding expenditure on account of purchase of machines, etc., and other expenditure treated as direct charge, *vide* items (e) and (f) of clause (1) above and rent of rented buildings, *vide* item (4) below.

(b) Pay of the staff in the general record section.

(c) Repairs to buildings.

(d) Cost of stationery.

(4) *Rent of rented buildings.*—The proportionate share should be calculated on the floor area basis. In case of two buildings—one departmental and another rented—the total floor area in both the rented and departmental buildings should be taken into consideration.

(5) The charges for postage, etc., for ordinary and registered letter at the rates prevailing from time to time as well as telegrams at Re. 1 per telegram issued from the section concerned should be taken into account.

(6) Monthly Pension contribution should be taken as follows :—

(a) Each Member of Central Service Class I	176	} Of the maximum monthly pay of the grade substantively held.
(b) Members of Central Services Class II ...	11.1	
	Per cent	
(c) Members of Subordinate Services ...	9.5	
	Per cent.	

(d) *Menials.*—1/16th of the maximum monthly pay of the grade substantively held.

[Contribution in respect of items (a) and (b) above should be worked out in the ratio of share of pay charges].

II. To the cost of audit for Saving Bank and Government Security work, calculated by the Audit Offices, the Office of the Auditor General should add a lump sum of Rs. 2,000 for stationery and forms and Rs. 25,000 for printing cards, and also share of the cost of the Office of the Auditor,

General which should be worked out in the Office in the following manner:—

- (a) $1\frac{1}{12}$ th of the pay of the Auditor General, (as debited to the Posts and Telegraphs Branch.
- (b) $1\frac{1}{8}$ th of the pay of the Assistant Auditor General holding charge of the Posts and Telegraphs Section (as debited to the Posts and Telegraphs Branch).
- (c) 4 per cent. of the pay of subordinates of the Posts and Telegraphs Branch.
- (d) 1.5 per cent. of the office establishment (permanent and temporary) of the Posts and Telegraphs Branch.
- (e) 3.5 per cent. of the pay of menials and other charges relating to the Posts and Telegraphs Branch.
- (f) Pensionary charges at 7.5 per cent. of the total share of pay of permanent staff of the Posts and Telegraphs Branch.

One-third of this share should be taken as the share of the Office of the Auditor-General for the Pakistan Savings Certificates work.

Cost of Post Office Savings Bank and Government Security work.

292. The cost of managing the Savings Bank is reimbursed by the Ministry of Finance of the Government of Pakistan and includes the following:—

- (i) The actual cost of the work in the Posts and Telegraphs Audit Offices and in the Office of the Auditor General.
- (ii) A lump amount to cover other expenses incurred in the Department, calculated on the number of transactions at the rate of nine annas for each transaction of deposit in and withdrawal from the Savings Bank and for each transfer of account.
- (iii) Actual amount of loss incurred by the Pakistan Posts and Telegraphs Department on account of frauds committed by the public and the Posts and Telegraphs staff in connection with the amount of recoveries made towards such losses.

Note.—When losses take place as a result of mistakes or negligence on the part of the departmental staff they are borne by the Postal and Telegraphs Revenues, minus the proportionate share of recovery adjusted against such losses. Cases of losses which involve contributory mistake or negligence on the part of the Posts and Telegraphs staff, will be decided by Government on their merits for the purposes of their allocation between Posts and Telegraphs revenues and General revenues.

293. I. To enable the Office of the Auditor General to calculate the cost of the Post Office Savings Bank work, the Accountants General, Post and Telegraphs, should submit the following statements to that Office by the 10th June each year:—

- (a) Statement showing the total number of Savings Bank transactions in the preceding year for each postal circle.
- (b) Statement showing the cost of audit for Savings Bank work for the preceding year calculated on the lines indicated in Article 291-A.
- (c) Statement showing the net amount of loss on account of Savings Bank fraud [*vide*, clause (iii) of Article 292].

Note.—The amount shown in the statement of losses on account of frauds should be verified with that booked under "Abstract J-V-Losses etc. written off—Pakistan Savings Bank frauds" and a certificate of verification should be given in the statement. A similar verification should also be made immediately after the closure of the March Supplementary accounts and a further statement should be sent to the Office of the Auditor General, if necessary, so as to reach that office by the 10th July.

II. The Accountant General, Posts and Telegraphs Branch, Dacca, should submit statements showing (1) cost of audit for Government

Security work calculated under Article 291-A, and (2) the net amount of loss on account of Government Security frauds.

III. The Office of the Auditor General, on receipt of the statements from the Audit Offices, will work out the cost of Savings Bank and Government Security work done by the Pakistan Posts and Telegraphs Department by taking into account all the factors mentioned in Article 292 and adjust the total amount in the accounts for March Final by debit to the Accountant General, Pakistan Revenues, and credit to "Abstract O—Deduct credit to Working Expenses—I. Services rendered to other Governments Departments, etc.—Management of Post Office Savings Bank and Government Security work" "or to 26—Audit—Deduct amount recovered from Post Office Insurance Fund and other Departments of Government—cost of audit of Savings Bank and Government Security transactions debit to 22—Interest on debt and other obligations" as the case may be. An intimation of the adjustment should be given to the Accountant General, Pakistan Revenues, and an advance schedule sent to him. A copy of the advance schedule should also be sent to the Accountant General, Posts and Telegraphs Branch, Lahore, for inclusion of the debit in the Exchange Account with the Accountant General, Pakistan Revenues. A certificate to the effect that the amount debited against the Accountant General, Pakistan Revenues, has been calculated on audited figures at the prescribed rates and that no debit was raised on the same account previously should be attached to the Advance Schedule sent to the Accountant General, Pakistan Revenues.

Note.—The amount of loss on account of frauds included in the cost calculation should be verified with the amount booked under "Abstract J. V. Losses etc. written off—Pakistan Savings Bank frauds" in the accounts up to March Final as well as upto March Supplementary.

Cost of Pakistan Savings Certificates work

294. The cost of the Pakistan Savings Certificate work includes the following:—

- (i) The actual cost of the work in the Posts and Telegraphs Audit Offices and in the Office of the Auditor General.
- (ii) A lump amount to cover other expenses incurred in the Department, calculated on the number of transactions (issues, discharges and transfers) at the rate of five annas and six pies per transaction.
- (iii) Actual amount of loss incurred by the Department on the fraud committed by the public and the Posts and Telegraphs staff in connection with Pakistan Savings Certificate transactions, less the amount of recoveries made towards such losses.

Note.—See the 'note' below clause (iii) of Article 292.

295. The Audit Offices should submit to the Office of the Auditor General by the 10th June each year statements showing the following:—

- (i) Total number of Pakistan Savings Certificate transactions during the preceding year.
- (ii) Cost of audit pertaining to the Pakistan Savings Certificate work calculated in accordance with Article 291-A.
- (iii) Net amount of loss on account of Pakistan Savings Certificate fraud [vide clause (iii) of Article 294].

Note.—The amount shown in the statement of losses on account of frauds should be verified with that booked under "Abstract—J. V.—Losses, etc., written off—Pakistan Savings Certificate frauds" and a certificate of verification should be given in the statement. A similar verification should also be made immediately after the closure of the March Supplementary Accounts and a further statement should be sent to the Office of the Auditor General, if necessary, so as to reach that office by the 10th July.

296. On receipt of the statements from the Audit Offices, the Office of the Auditor General should work out the cost of cash certificate work done by the Posts and Telegraphs Department by taking into account all the factors mentioned in Article 294 and adjust the total amount in the accounts for March final by debit to the Accountant General, Pakistan Revenues, and credit to "Abstract—O—Deduct credit to working expenses services rendered to other Governments, Departments, etc.—charges in connection with Pakistan Saving Certificates." or to "26—Audit—Deduct amount recovered from Post Office Insurance Fund and other Department of Government—cost of audit of Pakistan Savings Certificate transactions debit to 22—Interest on debt and other obligations" as the case may be. An intimation of this adjustment should be given to the Accountant General, Pakistan Revenues, and advance schedule sent to him. A copy of the advance schedule should also be sent to the Accountant General, Posts and Telegraphs Branch, Lahore, for inclusion of the debit in the Exchange Account with the Accountant General, Pakistan Revenues. A certificate to the effect that the amount debited to the Accountant General, Pakistan Revenues, has been calculated on audited figures at the prescribed rates and that no debit was raised on the same account previously should be attached to the Advance Schedule sent to the Accountant General, Pakistan Revenues.

Note.—The amount of loss on account of frauds included in the cost calculation should be verified with the amount booked under "Abstract J. V.—Losses etc., written off—Pakistan Savings Certificate frauds" in the accounts upto March Final as well as upto March Supplementary.

Cost of Collection of Customs duty.

297. The Customs Department is debited with the cost of all work done by the Post Office in connection with the assessment of customs duty on articles of the inward foreign letter and parcel mails. Eight per cent. of the total customs duty realised through the Post Office should be debited to the Customs Department.

The Accountant General, Posts and Telegraphs Branch, Lahore, will furnish the Office of the Auditor General by the 1st July each year with a statement showing the amount of Customs Duty on inward foreign letter and parcel mails collected through Post Offices during the preceding year. The calculation of the cost should be made in the Book Section of the Central Office on the figures communicated by the Lahore Audit Office and the total amount should be adjusted by a Transfer Entry in March Final by debit to Accountant General, Pakistan Revenues, and credit to "Abstract—O". An intimation of the credit taken should be sent to the Accountant General, Pakistan Revenues, and an advance schedule sent to him. A copy of the advance schedule should also be sent to the Accountant General, Posts and Telegraphs Branch, Lahore, for inclusion of the debit in the Exchange Account with the Accountant General, Pakistan Revenues. A certificate to the effect that the amount debited against the Accountant General, Pakistan Revenues, has been calculated on audited figures at the percentage rate fixed by the Government of Pakistan and that no debit was raised on the same account previously should be attached to the advance schedule sent to the Accountant General, Pakistan Revenues.

Cost of Working the Post Office Insurance Fund.

298. The bulk of the work in managing the Post Office Insurance Fund is done in the office of the Accountant General, Posts and Telegraphs

Branch, Dacca. Besides, there is the work done in Post Offices and in the office of the Director General, Posts and Telegraphs. A certain amount of work, though small, is also done in almost all the administrative and the account offices under the Government of Pakistan. It is, therefore, difficult to calculate the working expenses of the Fund correctly.

The following formula has, however, been fixed by the Government Actuary and accepted by the Ministry of Finance for the calculation of the cost debitable to the Fund :—

- (i) Actual expenses, in the year, of the Post Office Insurance Section of the office of the Accountant General, Posts and Telegraphs Branch, Dacca, including rent, postage, printing and stationery and such charges of a contingent nature as pleader's fees.
- (ii) Actual medical fees paid by the Fund in the year.
- (iii) Annual fee of Rs. 2,000 for the actuarial work of the Fund in the year.
- (iv) A flat rate per policy to cover all charges not included in the three items mentioned above.

299. Item (i) of Article 298 constitutes the following charges which will be calculated in the Postal Insurance Section in the manner indicated against each :—

- (1) Administrative charges on account of a portion of the pay of—
 - (a) The Accountant General (as debited to the Posts and Telegraphs Branch) and the Deputy Accountant General, Posts and Telegraphs Branch, Dacca—8 per cent. of pay.
 - (b) The Assistant Accounts Officer in charge— $\frac{3}{4}$ th of pay.
- (2) Contribution for leave in respect of item 1 (a)—15 per cent. of pay and in respect of items (1) (b) and (5)—12.5 per cent. of pay.
- (3) Pay of permanent establishment—The actual pay of the sanctioned number of men working in the Postal Insurance Section and average pay of $12\frac{1}{2}$ per cent. of an equal number of appointments of leave reserve.
- (4) Contribution for pension should be taken at the rate mentioned in clause I (5) of Article 291-A.
- (5) Supervision charges—Pay of all Accountants in the Section.
- (6) Cost of Record and Establishment work—The pay of the staff employed in the Record and Establishment Section of the office should be calculated and a fraction thereof in proportion of the number of men in the Postal Life Insurance Section to the total number of men in the whole office should be taken as the expenditure in respect of the Postal Life Insurance Section.
- (7) Menial staff—Pay of all peons attached to the Section and that of the orderly to the Assistant Accounts Officer in charge plus their actual leave salary or $\frac{1}{11}$ of their sanctioned cost if the actual leave salary be not known as contribution for leave.

- (8) House-rent—Share of house-rent debitable to the Post Office Insurance Fund.
- (9) Cost of stationery and printing in the office of the Accountant General, Posts and Telegraphs Branch, Dacca to be calculated on the average of past actual expenses.
- (10) Cost of electric current—Proportionate share of electric charges based on the strength of the staff, etc.
- (11) Postage and Telegrams (including what would have been incurred had messages not been sent on Postal Service)—The charges should be calculated on the basis of actual issues of letters and telegrams.
- (12) Municipal rates and taxes—Proportionate amount debitable to the Fund.
13. Temporary Establishment—Actual charges during the year.
14. Contingent Charges including the cost of furniture and accounting machines and other articles purchased for the Section—actual.
- (15) Any special grant to the staff attached to the Section.

The total of items (1) to (15) represents the cost of establishment of the Postal Insurance Section debitable to the Post Office Insurance Fund and should be adjusted as follows:—

- (a) Items (8) and (12) by credit to Abstract O.
- (b) Item (11) by credit to Abstract A—Sale of Stamps.
- (c) The remaining items by credit to Abstract D.-II—Joint Charges.

Item (ii) of Article 298.—These are debited to the Fund directly as the fees are paid and no further adjustment is required.

Item (iii) of Article 298.—The Financial Adviser has fixed the cost of the Government Actuary's work in connection with the Post Office Insurance Fund at Rs. 2,000 per annum and the amount should be credited to the Accountant General, Pakistan Revenues, by debit to the Fund.

Item (iv) of Article 298.—The other charges incurred in the Department in connection with the management of the Post Office Insurance Fund, are calculated by taking Rs. 2 for each policy issued during the year and Re. 1 for each policy in force at the beginning of the year. From the total amount so calculated, a sum of Rs. 2,000 representing cost of the Government Actuary's work should be deducted and the balance adjusted by credit to Abstract O and debit to the Fund.

Necessary calculations and adjustments should be made annually by the Accountant General, Posts and Telegraphs Branch, Dacca.

Custody of Army Mobilization Stores

300. The Pakistan Posts and Telegraphs Department holds charge of a portion of the Mobilization Reserve Stores of the Army. The value of these reserves is held in the commercial accounts of the Department as stores in deposit for the Army and is excluded from the capital account for purposes of charging interest. It has been decided that the amount of such stores should be fixed definitely and at the minimum which is essential and that the Army should pay for any additions.

Credit is taken by the Pakistan Posts and Telegraphs Department for the expenses incurred in looking after these stores, by debit to the Army Department. The calculation should be made by the Accountant General, Posts and Telegraphs Branch Lahore, in the following way:—

9/16 per cent. of the total value of the Mobilization Stores kept in reserve should be charged for overhead expenses. The expenditure on contingencies, watch and ward and ground rent should be charged for separately, the figures for these items being obtained from the Controller of Telegraph Stores. Necessary adjustment should be made in the accounts of March Final every year.

SECTION II.—Costing of Inter-branch services

General Remarks

301. Instances of mutual services rendered by one branch to another are numerous in the Posts and Telegraphs Department. In order that the true result of the working of the branches concerned may be indicated in the accounts with reasonable accuracy, adjustments on account of mutual services of sufficient magnitude are necessary. Services for which inter-branch adjustments are made are given below:—

- (1) Telegraph share of combined office charges.
- (2) Rent of joint buildings.
- (3) Repairs to Postal and Telephone buildings carried out under the supervision of the Telegraph Branch.
- (4) Conveyance by post of correspondence, etc., relating to Telegraphs and Telephones.
- (5) Issue of money orders on Telegraph Service.
- (6) Transmission of telegrams on Postal business.
- (7) Transmission of telegrams on Telephone business.
- (8) Telephone connections for Postal and Telegraph branches.
- (9) Rent of Telephone Trunk Lines (including rent of wires used in connection with carrier current system of working).
- (10) Cost of commercial activity of the Radio Branch.

Telegraph Share of Combined Office Charges

302. (1) The telegraph share of combined office charges should be determined by multiplying the number of messages dealt with in the combined offices during the year by the average value per transaction to be determined by the Directorate.

(2) To enable the Office of the Auditor General to calculate the telegraph share of combined office charges—

- (a) The Telegraph Check Branch of each of the two Audit Offices will furnish by the 1st July each year a statement showing the number of Telegrams sent, received and in transit dealt with in combined offices, separately for (i) press telegrams (ii) weather summary messages and (iii) weather telegrams; and

- (b) The Director General, Posts and Telegraphs, will intimate by the 1st July each year the average number of pages per press telegram and weather summary messages and the number of ordinary telegrams treated as equivalent to each page of a press telegram and a weather summary message.

(3) The Book Section of the Office of the Auditor General will first calculate the number of ordinary telegrams equivalent to the numbers of press telegrams and weather summary messages reported by the Telegraph Check Branches of the two Audit Offices by applying the average number of pages and the number of ordinary telegrams equivalent to each page as intimated by the Director General, Posts and Telegraphs; and add the total number thus arrived at to the number of other telegrams reported by the Telegraph Check Branches of the two Audit Offices. The total number of ordinary telegrams thus calculated will then be multiplied by the average value per transaction intimated by the Directorate. The total Telegraph share thus worked out will be debited to the Telegraph Branch by credit to the Postal Branch through inter-branch adjustment.

Joint Buildings.

303. The expenditure on account of interest on capital outlay, contribution for depreciation and maintenance and repairs pertaining to joint buildings as well as departmental buildings occupied by offices performing general and joint services, *viz.*, offices of the Postmasters General, Divisional Engineers, etc., should be debited to the owning branch of the building. The *pro forma* rental of such buildings calculated in accordance with Article 468 (b) of the Posts and Telegraphs Initial Account Code, Vol. I, should be credited to the owning branches by debit to branch or branches concerned through inter-branch-adjustment.

For the purpose of this inter-branch-adjustment, a preliminary statement of rent is received in the Audit Offices from the Heads of Circles. The statement should be generally examined and the columns "Interest on capital cost" and "contribution for depreciation" duly filled in, the calculation of the amount being made in the manner outlined in Chapter II. It should then be returned to the Heads of Circles for calculation of the amount of rent payable by one branch to another.

Note 1.—The *pro forma* rental for the departmental building occupied by offices performing general and joint services should be distributed between the branches in the proportion in which the total expenditure relating to the offices occupying the buildings is distributed between the branches.

Note 2.—In the case of departmental buildings occupied by more than one office performing general and joint services, the share of rent for each office should be determined on the floor area basis, and distributed between the branches concerned in the proportion in which expenditure for the office is distributed between the branches.

304. By the end of July every year, the figures for rent payable by one branch to another will be received from the Director-General (*vide* Article 468 of the Posts and Telegraphs Initial Account Code, Volume I). On the basis of these figures, the necessary inter-branch adjustments should be made.

Note 1.—The procedure described in Articles 303 and 304 is not applicable to departmental or rented buildings occupied by Combined Posts and Telegraphs Offices. In these cases, the respective shares of Postal and Telegraph branches are adjusted through the transfer entry referred to of Article 302. In the event

of there being a Telephone Exchange located in a departmental building, the share of rent payable by the Telephone Branch should, however, be calculated on the floor area basis. The necessary details for calculation should be obtained from the Director General by the Office of the Auditor General to effect the necessary inter-branch adjustments (*vide* Note 2 to Article 468 of the Posts and Telegraphs Inter-Account Code, Volume I).

Note 2.—In the case of rented buildings in joint occupation of Postal, Telegraph, Radio or Telephone branches, sanctions showing the apportionment of rent payable by one branch to another will be communicated to the Audit Offices by the Director General, Posts and Telegraphs. These sanctions should be noted in the establishment audit registers of the offices concerned with a view to allocate correctly the actual rent charged monthly in the departmental accounts. The portion of the rent debit to the other branch or branches should be passed on through the "remittance" head to the branch concerned and its subsequent adjustment watched through that head. If the expenditure has already been incurred and booked in the accounts of one branch, the necessary adjustments between the branches through the "remittance" head should be made immediately on receipt of sanctions from the Director General, Posts and Telegraphs.

Note 3.—The interest and depreciation charges for Postal buildings occupied by combined offices have not been taken into account in the cost calculation mentioned in Article 302 as they are not susceptible of adjustment in "Abstract J.—Postal Expenses". The combined office share for these charges should be apportioned on the basis of the ratio which the total telegraph share of the cost of combined offices as adjusted according to Article 302 bears to the total expenditure booked under "Abstract J.—Postal expenses" and adjusted under "Inter-branch-adjustment" by credit to "Post Office" and debit to "Telegraphs".

Repairs to Buildings by Divisional Engineers, Telegraphs

305. Each Accountant General, Posts and Telegraphs Branch, will communicate to the Office of the Auditor General by the 10th July each year the amounts booked in his office under Abstract I (a)—Postal and I (d)—Telephone for repairs to buildings carried out under the supervision of the Divisional Engineers, Telegraphs (*vide* Article 336 of the Posts and Telegraphs Audit Code, Volume I). 16 per cent. of these amounts should be borne by the Postal Branch and the Telephone Branch respectively and the necessary inter-branch adjustment should be carried out by the Office of the Auditor General.

Other items

306. The value of services indicated in items (4) to (10) of Article 301 is assessed on the following bases:—

Item (4).—Conveyance by post of correspondence, etc., relating to Telegraphs and Telephones.—To be based on the result of enumeration of Postal articles of one week from 22nd to 23th November.

Item (5).—Issue of Money Orders on Telegraph Service.—To be based on the result of enumeration of transactions for the month of June.

Item (6).—Transmission of telegrams on Postal business.—To be based on the result of enumeration of one week from 6th to 12th December.

Item (7).—Transmission of telegrams on Telephone business.—To be based on the result of enumeration of one week from 6th to 12th December.

Item (8).—Telephone connections for Postal and Telegraph Branches.—To be calculated on the rental of existing telephone connections on 31st March of the year used by each branch, after making due allowance for those in joint use.

Item (9).—Rent of Telephone trunk lines.—To be based on statistics of wire mileage obtained by the Director-General from Divisional Engineers and at rates sanctioned by the Government of Pakistan in the Ministry of Communications.

Note.—Except where expressly provided otherwise, the calculation of amounts involved in the items mentioned above, is made at the ordinary staff.

For carrying out the adjustment in connection with these items a statement should be obtained from the Director General, Posts and Telegraphs, before the 31st July of each year, showing the results of enumeration and other statistics and the amounts debit and creditable to each branch.

306-A. The adjustment in respect of item (10) of Article 301—Cost of commercial activity of the Radio Branch, should be made in the following manner:—

The procedure prescribed for calculating the cost of Radio stations maintained for Civil Aviation purposes given in Article 307-C will apply *mutatis mutandis*. Necessary inter-branch adjustment should be made in the Office of the Auditor General by debit to "Telegraphs" and credit to "Radio".

Method of adjustment

307. The inter-branch adjustments referred to in Articles 304 to 306 should be made by a Journal Entry after the closure of March Final accounts and incorporated in the Ledger head "Net Profit and Loss", (*vide* Article 319).

307-A and 307-B. Deleted.

III.—Cost of services rendered

Cost of wireless services rendered to the Civil Aviation Department, Meteorological Department and the Air Ministry, London.

307-C. I. The cost of wireless services rendered to the Civil Aviation Department, the Meteorological Department and the Air Ministry, London, consists of—

- (a) Direct charges relating to each Radio Station rendering service to any one of the above mentioned Departments booked under Abstracts 'L' and I (c);
- (b) Overhead charges for each Radio Station which represent share of the expenditure booked under Abstracts C, D, E, F, G, H, I, L [other than that included under (a) above] and O;
- (c) Interest on Capital Outlay; and
- (d) Contribution for Depreciation on wasting assets in respect of each Radio Station.

II. The Director General of Posts and Telegraphs should be asked to communicate by the end of March each year the Radio Stations which rendered services to the Civil Aviation Department, the Meteorological Department and the Air Ministry, London, and also the percentage rate at which the cost of each Station should be debited to the respective Departments.

III. The Accountants General, Posts and Telegraphs Branch, should furnish the Office of the Auditor General by the 5th June each year with statements showing—

- (a) Direct Charges under Abstracts 'L' and 'I' for the preceding year relating to each Radio Station ;
- (b) Capital expenditure including establishment, tools and plants and freight, etc., of each Radio Station under '69-A' for the preceding year ; and
- (c) A statement showing expenditure under '69-A' and '69-B' for the preceding year separately for each class of assets and for each Radio Station should also reach the Office of the Auditor General by the end of August each year.

For the purpose of preparing these statements, the Audit Offices should maintain a register in suitable form to record monthly the working expenses and Capital outlay separately for each Radio Station, so that necessary figures in respect of these Stations may be readily available at the end of the year. This register should be reviewed by the Gazetted Officer quarterly.

Note 2.—The Accountants General, Posts and Telegraphs Branch, should furnish the Office of the Auditor General by the 5th July each year with expenditure, if any, in respect of March (Supplementary).

IV. The overhead charges as well as Interest on Capital outlay and provision for Depreciation on wasting assets should be calculated in the Office of the Auditor General in the following manner :—

- (a) Overhead charges should be calculated in the ratio which the total radio expenditure booked under Abstracts C, D, E, F, G, H, I, L and O as well as 'Inter-branch adjustments' bear to the total direct expenditure booked under Abstracts 'L' and 'I' as communicated by the Accountants General, Posts and Telegraphs Branch. The calculation should be furnished to the Director General who should, with the concurrence of the Ministry of Finance, fix the rate at which overhead charges should be recovered each year.
- (b) (i) Interest on Capital Outlay should be calculated for each Radio Station separately on the lines indicated in Article 386 of this Code.
- (ii) Contribution for Depreciation on wasting assets should be calculated for each Radio Station separately on the lines indicated in Article 390 *et seq.*

For this purpose the office of the Auditor General should maintain a financial ledger showing the interest bearing outlay and Plant Value Ledger (*vide* Article 377) for each Radio Station named by the Director General of Posts and Telegraphs after obtaining necessary figures from the Audit Offices.

V. The office of the Auditor General should then consolidate the total cost of all the factors mentioned in Clause I and calculate the shares of the Civil Aviation Department, the Meteorological Department and the Air Ministry, London, at the percentage rate mentioned by the

Director General of Posts and Telegraphs—*vide* Clause II. The following adjustments should be made in the accounts for March Final when the total shares have thus been arrived at.

VI. After close of the March (Supplementary) accounts each year, the Office of the Auditor General will supply to the Director General of Posts and Telegraphs a statements showing Direct, Indirect, Interest and Depreciation charges of Radio Stations.

(i) *Civil Aviation Department share*—Debit to 'Exchange account between Civil and Posts and Telegraphs, account between Accountant General, Pakistan Revenues and Accountant General, Posts and Telegraphs Branch, Lahore,—Items adjustable by the Civil Department—Payments on account of the Civil Aviation Department' by credit to 'XIX—P. & T.—Gross Receipts—Abstract 'B'—Miscellaneous Revenue—III—Telegraph and Radio Receipts—Fees and Other Receipts—Recoveries from other Governments and Departments for services rendered (Radio)'. An intimation of the debit should be sent to the Accountant General, Pakistan Revenues, and an advance schedule sent to him. A copy of the adjustment should be sent to the Accountant General, Posts and Telegraphs Branch, Lahore, for inclusion of the debit in the exchange account with the Accountant General, Pakistan Revenues.

(ii) *Meteorological Department share*.—Debit to (Exchange account between Civil and P. & T., accounts between Accountant General, Pakistan Revenues, and Accountant General, Posts and Telegraphs Branch, Lahore,—Items adjustable by the Civil Department—Payments on account of Meteorological Department' by credit to 'XIX—P. & T.—Gross Receipts—Abstract B—III—Telegraph and Radio Receipts—Fees and Other Receipts—Recoveries from other Governments and Departments for services rendered (Radio)'. An intimation of the debit together with an advance schedule should be sent to Accountant General, Pakistan Revenues. A copy of the adjustment should be sent to the Accountant General, Posts and Telegraphs Branch, Lahore, for inclusion of the debit in the exchange account with the Accountant General, Pakistan Revenues.

(iii) *Air Ministry, London, share*.—Debit to 'Account between High Commissioner for Pakistan in London and the Government of Pakistan Miscellaneous Items adjustable in England' by credit to 'XIX—P.&T.—Deduct Working Expenses—Abstract 'O'—Deduct credits to Working Expenses—I—Services rendered to other Governments, Departments, etc. (B) Radios (a) Charges in connection with the Radio Stations on the Trans-Pakistan seaplane route'. Quarterly adjustments of the direct charges plus overheads at the rate applied in the previous year are made by the Accountant General, Posts and Telegraphs Branch, Lahore, under the above head. At the end of the year, the difference between the total cost calculated in the Office of the Auditor General, and the amount debited by the Accountant General, Posts and Telegraphs Branch, Lahore, should be adjusted by the Office of the Auditor General. A copy of the adjustment should be sent to the Accountant General, Posts and Telegraphs Branch, Lahore, for inclusion of the debit in his London exchange account. He should furnish the Accountant General, Pakistan Revenues with a London account schedule together with an audit certificate in support of the debit.

CHAPTER 7

Journal and Ledger

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Forms

308. A Journal and a Ledger are maintained for transactions of the Pakistan Posts and Telegraphs Department. The Journal is maintained in Form A. G. P. T.-561 and the first two or three pages thereof are set apart for posting the opening entries as the closing balances of the preceding year accounts are brought upon the books of the year (see Article 311). The Ledger is maintained in Account Code Form No. 54 for all heads whether closed to Balance or to Government.

Heads of Accounts

309. The account heads to be opened in the ledger of the Pakistan Posts and Telegraphs Department are as follows :—

- (I) Opening and closing heads, viz.—
 - (a) Government.
 - (b) Balance.
- (II) XIX.—Posts and Telegraphs—Net Receipts (Pakistan), subdivided into—
 - Gross Receipts,
 - Deduct Working Expenses,
 - Net receipts.
- (III) Posts and Telegraphs—Net Profit and Loss.
- (IV) Revenue heads, viz.—
 - (a) IV.—Taxes on Income other than Corporation Tax.
 - (b) XX.—Interest.
- (V) Expenditure heads, viz.—
 - (a) 21—Capital Outlay on Posts and Telegraphs—Charged to Revenue.
 - (b) 20—Posts and Telegraphs—Interest on Debit.
 - (c) 20—Interest on Debt and other obligations.
 - (d) 69—Capital Outlay not charged to Revenue.
- (VI) Debt and Remittance heads.

(VII) Personal accounts of Head Postmasters and Telegraph Masters of each Circle including 'Transfers'.

Note.—In the ledger, the total of the personal accounts of each Circle (including transfer entries) is taken from the General Statement of Disbursers' Accounts prepared in the Office of the Auditor General (*vide* Article 235).

310. Deleted.

Opening the Books

311. The books are opened by transferring from the balance account to the various debt heads and personal accounts the debtor and creditor balances with which they closed on the preceding year's books.

Note.—As explained in Note 1 under Article 263 of the Account Code, Volume IV, this entry, though technically the opening entry in the journal of the new year's account, cannot be made until the books of the previous year are closed, by which time many of the monthly entries should have been posted.

Monthly Entries

312. The accounts of each month are journalised by two entries, *viz.* :—

I. Dr. P—Deposits and Advances—

Departmental Accounts—

Posts and Telegraphs Cash Balances (*i.e.*, Personal Accounts)

To

Total Receipts of the month———Cr., and

II. Dr.—Total Expenditure of the month

To

P—Deposits and Advances—

Departmental Accounts—

Posts and Telegraphs Cash Balances (*i.e.*, Personal Accounts)

———Cr.

313. In the monthly entries, the figures taken against Personal Accounts are to be taken from the General Statement of Disbursers' Accounts. Those against Total Receipts and Total Expenditure are to be taken from the General Abstract.

Note.—For the month of March, the final March account figures only should be taken. For adjustments made by Journal Entries, figures from the General Abstracts prepared under Article 249 should be taken and journalised separately for each batch.

314. The total receipts and total expenditure as posted in the Journal should be verified from the corresponding columns of the General Statement of Disbursers' Account. Similarly, an agreement should be effected between the postings under Personal Accounts in the Journal and the opening and closing balances exhibited in the General Statement of Disbursers' Account, by seeing that the difference between the Dr. and Cr. postings in the former agree with the difference between the opening and closing balances in the latter.

Note.—The working of agreement should be continuously recorded each month on a foolscap sheet pasted as a fly leaf on a card board thus :—

Month	As per Journal			As per Disbursers' Statement		
	Debits	Credits	Difference	Opening Balance	Closing Balance	Difference

Ledger Posting

315. The ledger postings should be made directly from the minor and major head entries in the General Abstract. The monthly transactions of the Department are brought together under the respective account heads in the General Abstract and the ledger brings together under the same heads the total of each class of transactions for twelve months. Thus the total of each major and minor head as recorded in the ledger should correspond with the progressive total of the corresponding major or minor heads contained in the General Abstract for March.

316. Deleted.

317. In the case of revenue and expenditure, the true ledger heads are the minor heads of account, but to save space in the ledger, minor heads, subordinate to the same major head, may be posted in the inner columns in the ledger, working up to the final column, which would show the total of the major head. Every prescribed debt head is a major head, and the inner columns should be used for details subordinate to the prescribed heads. The personal accounts of each Circle should be treated as a major head.

318. The head "XIX—Posts and Telegraphs—Net Receipts" shall be posted in three lump entries only, viz., (i) Gross Receipts, (ii) Deduct Working Expenses inclusive of Abstracts P and Q, and (iii) Net Receipts.

319. The head "Posts and Telegraphs—Net Profit and Loss" should not be operated on monthly, but only after the final closure of the accounts. The process of posting this account shall be as follows :—

- (a) The figures under Gross Receipts and Working Expenses already posted under the "Net Receipts" Account shall be carried forward to the Cr. and Dr. side respectively of the "Net Profit and Loss" Account. They shall then be distributed in the inner columns of the Net Profit and Loss Account, (i) vertically by Abstracts A, B, C, etc., and (ii) horizontally, by the sub-heads "General", "Joint", etc., in the manner shown in the specimen form at Annexure A, the figures being obtained from the General Abstract.

- (b) The amounts appearing under the three sub-heads (i) General, (ii) Joint—Postal and Telegraphs, and (iii) Joint—Telegraphs and Telephones in the Net Profit and Loss Account shall be apportioned in the manner laid down in Chapter 5 and transferred annually to the other sub-heads "Postal" "Telegraphs including Radio" and "Telephones" by one Journal Entry, *vide* Article 290.
- (c) A journal entry should also be prepared for the inter-branch adjustments referred to in Articles 304 to 306 and incorporated in the Net Profit and Loss Account.

Note.—Special care should be taken to ensure that the Journal Entries referred to above are incorporated in the "Net Profit and Loss" Account before the books are formally closed.

Closing the Books

320. The books will be closed after orders to this effect have been given by the Auditor General.

321. The process of closing shall be as follows:—

(a) The heads—

Taxes on Income.	}	shall be closed directly to Government.
XX—Interest.		
Interest on other obligations.		
Capital expenditure charged to Revenue.		
Capital expenditure not charged to Revenue.		

- (b) The Debt and Remittance heads and the Personal Accounts shall be closed to Balance, except the heads "Account between High Commissioner for Pakistan in London and Government of Pakistan", "Account between Posts and Telegraphs and other Departments" and "Exchange on Remittance Accounts" which shall be closed to Government.
- (c) The head "20—Posts and Telegraphs—Interest on Debt" shall be closed to "Net Profit and Loss" Account, the amount being distributed under the four sub-heads "Postal", "Telegraphs", "Radios" and "Telephones".
- (d) The "Net Profit and Loss" Account shall then be closed by working out the balancing entries severally under the four branches of the Department—"Postal", "Telegraphs", "Radio" and "Telephones". The resultant figures in the "Net Profit and Loss" Account will thus represent the actual net profit or net loss for the four branches of the Department separately, taking into account both Pakistan and English transactions, as well as Interest on Capital Outlay.

322. Deleted.

Journal Totals and Trial Balance Sheets.

323. The instructions given in Articles 270 *et seq.*, of the Account Code, Volume IV, and in rules 1 and 2 at foot of Form No. A. O. 56 regarding the closing of the Journal and preparation of Trial Balance Sheet should be followed *mutatis mutandis* in respect of Posts and Telegraphs accounts.

Note 1.—Trial Balance Sheets should be prepared in Form No. A. G. P. T.-562.

Note 2.—The opening balance of the Government Account, for the year, should also be included in the Trial Balance Sheet at the top of the ledger heads. The total debits and credits of the Balance account of the year should be shown at the end of the Trial Balance Sheet.

Note 3.—The Trial Balance sheet should be prepared immediately after the close of the March Supplementary Accounts. The work should be completed before the submission of the Review of Balances (Part B of the Finance Accounts) and also before the Auditor General gives orders for the final closing of the Accounts.

Reconciliation of the Trial Balance Sheet with the Journal

324. When the Trial Balance Sheet is prepared, the Grand Totals (Debits and Credits) under "Account Amounts" should be compared with those of the Journal for the year and difference, if any, reconciled.

CHAPTER 8—Deleted.

Article 325
to
Article 334-A. } —Deleted.

Office after the despatch of the second batch of Journal entries. Such belated adjustments can be avoided by the exercise of a greater care and promptitude by the Audit Offices in scrutinising the initial classifications which can best be checked by a monthly verification of the Departmental Accounts.

- II. Journal entries are also made to rectify misclassifications arising out of errors and omissions but it should be remembered that the interval of over three months between the Preliminary and the Final March accounts should ordinarily be ample to admit of such corrections being embodied in the accounts of March Final, if prompt efforts are made to collect the information necessary, from the officers concerned. Failure on the part of any officers to comply with requisitions for such information with due promptness should be brought to the special notice of the Director General or the Auditor General.
- III. Another cause for submission of Journal entries arises from the unsatisfactory manner in which the accounts for March Final are examined before submission to the Office of the Auditor General. To avoid this, the Audit Offices should, before the March Final accounts are despatched to the Office of the Auditor General institute a detailed comparison of the booked expenditure and the Revised Estimate figures in respect of Fluctuating charges, to detect serious misclassifications and to rectify them. An analysis of the account figures and their comparison with the revised estimates should also be taken up in the Office of the Auditor General at an early date and performed thoroughly. It should receive the close personal attention of the officers in charge.
- IV. All transfer entries made in the Audit Offices relating to the second batch of Journal Entries should be passed by a Gazetted Officer. While passing such entries, the officer should see whether there has been any avoidable delay in effecting adjustments. Disciplinary action should be taken in cases where such late adjustments are due to neglect or incompetence. Bad cases of delay in adjustment should be brought to the notice of the Auditor General.
- V. In regard to Debt heads and remittance transactions between the Audit Offices, the following procedure should be observed:—
 - (a) Advices of transfer from one Audit Office to another not adjusted by the responding Audit Office up to the end of March Final should be brought specially to the notice of the Auditor General by the debiting Audit Office.
 - (b) Debits to another Audit Office should not be raised in March Final without the previous consent of the responding office.
- VI. Adjustments relating to Debt and Remittance heads not affecting service heads which can be made in the subsequent year's account without breach of rules should not be included in the Journal entries.
- VII. The Auditor General has ruled that an additional batch of Journal entries relating to the Finance and Revenue Accounts will not be permitted except for very special reasons.

CHAPTER 10

Balance Sheet and Verification of Balances

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I.—Balance Sheet of the Pakistan Posts and Telegraphs Department

342. The balance sheet of the Pakistan Posts and Telegraphs Department should be prepared in the commercial form shown on the next page and exhibited as an Appendix in the Review of Balances. The assets and liabilities should consist of the several items shown in the form. Profit or loss for the year should be exhibited in the Balance Sheet on both sides in the manner explained in sub-paragraph 4 under '(i) Liabilities' and sub-paragraph 4 under '(ii) Assets' in Article 343.

Balance Sheet of the Pakistan Post and Telegraphs Department on 31st March—

Liabilities	Amount	Amount	Assets	Amount	Amount
1. Government of Pakistan for Capital Investment in the fixed assets of the Department.	Rs. A. P. ...	Rs. A. P. 0 0 0	1. Fixed Assets, e.g., Buildings, Railway Mail Vans, Machinery, etc.	...	Rs. A. P. ...
2. Sundry Creditors:—	...	0 0 0	(c) Post Office ...	0 0 0	...
(a) Post Office Savings Bank	0 0 0	(b) Telegraphs ...	0 0 0	...
(b) Post Office Pakistan Savings Certificate.	...	0 0 0	(c) Radios ...	0 0 0	...
(c) General Provident Fund	0 0 0	(d) Telephones ...	0 0 0	...
(d) Civil Engineers' Provident Fund	0 0 0	2. Stores in Stock ...	...	0 0 0
(e) Civil Service of Pakistan Provident Fund.	...	0 0 0	3. Sundry Debtors:—	...	...
(f) Post Office Insurance Fund	0 0 0	(a) Foreign States for net amount due on Money Order and other transactions.	...	0 0 0
(g) Miscellaneous Deposits	0 0 0	(b) Advances recoverable from employees of the Department.	...	0 0 0
(h) Interest payable on securities pledged by departmental employees contractors, etc.	...	0 0 0	(c) Permanent Advances with Heads of Offices.	...	0 0 0
(i) Unpaid Money Orders	0 0 0	(d) Amount held in Government Securities.	...	0 0 0
(j) Renewals Reserve Fund	0 0 0	4. Cash in hand ...	...	0 0 0
(k) Miscellaneous	0 0 0	5. Government of Pakistan Account:—	...	0 0 0
3. Profit and Loss Account—	...	0 0 0	(a) Amount due to Pakistan Posts and Telegraphs Department in Account Current.	0 0 0	0 0 0
Net Profit or Loss for the year transferred to Government of Pakistan per contra.	0 0 0	...	(b) Loss Profit for the year, surrendered to Government or add loss for the year met by Government.	0 0 0	0 0 0
Total	0 0 0	Total ...	...	0 0 0

- (b) *Less profit add loss* for the year. Profit is deducted as Government is not a debtor for this amount; similarly, loss is added as it is met by Government.

344. Deleted.

345. Deleted.

II.—Review of Balances.

346. The accounts of the year are not complete until the balances upon the ledger under the Debt heads, and the outstandings under the Remittance heads, have been verified. Accordingly, after the despatch of the supplementary accounts for March (second batch of journal entries an explanatory statement of closing balances called the "Review of balances" should be submitted to the Auditor General in the form of a general report, which will take up each of the heads in succession. The report, which should be printed, should contain, as prescribed in Article 244 of the Account Code,—

- (1) a statement of each ledger balance which is to be explained,
- (2) an explanation of the nature and condition of the liability involved in it,
- (3) a statement of the nature of the detailed accounts kept of the transactions connected with it; and how far the final results of these detailed accounts work up to, and agree with, the balance on the ledger, and
- (4) information as to whether the person or persons, by or to whom the balance is owed, admit its correctness; and if they do not, where the difference lies. This would not apply to such items as deposits or ordinary advances, but it should be explained how far the latter are believed to be really recoverable.

Note.—The point to which attention should mainly be given in this report is whether the balances at debit and at credit upon the ledger correctly state the real sums which, on a settlement of accounts would be found to be realisable or payable by Government. It is not necessarily sufficient to say that they agree with the amount which some officer of Government holds at debit or credit; the object is, if possible, to carry back the verification into some account of or acknowledgment by the other party to the transaction.

347. The report is compiled by each of the two Accountant General, Posts and Telegraphs Branch. It is due on or before the 15th October of each year; but a great part of the work can and should be done soon after the completion of the final accounts for March. *June*

348. This report should be furnished in Form A. G. P. T.-563 separately for each detailed head and should include the adjustments of the office of the Auditor General for March Final. *June*

Another statement in the same form showing the figures up to and inclusive of adjustments of the Office of the Auditor General for Journal Entry, second batch, should be submitted to the Office of the Auditor General not later than the 1st November. *2.6.*

349. As soon as the review has issued, a list should be drawn up of all cases in which action is still required, and the Auditor General should be informed of any subsequent reconciliation which may be effected and acknowledgments which may be received between the date

343. The following instructions explaining the nature, and the method of posting, of each item of the Balance Sheet of the Pakistan Posts and Telegraphs Department should be carefully observed :—

(i) Liabilities

Item 1.—The amount represents the money spent by the Government of Pakistan in the acquisition of the assets of the Department inclusive of Stores in stock and is a *per contra* entry corresponding to items (1) and (2) on the assets side. The amount will be obtained from the Finance and Revenue Accounts of the year (Statement 40-A).

Item 2 (a) to (j).—The figures against these items represent the ledger balances under the respective heads on the 31st March.

Item 2 (k).—Includes the unadjusted balance in the Remittance Account and the balance of the Post Office Suspense Accounts. The figures should be obtained from the ledger.

Item 3.—This item represents the net Profit or Loss of the Department. It is shown on the liabilities side of the balance sheet, as Profit or Loss is always an amount for which a commercial concern has to account for and is therefore a liability. It is not carried into the effective column owing to the peculiar conditions of a Government Commercial Department whose finances have not been separated. The Department has no title to its profit and does not itself pay its loss as these are merged in the main Government account.

(ii) Assets

Item 1.—The amount represents the reconstituted Capital Account figure as on 1st April 1925 enhanced by the Capital Expenditure including that on renewals and replacements incurred during subsequent years. Figures for the several branches, *viz.* Post Office, Telegraphs, Radios and Telephones should be shown separately in the inner column.

Item 2.—The balance of Stores Suspense Account representing the value of stores in hand on the 31st March should be shown against this item. The amounts of both items 1 and 2 should be taken from the Finance and Revenue Accounts of the year, and their sum total should agree with the amount of item 1 on the liabilities side.

Item 3 (a) to (e) and 4.—These items are explained in Articles 363 to 363 and the figures pertaining to them should be obtained from the ledger. Item 3 (c) includes Advances Repayable by Departmental employees and, others as well as Loans and Advances made by the Central Government.

Item 5.—The effective column shows the closing balance of the Government Account. This item should be exhibited in the inner column in two parts thus :—

- (a) Amount due to the Pakistan Posts and Telegraphs Department in Account Current. The amount represents the balance of all the multifarious transactions, remittance or otherwise, of which the most important is remittances to Treasuries, and includes the amount of profit which forms part of these amounts, and

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of issue of the review and the 15th February following, references being invariable made to the paragraphs of the review affected. The subsequent reports on Debt head balances should be forwarded to the Auditor General by him on the 15th February, 1st May, 1st August and 1st November, each year.

Note.—The procedure laid down in the Note to Article 247 of the Account Code should be followed *mutatis mutandis* in respect of the reconciliation of unsettled items.

350. In the first report should be entered the outstanding balance at the close of the previous year as shown in the statement referred to in Article 348, and the subsequent adjustments. In the subsequent reports should be entered the outstanding balance as shown in the previous report and adjustments made since the submission of the previous quarterly statement. Every endeavour should be made to clear the outstandings as speedily as possible.

Quarterly report on Debt Head balances at the end of—

Heads of Account under which outstanding	Outstanding D. B. balance shown in the last statement	Amount adjusted subsequently	Balance still outstanding	Remarks.
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351. In order to facilitate agreement between the ledger balances in the Audit Office with those in the Broad-sheets and other registers, etc., maintained in the Audit Offices, a register should be kept in the Book Section of the Audit Offices in Form A. G. P. T.-563 showing by circles the opening balance, the total receipts and disbursements during the year and the closing balance under each ledger head. The register should be posted soon after the close of the March Final Accounts and the necessary reconciliations carried out. The register will also serve as a guide to the issue of the statements prescribed in Articles 348 to 350.

III.—Verification of Balances

General

352. The following rules give directions as to the verification required in the case of the several items included in the Review of Balances. (Vide also paragraphs 303 *et seq.*, of the Audit Manual).

Post Office Savings Bank.

353. The amount shown against this item represents the net deposits held in the Savings Bank on the 31st March of the year and includes the amount on account of interest at 2 per cent. per annum or $1\frac{1}{2}$ per cent. per annum, as the case may be, credited to the depositors during the year but is exclusive of the balances of "Dead Saving Bank Accounts", which are shown separately. It should agree with the total of the balances of current accounts held at credit of the Savings Bank Depositors worked out from the Savings Bank ledgers maintained in the Audit Offices.

A comparative statement of Savings Bank transactions during the year under review and the previous year should be given in the Review of Balances in the following form :—

Year	Opening balance	Net Deposit	Interest	Closing balance	No. of active accounts
192 -192					
192 -192					
Increases:					

✓ Post Office Pakistan Savings Certificates

354. The amount shown against this item represents the issue price of Pakistan Savings Certificates undischarged at the end of the year under review. There are seven denominations of Certificates Postal Savings with the face value of Rs. 5, 10, 50, 100, 500, 4,000 and 5,000. The Department is liable to the holder of a certificate for the payment of the face value years after the date of issue. The difference between the face value and the issue price of the certificate represents the bonus payable to the holder.

The total outstandings at the close of each year in respect of the Pakistan Savings Certificate as per broadsheets maintained in the Audit Offices should be communicated to the Office of the Auditor General. The balances should be verified in the Office of the Auditor General with the Book balances.

✓ Post Office Pakistan Savings Certificates Bonus Fund.

354-A. The bonus on the Post Office Pakistan Savings Certificates which really represents deferred interest thereon is paid in a lump sum when the certificates are discharged. In order to spread the accruing liability for such bonus over the period of the currency of certificates a Post Office Pakistan Savings Certificates Bonus Fund has been constituted and the fund is operated on in the following manner in the books of the Pakistan Posts and Telegraphs Department.

A central ledger head 'Post Office Pakistan Savings Certificates Bonus Fund' has been opened in the account of the Pakistan Posts and Telegraphs Department in Section 'P.—Deposits and Advances'. The amount of bonus paid during the year is debited to the head '22—Interest on debt and other obligations—Bonus on Post Office Pakistan Savings Certificates'. At the end of the year the excess of the amount provided in the Budget Estimates for the year under '22—Interest on debt and other obligations—Bonus on Post Office Pakistan Savings Certificates' over the amount actually paid on that account during the year is debited, in the Office of the Auditor General, to '22—Interest on debt and other obligations' by *per contra* credit to the above fund. When, however, the amount of bonus actually paid during any year exceeds the amount provided in the Budget Estimates for that year under '22—Interest on debt and other obligations' the excess is debited to the fund by *per contra* credit to '22—Interest on debt and other obligations—Deduct amount transferred from the Post Office Pakistan Savings Certificates Bonus Fund'.

✓ **General Provident Fund, Civil Engineers' Provident Fund and Civil Service of Pakistan Annuity Fund.**

355. The amounts shown against these items represent the accumulations, to the end of the year under review, in the accounts of the employees of the Department who subscribe to the various funds and include interest accrued for the year at prescribed rates. The balances should be verified with those on the separate registers maintained in the Audit Offices. The Accountants General, Post and Telegraphs Branch, should certify that the balances under the Funds have been communicated to the subscribers.

✓ **Post Office Insurance Fund**

356. The balance should be verified with that on the separate registers of Life Insurance and Monthly Allowances kept in the Audit Office. The amount against this item represents the net balance at credit of the fund.

Miscellaneous Deposits

357. This item consists of a large number of items of varied character, the details of which with explanatory notes should be furnished in an Appendix to the Review of Balances.

- (1) British Postal Orders—
- (2) Pakistan Postal Orders—
- (3) British Postal Orders remittances—

(4) *Dead Accounts.—Savings Bank.*—The balance at the end of a year held in Savings Bank Accounts in respect of which no transactions have taken place for a specified period is transferred to a separate ledger entitled "Dead Savings Bank ledger". The amount outstanding in this ledger does not lapse to Government but is re-transferred to the current Savings Bank ledger when the account is revived on the application of the depositor. The balance so transferred together with the accumulated interest at the prescribed rate becomes payable to the depositor. The balance is verified with the balances on the separate ledgers of dead accounts communicated by the Audit Offices.

✓ (5) *Short-payments on account of Money Orders.*—Amount short paid on Money Orders are held under Deposits by clearing the Money Order head. Every endeavour is made to pay these amounts to the parties concerned and it is only when the attempts of the Department fail that the amounts are credited to Government. The balance under this head reported by the Audit Offices should be verified with the ledger.

(6) *British Penny Postage Stamps.*—The balance represents stock in hand. A Stock Register of British penny postage stamps is maintained by the Accountant General, Posts and Telegraphs Branch, Lahore, who will verify the balance. The Office of the Auditor General will communicate the ledger balance each year after closure of March Final and Journal Entry, second batch, accounts to the Accountant General, Posts and Telegraphs Branch, Lahore, who will also ascertain the balance of stock from the other Audit Office at the end of each year. A verification certificate should be furnished to the Office of the Auditor General annually by the Accountant General, Posts and Telegraphs Branch, Lahore.

(7) *International Reply-coupons issued.*—The amount represents value of International Reply-coupons supplied to post offices for sale to the public and is charged off as the coupons are received after exchange.

(8) *International Reply-coupons exchanged.*—The amount represents value of International Reply-coupons exchanged in Pakistan for which credit is due from other countries on the settlement of accounts by the International Bureau at Berne.

(9) *Imperial Reply-coupons.*—The amount represents value of Imperial Reply-coupons supplied to post offices for sale to the public and is charged off as the coupons are received after exchange.

(10) *Postal Seals Office Cheques.*—The amount of the bills for supplies of articles from the Postal Seals Office is held under this head and is charged off when payment is made by Post Office on cheques or payment orders presented by the Superintendent of Postal Seals Office to recoup his permanent advance. The balance of this head should be verified with the outstanding balance on 31st March reported by the Lahore Audit Office.

(11) *Customs duty on Outward Foreign Parcels.*—The sender of any parcel to the United Kingdom, Egypt and certain other foreign countries may prepay, at the time of posting, Customs duty and other charges leviable in the country of destination. The amounts thus prepaid are placed under this head and when intimation of delivery of the parcels is received by the Superintendent, Foreign Posts, Karachi, from the foreign countries the amounts under Deposit are cleared by credit to the account with the High Commissioner for Pakistan in London, any short or excess recovery being adjusted by subsequent recovery from or refund to the sender of the parcel. The balance of this head is verified with the register maintained in accordance with Article 598 of the Posts and Telegraphs Audit Code, Vol. II.

(12) *Unclaimed General Provident Fund Deposits.*—The balance represents the amount at the credit of subscribers to the General Provident Fund remaining unclaimed after their death and is verified with the separate registers maintained in the Audit Offices.

(13) *Cash Certificate short payments.*—The amount chiefly represents short payments of interest on Post Office Cash Certificates.

(14) *New Loans, Excess Credits.*—

(15) *Short Debit on account of Discharge of Loan.*—

(16) *Unexplained differences in Pakistan Savings Certificates.*—The balance represents the value of Cash Certificates not issued although realised from investors and credited in the accounts. The amount is charged off as the certificates are issued in exchange of the simple receipts granted to the subscribers.

(17) *Over Seas Call Deposit.*—

(18) *Fixed Deposits.*—The head represents deposits made by holders of Post boxes for locks and by firms, presses and other bodies or individuals for bearing messages sent on the Deposit Account system. The balance should be verified with the outstandings reported by the Audit Offices.

(19) *Trunk Call Deposits.*—

(20) *Other Deposits.*—The balance under this head consists of some unimportant items, such as over-credits in cash accounts and other deposits not coming under any other category mentioned in this Article.

The balance should be verified with the outstandings on 31st March reported by the Audit Offices.

(21) *Recoveries of wrong Money Order payments.*—

(22) *Unclaimed deposits in the Civil Service of Pakistan Provident Fund.*—

(23) *Deposit of fees received by Government servants for work done for private bodies.*—

(24) *Refund of Customs Duty on Inward Foreign Mail Articles.*—

(25) *Short Debit or Excess Recovery on account of Customs Duty Allocations.*—

(26) *Telegraph Fine Fund.*—The balance under this head should be agreed with that in the subsidiary register maintained in the office of the Accountant General, Posts and Telegraphs Branch, Lahore.

(27) *Unclaimed Savings Bank Deposits of Petty amounts of less than Rs. 2.*—

(28) *Pakistan Postal Orders.*—The book balance under this head represents the amount of Pakistan Postal Orders issued to the public but not paid to end of the year. For verification of (1) balance of central stock, (2) balance of stock in Audit Offices and Post Offices, and (3) balance of unpaid Pakistan Postal Orders the following broad-sheets should be maintained by the Accountant General, Posts and Telegraphs Branch, Lahore :—

- (i) Broad-sheet showing the number under each denomination and value of Pakistan Postal Orders received from the Press, Pakistan Postal Orders issued to audit offices and Pakistan Postal Orders in Central stock.
- (ii) Broad-sheet showing the number under each denomination and value of Pakistan Postal Orders issued to Audit Offices, Pakistan Postal Orders sold (including spoilt and written off) and Pakistan Postal Orders in stock in Audit Offices and Post Offices.
- (iii) Broad-sheet showing the number under each denomination and value of Pakistan Postal Orders sold, Pakistan Postal Orders paid and Pakistan Postal Orders remaining unpaid.

To enable the Accountant General, Posts and Telegraphs Branch, Lahore, to maintain these broad-sheets, each Accountant General, Posts and Telegraphs Branch, should intimate to him monthly, by the 25th of the month following the month of account, the number under each denomination and value of Pakistan Postal Orders sold, paid and those in stock in Audit Offices and Post Offices. The Office of the Auditor General should send to the Accountant General, Posts and Telegraphs Branch, Lahore, monthly, on the 25th of the 2nd month following the month of account, a statement showing the amount of Pakistan Postal Orders sold and paid Circle by Circle. The numbers of Pakistan Postal Orders sold and paid should be posted in the Broad-sheets mentioned at items (ii)

and (iii) from the statements received from the Audit Offices. The amount of Pakistan Postal Orders sold and paid should be worked out by the Accountant General, Posts and Telegraphs Branch, Lahore, therefrom and posted in the broad-sheets. The monthly statement of the Office of the Auditor General showing the amount of Pakistan Postal Orders sold and paid should merely serve the purpose of verifying the correctness of the values so calculated and posted in the broad-sheets and locating the difference in a particular Circle with a view to making necessary reference to the Audit Office concerned for reconciliation.

The broad-sheets should after completion be submitted to the Gazetted Officer before the end of the 2nd month following the month of account.

Interest on Government Securities pledged by Postal and Telegraph employees, contractors, etc.

358. The item represents interest on Government Securities pledged by Postal and Telegraph employees and contractors remaining unpaid at the end of the year and is held in the books under the head "Interest Account". The balance should be verified with that worked out in the separate register of "Trust Interest Account" maintained at the Audit Office.

Money Orders Unpaid

359. This balance is held under the head "Inland Money Orders" which is intended for the record of money orders issued and paid during the year. It represents the issues of the year under review and those of the previous year remaining unpaid and unadjusted at the close of the year under review. As the head "Inland Money Orders" relating to a particular financial year is kept open in the books for three financial years, the outstanding balance (*viz.*, the excess of actual receipts over payments) in respect of the issues of a particular year is cleared, at the end of the third year, by transfer to the revenue head "Forfeited Money Orders". The balance in the money order ledger at the end of the third year of issue may, however, show a small amount left unadjusted which may not agree with the actual amount of outstanding unchecked money orders picked out from the list of Money Orders issued. This unreconciled difference between the ledger balance and the outstanding in the money order lists is due to error in the check of enormous mass of details. The amount of unexplained difference in the money order accounts and the amount credited to the head "Forfeited Money Orders" are reported to the Auditor General every year to enable him to judge the efficiency of money order audit.

Renewals Reserve Fund

360. This Fund has been instituted as a permanent measure in the accounts of the Posts and Telegraphs Department and is intended solely for the renewals and replacements of wasting assets. The annual contributions to the Fund are met from Revenue and are calculated on the Sinking Fund principle. The credit to the Fund, therefore, comprises the amount set apart from the revenues of the year and the interest on the deposits. Appropriations from the Fund are made to meet expenditure on renewals and replacements of assets borne in the Block Account of the Department.

A register is maintained in the Book Section of the Office of the Auditor General showing the credits and debits to the Fund. The balance at the end of the year should be verified with the Book balance.

Unadjusted balances in Remittance Accounts

361. This item may be classified under the following sub-heads :—

- (1) Transfers between two offices—
 - (a) within the jurisdiction of the same Audit Office,
 - (b) under the jurisdiction of the other Audit Office.
- (2) Treasury Suspense Accounts.

The balances against these sub-heads should be verified from the Remittance Registers and Broad-sheets of Treasury Suspense Accounts maintained in the Audit Offices.

Post Office Suspense Accounts

362. The amount shown against this item represents miscellaneous liabilities such as Stamp Imprests held in cash on the 31st March of the year by certain Telegraph Masters, and Trade charge money orders pending adjustment under final heads. The item may also include amounts taken to the heads "Credits suspended" and "Debits suspended" for want of full particulars.

Accounts with Foreign States for Money Order and other transactions

363. The balance against each country should be verified with the Foreign money order accounts kept in the Money Order Section of the Audit Offices.

364. Deleted.

Advances recoverable from Departmental Employees and others

365. This item is composed of the following :—

- (a) Objection book Advances.
- (b) Overpayments on account of money orders.
- (c) Pakistan Savings Certificates overpayments.
- (d) Excess debit on account of discharge of Loans.
- (e) Advances for passages.

The balances of these items should be verified with those in the registers maintained in the Audit Offices.

Item (a) represents outstanding advances of pay and travelling allowances granted to the officials at the time of their transfer. It also includes losses, etc., which are recoverable from the officials responsible for them or ultimately to be written off to revenue.

Items (b), (c) and (d) relate to overpayments which are recoverable from the parties concerned or from departmental employees who are responsible for the overpayments.

Item (e) represents advances for passages over-granted to Gazetted Officers of Non-Asiatic domicile.

Loans and Advances by the Central Government

366. The amount shown against this item represents the outstanding amounts of advances for house-building, for purchase of motor cars and other conveyances, etc. Interest is recoverable on these advances.

The outstanding balance is classified under the following sub-heads:—

- (1) House-building advances.
- (2) Advances for the purchase of Motor Cars.
- (3) Advances for purchase of other conveyances.
- (4) Passage advances.
- (5) Other advances.

These balances should be verified with those of the broadsheets maintained in the Audit Offices. Annual acknowledgments should be obtained by the Audit Offices from each Departmental official to whom such advance has been paid.

An Analysis of these advances according to years should be given in the Review.

Note.—In the case of house-building advances, advances for purchase of motor cars and other conveyances and similar interest bearing advances to Government servants, an annual acknowledgment should be obtained from each officer that he accepts, as due from him, the balance of the advance worked out in the Audit Office, and the fact that this acknowledgment has been obtained should be mentioned in the review which should also contain information as to whether instalments in repayment of these advances have been regularly recovered.

Permanent Advances

367. The total of this item includes the sum of Rs. 5,000 advanced as working capital to the Postal Seals Office and small permanent advances made to Departmental Officers for meeting petty expenditure. These advances are recouped once a month or oftener, if necessary. The acknowledgments of permanent advances required under Article 417 of the Audit Code, should be obtained from all officers holding such advances and the Postal Audit Offices should certify that acknowledgments of the advances have been duly received.

Note.—No. acknowledgment at the end of each official year as required under Article 286, Posts and Telegraphs Audit Code, Volume I, is, however, furnished to the Audit Office in respect of the permanent advance held by the Superintendent, Postal Seals Office.

Post Office Savings Banks Investment Account

368. Out of the ten detailed heads under the head "Post Office Savings Bank Investment Account" there will be closing balances under the following heads only:—

Debit balances—

- (i) "Cost of investment Certificates held in the Imprest" on the 31st March at the market value.
- (ii) "Cost of G. P. Notes in the Imprest" on the 31st March at the market rate or at average rate (*vide* article 138-A, Posts and Telegraphs Audit Code, Vol. II) whichever is less.

Credit balances—

- (i) "Anticipatory interest due on certain old loans".
- (ii) "Interest on Government Securities held in the Savings Bank Accounts of the deceased depositors".

- (d) Represents total expenditure on account of stores and leave salaries incurred and finally brought to account in England on behalf of the Department.
- (e) Represents net profit or loss of the year surrendered to or met by Government after meeting working expenses and interest charges on Capital Outlay.

371. Deleted.

Verification of amounts of fixed Assets and Stores

372. The following verification should also be undertaken in respect of "Fixed Assets" and "Stores in Stock" appearing on the "Assets" side of the Balance Sheet:—

- (a) *Fixed Assets*.—The value of the assets is the amount of the Block Account as on 1st April 1925 enhanced by the capital expenditure up till the end of the year under review including that on renewals and replacements met from interest-bearing capital advances from the general revenues. The balance under this head should be proved with the amounts appearing in the various Plant Value Ledgers and Registers of Buildings.
- (b) *Stores in Stock*.—This item represents the book value of stores in hand at the close of the year under review. A report of the actual proving of the balance with the annual Trial Balance of priced Ledger Cards should be obtained from the Accounts Officer, Telegraph Stores, Karachi, through the Accountant General, Posts and Telegraphs Branch, Lahore.

NOTE.—The sum of the two items "Fixed Assets" and "Stores in Stock" appearing on the Assets side of the Balance Sheet must be equal to the *contra* entry against item (I) appearing on the "Liabilities" side.

CHAPTER 11

Capital Accounts

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I.—General Principles.

373. The Capital Account of the Pakistan Posts and Telegraphs Department is compiled under the major head '69—Capital Outlay not charged to Revenue' with sub-divisions to show the expenditure in each branch of the Department and on each kind of asset for which a separate effective life and residual value have been fixed, so that the calculation of the amounts required from each branch for depreciation of assets or interest on Capital is rendered easy. The Capital Account of the Department also includes the balances outstanding at debit of Stores and Manufacture Accounts representing the book value of stores and of articles under manufacture on 31st March of the year. The surplus of the sale-proceeds of any assets of the Department, over the amount at charge of its Capital Account in respect of that asset, is treated under certain conditions as a receipt on Capital Account and is utilised to reduce the interest liability of the Department (see Article 45 of the Posts and Telegraphs Initial Account Code, Volume I).

Note:—In a transaction between the Department and a private party including a Government Department, the criterion for calculating the sale price should be the assessed market valuation which need not necessarily be regulated by the various assumption about the life, scrap value, etc., of assets fixed for calculating depreciation. Every case of sale should, however, be adjusted on its own merits, the main point to be seen by Audit being that the sale price does not fall far short of the original value *minus* depreciation at the prescribed dates. In such cases, the loss involved may be pointed out to the authority competent to sanction the sale.

When credit for the sale price is traced in the accounts, Capital should be written down only to the extent borne by it and any excess should be regarded as 'Appreciation' of assets and credited to Revenue as profit unless the amount of 'Appreciation' exceeds Rs. 5,000 in which case the amount will form a credit to Capital as a distinct item.

374. Accurate numerical records of all capital assets (except Lands and Buildings) of the Telegraph, Wireless and Telephone branches of the Department are maintained in the executive offices concerned. The detailed procedure for maintaining the numerical inventories is laid down in the Posts and Telegraphs Manual, Volume X. Similarly, Registers of Lands and Buildings are maintained by Heads of Circles as prescribed in Article 543 of the Posts and Telegraphs Initial Account Code, Volume I. These registers show the particulars as to the date of construction, floor area, ownership, original value and additions, etc., of all lands and buildings in possession of the Department.

II.—Registers maintained in the Audit Office

General

375. The Audit Office also maintains a series of financial registers connected with the Capital Accounts and instructions for maintaining each of them are given in Articles 376 to 385.

(a) Plant Value Ledger.

376. The Plant Value Ledger (Form No. A. G. P. T.-564) forms a permanent record of the Department and should be maintained by the Office of the Auditor General in a bound volume of paper of good quality.

377. The form contains 17 columns the uses of which are explained below:—

Column 1.—Year. ~~The year to be entered is the year of account to which the transactions of original construction and reconstruction relate.~~ ^{On this column} The year to be entered is the year of account to which the transactions of original construction and reconstruction relate.

Column 2.—Expenditure chargeable to 69-A during the year less credits for assets sold, etc.—The amount to be posted in this column should be that appearing in the Government Accounts for the year exclusive of any extraordinary receipts on Capital Account. It should also include the expenditure under 69-A brought to account without financial adjustment such as misclassifications for the previous year, etc.

Column 3.—Value of assets sold, abandoned, etc., during the year.—In this column should be entered the original value (or the depreciated value on the 1st April, 1925 of the assets constructed prior to the 1st April, 1924) of assets which are sold, abandoned, etc., without being replaced. The Capital Account would, in the ordinary course, be relieved of the amounts at its charge in respect of these assets through properly prepared and sanctioned estimates. It is necessary to restore the original values of these assets when calculating the total increase in plant value during the year.

Column 4.—Expenditure chargeable to 69-A during the year.—The expenditure on renewals and reconstruction should be posted in this column. The amount will represent the total amount charged to Renewals Reserve Fund through major head 69-B.

Column 5.—Total increase in plant value during the year (2 plus 3 plus 4).—Total of columns 2, 3 and 4.

Column 6.—Year of maturity.—Year of maturity of plant value included in column 5 is entered in this column. The years to be entered in this column will be those in which assets constructed or reconstructed during the year will next be due for replacement and will be calculated in accordance with the Annexure to this Chapter.

Column 7.—Decrease due to original value of assets, sold, abandoned, etc., during the year.—The figures in this column will be the same as those appearing in column 3 except in the case of assets constructed prior to the 1st April, 1924 where the original values should be shown in this column instead of the depreciated values on the 1st April, 1925 shown in column 3. In cases where assets are disposed of after maturity no figure is to be shown in this column.

Column 8.—Decrease during the year due to maturity.—The figures in this column will be the same as those appearing in column 5 after

deducting therefrom the figure in respect of any year already shown in column 7. This repetition will occur after an interval equal to the composite life of the groups of assets.

Column 9.—Net increase in plant value during the year (5-7-8).—In this column should be entered the figure in column 5 as it stands after subtracting therefrom, the sum of the figures in columns 7 and 8.

Column 10.—Total plant value to end of the year progressive of column 9.—The progressive total at the end of the year of the figures in column 9 is shown in this column.

Column 11.—Deduction due to depreciation at..... per cent. of column 10.—The result arrived at by dividing the figure in column 10 for the previous year by the composite life of the group of assets is shown in this column.

Column 12.—Decrease due to depreciated value of assets sold, abandoned, etc., during the year.—This has been included to provide for the depreciation on assets disposed of without replacement before maturity. In this column should be entered the amount of depreciation due to be deducted for the unexpired period of the composite life of the group of assets, the deduction shown in column 11 being only in respect of the period the assets were in existence or in use.

Column 13.—Net increase in value of plant during the year (5-11-12).—In this column should be entered the figure in column 5 as it stands after subtracting therefrom the sum of the figures in columns 11 and 12.

Column 14.—Depreciated value of the plant to end of year, progressive of column 13.—The progressive total at the end of the year of the figures shown in column 13 should be entered in this column.

Columns 15 and 16.—These columns are meant for initials of the Accountant and The Gazetted Officer respectively after the register has been posted and the entries reconciled with the figures appearing in the Finance and Revenue Accounts.

Column 17.—Remarks.

378. One page or set of pages should be allotted in the Plant Value Ledger for each group of assets for which a separate composite life has been prescribed, the assets of one branch being kept separate from those of another. A separate page in the ledger will also be set apart for "Lands". The initial entries in the Ledger have been made from the various appendices to the Valuation Report so that all information about the expenditure incurred on each class of asset in each year beginning from the year 1925 will be available in the Ledger. The Ledger should be posted annually and put up to the Auditor General for review.

379. Deleted.

Reconciliation between Plant Value Ledger and Financial Ledger.

380. As the Capital Account of the Department has been initiated with the depreciated value of assets as on 1st April, 1925, the amount at charge of the financial books at the end of any year should agree with the progressive total of the figures in column 2 of the Plant Value Ledger plus amount finally debited to 69-B up to year 1932-33 minus the arrears of depreciation on the 1st April, 1925. This reconciliation should

be effected as soon as the ^{June} March Final Accounts have been closed and a Broad-sheet of reconciliation in Form No. A. G. P. T. 565 prepared and put up for the inspection of the Auditor General, a fresh reconciliation being made after the closure of the accounts for ^{June} March Supplementary.

381. Deleted.

(b) Register of Assets sold, abandoned or otherwise disposed of before Maturity and not replaced.

382. The Accountants General, Posts and Telegraphs Branch, should maintain this register in Form No. A. G. P. T.-567 in respect of all assets. Every case of the kind mentioned in the heading will be noted in the Register, together with the date of original construction or last reconstruction. The Accountant General, Posts and Telegraphs Branch, should send a copy of the Register to the Office of the Auditor General by the 31st of July each year. Contribution on account of these accounts should continue to be made by increasing the total original value on which depreciation has to be calculated up to the year of maturity. A similar Register will also be maintained by the Office of the Auditor General in respect of buildings. It should be submitted to the Gazetted Officer for review with the March Final and each batch of entries for supplementary accounts.

(c) Register of Assets purchased from other Departments, etc.

383. Assets, of which a certain period of normal life has expired, may be purchased from other Government Departments, etc., and brought on to the Departmental Block Account. To facilitate the calculation of Annual Depreciation, particulars of such assets should be registered in the Office of the Auditor General. For this purpose a Register will be kept in the Book Section in manuscript showing the original value, depreciated cost (i.e., purchase price), arrears of depreciation and the year of maturity. In the case of an asset for which the purchase price is considerable, contributions to the Renewals Reserve Fund will be based on the original value and will be continued for the unexpired period of its life on the date of purchase. Otherwise, the depreciation calculation should be made on the purchase price and the usual life of the asset. The register should be submitted to the Gazetted Officer in charge for review as each entry is made therein and again on the 31st July each year with a certificate that the relevant entries in the register have been taken into account in the calculation of contribution for depreciation adjusted in the March Final accounts closed on that date.

384. Deleted.

385. Deleted.

III.—Calculation and Adjustment of Interest on Capital Outlay.

386. As soon as the accounts for March Final are ready in the Office of the Auditor General, Interest on Capital Outlay for the outgoing year should be calculated separately for Post Office, Telegraphs, Radios and Telephones. The amounts on which interest is chargeable to the Department and the rates applicable in each case are specified below—

(a) Depreciated value on 31st March 1925 of actually existing assets, constructed up to 31st March 1917.—Interest is to be calculated at Rs. 3.3252 per cent.

- (b) Depreciated value on 31st March 1925 of actually existing assets constructed from 1917-18 to 1923-24, and full original cost of assets constructed in 1924-25.—Interest is to be calculated at the rate applicable to the Capital expenditure of the Central Government which is communicated each year by the Civil Branch of the Office of the Auditor General.
- (c) Full original cost of assets constructed from 1925-26 to end of previous year (excluding Stores and Manufacture Suspense and Miscellaneous Posts and Telegraphs Advances) and expenditure on Renewals and Replacements chargeable to Capital.—Interest is to be calculated at the rate communicated by the Civil Branch of the Office of the Auditor General.
- (d) Original cost of assets constructed in the current year (excluding Stores and Manufacture Suspense and Miscellaneous Posts and Telegraphs Advances) and expenditure on Renewals and Replacements chargeable to Capital.—Half interest should be calculated at the specified rate.
- (e) Average interest-bearing balance of Stores and Manufacture Suspense excluding the balance of Army Mobilisation Stores for current year (actuals).—Interest should be calculated at the specified rate.

Note.—The distribution of this item between the branches Post Office, Telegraphs, Radios and Telephones, will be made in the proportion of the book value of stores consumed in them, the value of the Stores debited to Abstracts or portions of Abstracts which are general or joint being neglected.

(f) Receipts on Capital Account—

- (i) to end of previous year—Interest calculated at the specified rate to be deducted,
- (ii) for current year—Half interest at the specified rate to be deducted.
- (g) Amount of fixed Capital sunk in Stores and Workshops.—Interest calculated at the specified rate to be deducted by corresponding debit to Stores and Workshops Suspense. The necessary adjustment is made by the Accountant General, Posts and Telegraphs Branch, Lahore, *vide* Article 388.
- (h) Profit or loss up to the end of the previous year.—Interest at the specified rate is to be deducted in the case of profit or added in the case of loss, *vide* Article 389.

Note 1.—Interest received on outlay on Capital Works during the period of construction other than that relating to works executed at the cost of other Departments, etc., should be taken in reduction of interest charges of the Department. Necessary adjustment is made by the Accountants General, Posts and Telegraphs Branch. A statement showing the distribution by branches of the amount adjusted in the accounts up to March Supplementary is sent to the Office of the Auditor General so as to reach that office by the 10th July.

Note 2.—The calculation of interest should also be made after the accounts of each batch of Journal Entry are ready and necessary readjustments made in the batch concerned.

387. The total amounts of interest, calculated as shown in Article 386, should be adjusted by a Transfer Entry and the Accountant General, Pakistan Revenues, advised of the amount by an advance schedule. A copy of the advance schedule should be furnished to the Accountant General, Posts and Telegraphs Branch, Lahore, for incorporation of the

IV.—Annual Contribution to Renewals Reserve Fund

390. An annual contribution from working expenses of such amount as may be fixed by the Ministry of Finance of the Government of Pakistan from time to time is credited to the Renewals Reserve Fund.

The amount of this contribution is adjusted in lump for the Department by the Office of the Auditor General direct and not through any intermediary head of account.

391. Deleted.

392. Deleted.

V.—Apportionment between Renewals and Replacements and Renewals Reserve Fund

393. The major head 69-B records all expenditure on Renewals and Replacements in the first instance and includes a portion representing Capital which has expired after 31st March 1925 and which is to be borne by the Renewals Reserve Fund.

394. As soon as the March Final Accounts for a year relating to the Capital portion have been completed in the Book Section of the Office of the Auditor General, the calculation of the amount debit to the Renewals Reserve Fund will be taken up for adjustment in the accounts of the year. For this purpose the amounts booked under 69-B against each class of assets will be taken. These amounts when multiplied by the number of years by which the life of the asset has expired since 1st April 1925 and by the appropriate rate of annual depreciation as laid down in Appendix 3, will give the amounts of current depreciation.

The total amount of current depreciation will be adjusted in lump for the entire Department by two transfer entries thus :—

- (i) Dr. Abstract N—Annual contribution to Renewals Reserve Fund. To 69-B—Renewals and Replacements Cr. (Deduct from Dr.).

For amount representing current depreciation transferred to Abstract-N from 69-B.

- (ii) Dr. Renewals Reserve Fund.

To Abstract N—Annual contribution to Renewals Reserve Fund. Cr. (Deduct from Dr.).

For amount transferred from Depreciation Fund.

As the major head 69-B—Renewals and Replacements may be operated on by Journal Entries, necessary readjustments in the amount of current depreciation adjusted in March Final should be made and included in the March (Supplementary) Accounts.

VI.—Adjustment of Interest on the Balances of the Renewals Reserve Fund

395. The rate of interest payable by the Central Government each year on the balances of the depreciation funds of the Railway, Posts and Telegraphs and other Departments whose accounts have been placed on a commercial basis is communicated by the Ministry of Finance.

The calculation of interest on Depreciation Fund in the Pakistan Posts and Telegraphs Department should be made at the rate of interest

prescribed by the Ministry of Finance on the mean of the opening and the closing balances of the fund separately for each branch, viz., Post Office, Telegraphs, Radios and Telephones, thus :—

A. Opening balance	...	...	...	...	...	...	...	...
B. Credits to the Fund during the year	...	...	...	...	...	...	...	...
C. Debits to the Fund during the year	...	...	...	...	...	...	...	...
D. Closing balance (A+B—C)	...	...	...	...	...	...	...	...
E. Total (A+D)	...	...	...	...	...	...	...	...
F. Mean of opening and closing balances (1/2 of E)	...	...	...	...	...	...	...	...
G. Interest at the rate per cent. intimated by the Ministry of Finance of the Government of Pakistan	...	...	...	...	...	...	...	...

Explanation.—Figures for item A are the same as closing balances in the fund for the previous year and should be taken from the Renewals Reserve Fund Register referred to in Article 360. The amounts should be checked with the Finance and Revenue Accounts of the previous year.

Figures for item B will be the same as those calculated to provide for the annual depreciation of wasting Assets of the Department in the year (*vide* Article 392).

Figures for item C will be sum total of actual amounts debited to the fund in the year by the Office of the Auditor General and the Audit Offices and the amounts of current depreciation adjusted in the year (*vide* Article 394) by the Office of the Auditor General.

396. The amount of interest calculated in the manner laid down in Article 395 will be adjusted by a transfer entry, thus :—

Dr.

22-Interest on Debt and Other Obligations.

Interest on Renewals Reserve Fund.

Post Office.

Telegraphs.

Radios.

Telephones.

To Renewals Reserve Fund.

Post Office.

Telegraphs.

Radios.

Telephones.

396-A. A register of inter-branch transfers of assets should be maintained in each Audit Office in which the full particulars of the Director General's sanction authorising the inter-branch transfers of assets and their values should be noted. Soon after the close of the financial year the

entries in the Register should be totalled and a statement (which should be an exact copy of the register) should be sent to the Office of the Auditor General by the end of April next year.

In the Office of the Auditor General necessary transfers of the Block values in respect of the transferred assets will be effected without figures communicated in the statement referred to in Article 404 and Revenue Accounts will be altered without having the debit and credit entries transferred through the accounts of the year.

ANNEXURE

(Referred to in Art. 377)

Groups of assets with composite life as fixed for the purpose of the maintenance of Plant Value Ledger :—

Groups of Assets.	Composite life.
Lines and Wires—	
Telegraphs.	40
Telephones.	33
Masts, Aerials and Earths, Radios.	15
Apparatus and Plant—	
Telegraphs.	20
Telephones.	16
Radios.	10
Post Office R. M. S. Vans.	30
Building excluding land, all branches.	100
Electric installations, all branches.	16
Land, all branches.	Permanent.

CHAPTER 12

Statements of Actuals and Approximate Actuals.

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Statements of Approximate Actual of Revenue and Expenditure	404	Monthly statement of Net Receipts on account of Income-Tax and Super Tax	413
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ANNEXURE A.—List showing the heads of the Approximate Actuals of the Pakistan Posts and Telegraphs Department.

General Remarks

397. The duty of watching the progress of receipts and expenditure as compared with the budget allotment devolves upon the Director General, who will, in the discharge of this function, look to the Auditor General for information regarding the progress of actuals. Such information should be supplied in such forms and on such dates as may be settled mutually. It must be clearly understood that the authority administering the grant, viz., the Director General, and not the Auditor General is ultimately responsible for keeping the expenditure within the grant.

398. The Auditor General should, however, warn the authority controlling the grant immediately, of the first appearance of any excessive proportionate outlay under the grant (or under any primary unit of appropriation, if so requested). A watch should be kept on the revenue, and any large increase or falling-off reported at once. Any large differences that are likely to arise in actuals as compared with the estimates should be reported as soon as reason arises for expecting them.

Note.—Transactions which affect the cash balance seriously (e.g., Savings Bank transactions) are of equal importance, though they may not be technically either revenue or expenditure, and any variations of actuals from the estimates should be reported to the State Bank of Pakistan.

399. The periodical returns which the Auditor General has to submit under Article 397 to the authorities responsible for watching the progress of actuals, should be despatched punctually on the dates prescribed, or if any delay is anticipated, the authorities concerned should be informed accordingly.

Reports on Progress of Actuals

400. The check of actuals for fixed charges is exercised in the Audit Offices in the manner laid down in Article 502 of the Posts and Telegraphs Audit Code, Volume I.

The result is reported to the Office of the Auditor General which is responsible for bringing to the Director Generals notice any over-spending on fixed charges or any unusual features.

401. The check of actuals for fluctuating charges will be conducted in the Audit Offices through the Budget check register of fluctuating charges (*vide* Article 503 of the Posts and Telegraphs Audit Code, Volume I), and a monthly statement showing the progress of actuals as compared with the proportionate budget allotment will be sent to the Heads of Circles concerned.

Chap. 12] STATEMENTS OF ACTUALS AND APPROXIMATE ACTUALS. [402—404

402. A progressive statement of Revenue and Expenditure of the Pakistan Posts and Telegraphs Department is sent each month to the Director General, Posts and Telegraphs (*vide* Article 236).

403. Deleted.

✓ **Statements of Approximate Actuals of Revenue and Expenditure**

Procedure in the Audit Offices

404. A statement showing the approximate monthly figures, of each Circle should be compiled by the Audit Offices in Form No. A.G.P.T.-571, from the monthly accounts of Disbursing Officers. The totals of all the circles, under an Audit Office, under the following heads of accounts should be telegraphed to the Auditor General's Office in hundreds of rupees so as to reach it on the 9th of the month following that to which the account relates:—

1. IV Taxes on Income other than Corporation Tax.
2. XIX Gross Receipts.
3. Working Expenses.
4. 22—Interest on debt and other Obligations.
5. 69—Capital Outlay.
6. Savings Bank Deposits.
7. Savings Bank Withdrawals.
8. Issue of Pakistan Savings Certificates.
9. Discharge of Pakistan Savings Certificates.
10. Interest on Pakistan Savings Certificates.
11. Sale of Government Promissory Notes.
12. Purchase of Government Promissory Notes.
13. Sale of Investment Certificates.
14. Interest on Government Promissory Notes.
15. Interest on Investment Certificates.
16. Transfer of Savings Bank Account from United Kingdom and other Foreign Administrations.
17. Transfer of Savings Bank Account to United Kingdom and other Foreign Administrations.
18. Unfunded Debt (Net).
19. Deposits and Advances (Net).

Figures are communicated by the Accountant General, Posts and Telegraphs Branch, Dacca.

Figures are communicated by the Accountant General, Posts and Telegraphs Branch, Lahore.

20. Loans and Advances by the Central Government (Net).
21. Pay Charges.
22. Pensionary charges.
23. Inland Money Orders issued.
24. Inland Money Orders paid.
25. Sale of Ordinary Stamps.
26. Sale of Service Stamps.
27. Postage realised in cash.
28. Net Receipt from other Postal Administration.
29. Net payment to other Postal Administration.
30. Telegraph charges realised in cash and by book transfer.
31. Net Receipts from other Telegraph Administration.
32. Net payments to other Telegraph Administration.
33. Total Postage and Message Revenues.
34. Receipts on account of Money Orders, British Postal Orders, Pakistan Postal Orders.
35. Fees and other Receipts (Postal).
36. Rent of Wires and Instruments leased to Railways and Canals.
37. Recoveries from Guarantors (Telegraphs).
38. Fees and other Receipts (Telegraphs).
39. Rent of Telephone.
40. Telephone Call Fees.
41. Recoveries from Guarantors (Telephones).
42. Total Miscellaneous Revenues.

Note 1.—The net transaction under the head British Postal Orders should be included in the figures for Deposits and Advances (net).

Note 2.—The telegraphic figures should be followed by a statement in form No. A.G.P.T.-572.

Note 3.—All variations to approximate actuals detected after their despatch on the due date should be wired to reach the office of the Auditor General positively on the morning of the 16th of every month.

405. Deleted.

406. In the event of non-receipt of the monthly accounts of any office by the 8th of the month following, an estimate of the transactions of that office should be included in the approximate figures. Steps should, however, be taken to obtain the information in time.

406-A. Approximate actuals of Revenue under the following heads should be furnished monthly to the Heads of Circles on the 15th of the month following the month of account :—

I.—POSTAGE AND MESSAGE REVENUE—

- (a) Sale of Ordinary Stamps.
- (b) Sale of Service Stamps.
- (c) Telegraph charges realised in cash and by book transfer.
- (d) Total Postage and Message Revenue.

II.—MISCELLANEOUS REVENUE—

- (a) Rent of Telephones.
- (b) Telephone Call Fees.
- (c) Receipts on account of Money Orders, British Postal Orders and Pakistan Postal Orders.
- (d) Rent of wires and instruments leased to Railways and Canals.
- (e) Total Miscellaneous Revenue.

Procedure in the Office of the Auditor General

407. The figures communicated by the Audit Offices will be compiled for each month under the heads given below, in a Register to be maintained by the Book Section of the Auditor General's Office. The compiled figures will be intimated by express letter to the Secretary to the Government of Pakistan, Ministry of Finance, the Financial Adviser (Communications), the Director General and the Superintendent, Budget Section, of the Director General's Office on the 10th of the month following that to which the account relates. The figures will be in thousands of rupees.

1. IV Taxes on Income other than Corporation Tax.
2. XIX Gross Receipts.
3. Working Expenses.
4. 22—Interest on debt and other Obligations.
5. 69—Capital Outlay.
6. Savings Bank Deposits.
7. Savings Bank Withdrawals.
8. Savings Bank Balance.
9. Issue of Cash Certificates.
10. Discharge of Cash Certificates.
11. Interest on Cash Certificates.
12. Sale of Government Promissory Notes.
13. Purchase of Government Promissory Notes.
14. Unfunded Debt (Net).
15. Deposits and Advances (Net).
16. Loans and Advances by the Central Government (Net).
17. Pay charges.
18. Pensionary charges.
19. Sale of Ordinary Stamps.
20. Sale of Service Stamps.
21. Postage realised in cash.
22. Net Receipt from other Postal Administration.
23. Net Payment to other Postal Administration.
24. Telegraph charges realised in cash and by book transfer.
25. Net Receipts from other Telegraph Administration.
26. Net payments to Other Telegraph Administration.
27. Total Postage and Message Revenues.
28. Receipts on account of Money Orders, British Postal Orders, Pakistan Postal Orders.

} Figures are communicated by the Accountant General, Posts and Telegraphs Branch, Dacca.

29. Fees and other Receipts (Postal).
30. Rent of Wires and Instruments leased to Railways and Canals.
31. Recoveries from Guarantors (Telegraphs).
32. Fees and other Receipts (Telegraphs).
33. Rent of Telephone.
34. Telephone Call Fees.
35. Recoveries from Guarantors (Telephones).
36. Total Miscellaneous Revenues.
37. Inland Money Orders issued.
38. Inland Money Orders paid.

Note.—Figures against items (1) to (16) are communicated to the Secretary to the Government of Pakistan, Ministry of Finance, while figures against items (1) to (13) and (17) to (38) are communicated to the Financial Adviser (Communications), the Director-General and the Superintendent, Budget Section of the Director-General's Office. Variations to approximate actuals over 25,000 detected after their despatch should be intimated on the 16th of every month.

408. Deleted.

409. The Register of Approximate figures referred to in Article 407 will be reviewed by the Accountant in charge of the Book Section of the Office of the Auditor General and submitted to the Gazetted Officer in charge for signature along with the draft express letter to the Financial Adviser (Communications), Director General, Posts and Telegraphs, and the Secretary to the Government of Pakistan, Ministry of Finance on the 10th of each month. Figures which appear unusual in comparison with the figures for previous months under corresponding heads should be intimated promptly to the Audit Office concerned for verification and explanation.

409-A. A statement containing the Approximate figures of Savings Bank and Pakistan Savings Certificate transactions will also be prepared by the Office of the Auditor General and furnished to the Ministry of Finance by the 7th of the month following the month of account.

Earlier submission of Approximate Actuals in certain cases

410. (a) For the purpose of the Budget Estimates, Approximate Actuals by minor heads of Revenue for the months of October, December and January and those of Expenditure for December and January should be furnished by the Audit Offices to the Office of the Auditor General, not later than the dates noted below :—

October	...	...	...	...	...	...	...	5th November.
December	...	...	...	...	...	...	...	5th January.
January	...	...	...	...	...	...	...	5th February.

(b) The Approximate Actuals should be furnished in hundreds of rupees under the heads shown in Annexure A to this Chapter for the Pakistan Posts and Telegraphs Department. The initial letters quoted against each head in the Annexure need only be mentioned when the figures are communicated by telegram. Figures for cash and stores should be communicated separately.

Note 1.—It is of utmost importance that the dates fixed above should be strictly observed.

Note 2.—The ordinary monthly Statements of Approximate Actuals for the months referred to in this Article should be sent as usual on due dates.

411. Deleted.

Annual Return of Approximate Charges under "69—Capital Outlay on Posts and Telegraphs"

412. A statement of approximate actuals showing the gross figure under "69—Capital Outlay on Posts and Telegraphs" should be submitted to the Auditor General annually by the 15th of May. The statement should include the amount eventually adjustable under "21—Capital Outlay on Posts and Telegraphs" and also show charges in Pakistan and in England and on Exchange separately.

Monthly statement of net receipts on account of income-tax and super-tax.

413. A statement of net receipts on account of income-tax and super-tax should be submitted by each Accountant General, Posts and Telegraphs, to the Secretary, Central Board of Revenue, so as to reach him on or before the 6th of the month succeeding the month of receipts. The statement should be compiled from the telegraphic intimations received from the Disbursing Officers (*vide* Note 4 below Article 227 of the Posts and Telegraphs Initial Account Code, Volume I) and should indicate the figures of income-tax and super-tax on Federal Emoluments separately. If for any reason the statement is not likely to reach by the 6th of the month if sent by post, the figures should be communicated to the Board by telegram. The figures communicated to the Central Board of Revenue should be compared with the monthly approximate figures communicated in the statement referred to in Article 404 and with the Schedules received from the Post Office (*vide* Note 4 under Article 227 of the Posts and Telegraphs Initial Account Code, Volume I) and if any differences or misclassifications are noticed they should be reported to the Central Board of Revenue later along with the figures for the next month.

ANNEXURE A

(Vide Article 410)

List showing the heads of the Approximate Actuals

To be quoted in Telegrams	Heads
Tax	IV.—Taxes on Income other than Corporation tax. XIX—Posts and Telegraphs. A. Postage and Message Revenue. A. I. Joint Receipts.
A.—Message	(a) Sale of Ordinary Stamps. (b) <i>Deduct</i> —Value of Stamps used for realising Customs Duty. (c) <i>Deduct</i> —Refunds.

STATEMENTS OF ACTUALS AND APPROXIMATE ACTUALS. [Chap. 12]

To be quoted in Telegrams	Heads
	(d) Value of Stamps affixed to Pakistan Postal Orders.
	(e) Total deductions.
	(f) Sale of Service stamps.
	(g) Net Total A. I.—Joint Receipts A. II.—Postal Receipts.
	(h) Postage realised in Cash.
	(i) Net Receipts from other Postal Administrations.
	(j) <i>Deduct</i> —Refunds of Postage.
	(k) <i>Deduct</i> —Payments to the Other Postal Administrations.
	(l) Net Total—A. II.—Postal Receipts.
	A. III.—Telegraph (including Radio) Receipts.
	(m) Telegraph charges realised in Cash and by book transfer.
	(n) Net Receipts from other Telegraph Administrations.
	(p) <i>Deduct</i> —Payment to other Telegraph Administrations.
	(q) <i>Deduct</i> —Payment to Radio Companies.
	(r) <i>Deduct</i> —Refund of overcharges and payment of delivery charges.
	(s) Net Total—A. III.—Telegraph (including Radio) Receipts.
Total	(t) Total Abstract—
	A. Postage and Message Revenue.
	B. Miscellaneous Revenue.
	B. I. Joint Receipts.
B. Miscellaneous	(a) Fees and Other Receipts.
	(b) <i>Deduct</i> —Refunds.
Total	(c) Net—B. I.—Joint Receipts.
	B.—II. Postal Receipts.
	(d) Reception account of Money Orders, British Postal Orders and Pakistan Postal Order.
	(e) <i>Deduct</i> —Refunds.
	(f) Fees and Other Receipts.
	(g) <i>Deduct</i> —Miscellaneous Refunds.
Total	(h) Net Total B. II. Postal Receipts.
	B. III.—Telegraph (including Radio) Receipts.
	(i) Rent of Wires and instruments leased to Railways and Canals.

Chap. 12] STATEMENTS OF ACTUALS AND APPROXIMATE ACTUALS.

To be quoted in Telegrams			Heads	
			(j) Recoveries from Guarantors.	
			(l) Fees and Other Receipts.	
			(m) <i>Deduct</i> —Miscellaneous Refunds.	
Total ...	...	...	(n) Net Total B. III. Telegraph (including Radio) Receipts. B. IV. Telephone Receipts.	
			(o) Rent of Telephone.	
			(p) Telephone Call Fees (Net).	
			(q) <i>Deleted</i> .	
			(r) Recoveries from Guarantors.	
			(s) Fees and Other Receipts.	
			(t) <i>Deduct</i> —Miscellaneous Refunds.	
Total ...	...	...	(u) Net Total B. IV. Telephone Receipts.	
Total ...	...	...	(v) Total Abstract—B. Miscellaneous Revenue. <i>Deduct</i> —Working Expenses.	
Abstracts.	...	...	C. General Administration	Cash Expend' ture only.
			D. Account and Audit	Do.
			E. Control-Circle Offices	Do.
			F. Engineering Expenses	Do.
			G. Pensionary Charges	Do.
			H. Stamps, Postcards, Printing and Sta- tionery.	Do.
			I. Maintenance of Assets	Do.
			J. Postal Expenses	Do.
			K. Telegraph Traffics	Do.
			L. Radio Expenses	Do.
			M. Telephone Expenses	Do.
			O. <i>Deduct</i> —Credit to Working Expenses.	
Total ...	...	...	Net Total Abstract C.O.	
20.—Interest ...	...	...	20.—Interest on Debit.	
21.—Capital ...	...	...	21.—Capital Outlay—Cash and Stores.	
22.—Interest ...	...	...	22.—Interest on debit and other obligations.	
69-A.—Outlay ...	...	...	69-A.—Capital Outlay on new Assets—Cash and Stores (excluding share of establishment).	
			69-A.—Share of establishment and other charges transferred from Working Expenses—Cash and Stores.	
			69-B.—Expenditure debitable to Renewals Reserve Fund.	
			69-B.—Share of establishment and other charges transferred from Working Expenses—Cash and Stores.	
Total 69	...	...	Total 69-A and 69-B—(four heads above).	

APPENDIX 1—*Deleted.*

APPENDIX 2

(See Article 122)

List of important recurring or periodical transfers in the Posts and Telegraphs Accounts.

Nature of Entries.	Name of Section responsible for making the adjustment	Due date
A.—ENTRIES MADE IN THE AUDIT OFFICES.		
<i>Monthly.</i>		
1. Commission on Field Service Money Orders	Money Order Section	15th, each month.
2. Adjustment of Customs Duty with Civil Pakistan.	Customs Duty Section Lahore Audit Office.	25th, Second month.
3. Refund of Customs Duty ...	Do.	Do.
4. Customs Duty, etc., realised on Foreign Parcels despatched to United Kingdom and Egypt.	Do.	On receipt of memo. of Customs Duty from Postmasters.
5. Adjustment of Loss or Gain by exchange on account of Customs Duty realised on Foreign Parcels.	Do.	On receipt of the statement of Customs duty from the Office of the Auditor General.
6. Adjustment of Customs Duty on Inward Foreign letter Mail.	Do.	On receipt of statements.
7. Adjustment of Postal Seals Office charges ...	Postal Account Section.	20th, each Month.
8. Adjustment on account of sealing wax and other articles supplied to Post Offices from the Postal Stock Depot.	Do.	On receipt of statements from Heads of Circle.
9. Leave or Pension Contribution of Officers lent on Foreign Service.	Do.	20th, each month.
10. Transfer transactions between Civil and P. and T. Departments.	Account Current Section.	
11. Freight charged on Telegraph Stores carried by rail.	Do.	
12. Rent of Public Works Department Buildings occupied by Telegraph employees.	Do.	
13. Recurring Contingent Expenditure Debited by Military Department.	Account Current Section.	
14. Re-opening Dead Accounts Savings Bank ...	Savings Bank Section....	10th, 3rd month.
15. Amount of objectionable items waived ...	Do.	Do.

APPENDIX 2—contd.

List of important recurring or periodical transfers in the Posts and Telegraphs Accounts—contd.

Nature of Entries	Name of Section responsible for making the adjustment	Due date
A.—ENTRIES MADE IN THE AUDIT OFFICES—contd.		
<i>Monthly—contd.</i>		
16. Adjustment on account of Interest on Dead Accounts re-opened, Interest on closed accounts and Interest short or excess passed in previous years.	Savings Bank Section	10th, 3rd month (Burma 14th).
17. Short or overpayments of principal up to annas 2.	Do.	Do.
18. Amounts of Savings Bank short and over-payments.	...	10th, month. each
19. Irrecoverable over-payments written off ...	Do.	Do.
20. Short and over-payments on Pakistan savings Certificates.	Savings Certificate Section.	25th, month. each
21. Adjustment of discrepancies in Pakistan Savings Certificate figures.	Do.	Do.
22. Transfer of Pakistan Savings Certificate from one circle to another.	Do.	...
23. Interest short or over-paid	Do.	Do.
24. Items under objection for short or excess credit	Do.	Do.
25. Adjustment of United Kingdom payments of Pakistan Savings Certificate.	Do.	...
26. Adjustments of the credits of the General Provident Fund subscriptions realised from the officials working in Departments other than the Pakistan Posts and Telegraphs Department.	Account Current Sections.	On receipt the of credits.
27. Adjustment of value and commission of Money Orders.	Money Order Section	End of the month.
28. Wrong classification of paid money orders ...	Do.	Do.
29. Mis-stored paid money orders	Do.	Do.
30. Adjustment of Foreign Circles paid Money Order Summaries.	Do.	Do.
31. Adjustment of Money Order short and over-payments.	Do.	Do.
32. Adjustment of Money Order short or excess credits.	Do.	...
33. Inter-circle adjustments	Do.	...

APPENDIX 2—contd

List of important recurring or periodical transfers in the Posts and Telegraphs Accounts—contd.

Natre of Entries	Name of Section responsible for making the adjustment.	Due date.
A.—ENTRIES MADE IN THE AUDIT OFFICE—contd.		
<i>Monthly—contd.</i>		
34. Foreign Money Orders	Money Order Section	...
35. Adjustment of Outward and Inward Trade charge money orders and Commission on Trade Charge Money Orders.	Do.	Within 15 days of receipt of Trade charge account.
36. Amounts waived under the orders of Gazetted Officer.	Do.	...
37. Adjustment of Inward and Outward C. O. D. Money Orders.	Do.	End of 2nd month.
38. Adjustment of commission on C. O. D. Money Orders.	Do.	Do.
39. Adjustment of Commission on Free Money Orders.	Do.	End of month.
40. Adjustment of Savings Bank Transfers from or to Foreign Countries appearing in the Money Order Exchange Accounts.	Do.	} Within 15 days of receipt of Money Order Exchange accounts.
41. Re-payment of Inward and Outward Money Orders.	Do.	
42. Adjustment of International Commission on Foreign Money Orders.	Do.	
43. Sale proceeds of Investment Certificate ...	Government Security Section of the Audit Office Dacca.	18th of the following month.
44. Sale proceeds of Government Promissory Notes effected through the State Bank of Pakisan and brokers.	Do.	Do.
45. Sale proceeds of Government Promissory Notes belonging to Savings Bank Depositors.	Government Security Section of the Audit Office Dacca.	18th of the following month.
46. Cost of Government Promissory Notes purchased by Savings Bank Depositors.	Do.	Do.
47. Cost of Government Promissory Notes purchased through the State Bank of Pakistan and brokers.	Do.	Do.
48. Interest on Government Promissory Notes and Investment Certificates held in stock by Auditor General.	Do.	Do.

APPENDIX 2—contd.

List of important recurring or periodical transfers in the Posts and Telegraphs Accounts—contd.

Nature of Entries.	Name of Section responsible for making the adjustment.	Due date.
A.—ENTRIES MADE IN THE AUDIT OFFICES—contd.		
<i>Monthly—contd.</i>		
49. Interest on Government Promissory Notes of depositors held in the custody of the Auditor General.	Government Security Section of the Audit Office, Dacca.	18th of the following month.
50. Short and excess debits on account of, discharge of Loans.	Do.	Do.
51. Amount due to United Kingdom on account of sale of British Postal Orders in Pakistan.	Postal Account Section Lahore Audit Office.	Do.
52. Amount charged to United Kingdom on account of British Postal Orders paid in Pakistan.	Do.	Do.
53. Allowance on the sale and payment of British Postal Orders as commission on British Postal Orders.	Do.	Do.
54. Petty sums written off on account of the value of stamps charged in excess in the statements of British Postal Orders paid.	Do.	Do.
55. Amount on account of Pakistan Stamps affixed to British Postal Orders paid in Pakistan in extension of the value of the orders.	Do.	Do.
56. Amount of Savings Bank transfers between Pakistan and United Kingdom.	Savings Bank Section, Lahore Audit Office.	Do.
57. Amount of Savings Bank transfers between Pakistan and British Colonies.	Do.	Do.
58. Transactions appearing in the Karachi General Account Section, other than those relating to B. P. O. and S. B. Office transfers.	Account Current Lahore Audit.	5th of the 2nd month following the month of account.
59. Transactions appearing in Exchange Accounts	Account Current Section	18th of the 2nd month following the month of account.
60. Sale of Stamps	Do.	16th of the month following the month of account.
61. Adjustments of rent of Telephones and Trunk Call bills against Government subscribers.	Telegraph Engineering (Works) Audit Section.	13th, each month.
62. Share of establishment charges on Capital Works.	Do.	Do.
63. Debits raised the Military Department for rent of quarters occupied by the Military Officers.	Telegraph Engineering (Establishment) Audit Section.	End of every month.

APPENDIX 2—contd

List of important recurring or periodical transfers in the Posts and Telegraphs Accounts—contd.

Name of Entries.	Name of Section responsible for making the adjustment.	Due date.
A.—ENTRIES MADE IN THE AUDIT OFFICES—contd.		
<i>Monthly—concl'd.</i>		
64. Credits afforded to the Civil Department for occupation of the P. W. D. quarters by officers of the Engineering and Wireless Branches.	Telegraph Engineering (Establishment) Audit Section and Book Section.	13th, each month.
65. Wages for trollymen supplied by and other services rendered by Railway.	Telegraph Engineering (Establishment) Audit Section.	End of every month.
66. Charges on account of Meteorological allowances drawn by the staff of Wireless Branch.	Telegraph Engineering (Establishment) Audit Section.	Last day of the month following.
67. Miscellaneous Adjustments in respect of transactions with other Government Departments.	Account Current Section.	13th of each month.
68. Debits for stationery and printing by the Government of Pakistan Presses and Central Stationery Office.	Account Current Section of the Lahore Audit Office	} Within 10 days the Exchange Account.
69. Debits for stationery and printing by the Provincial Presses.	Account Current Section.	} ...
70. Adjustment of over-credits or short payments on Pakistan Postal Orders not exceeding two annas.	Postal Account Section.	15th, each month.
71. Adjustment of short credits or over-payments on Pakistan Postal Orders not exceeding two annas.	Do.	Do.
72. Adjustment of unclaimed Pakistan Postal Orders forfeited to Government.	Postal Account Section of Lahore Audit Office.	Do.
73. Commission on Military Pension Payments ...	Book on Postal Audit Section at the discretion of the Accountant General, Posts and Telegraphs Branch.	13th of each month.
74. Adjustment on account of lighting the perimeter at Peshawar Radio.	Telegraph Engineering (Establishment) Section of the Lahore Audit Office.	Within a week of receipt of inward Exchange Account.
75. Transfer of charges from 26.—Audit to XIX P. & T.—Deduct Working Expenses—Abstract D.	Book Section ...	20th of every month.
76. Adjustment of cost of petty renewals to 69-B. ...	Book and Store Detail Book Group of work Audit Section.	21st of the month following the month of account.
77. Adjustment of working Expenses in England (Pakistan Posts and Telegraphs leave statement).	Book Section of the Lahore Audit Office.	On receipt of statement from the High Commissioner for Pakistan in London.

APPENDIX 2—contd.

List of important recurring or periodical transfers in the Posts and Telegraphs Accounts—contd.

Nature of Entries	Name of Section responsible for making the adjustment	Due date
A.—ENTRIES MADE IN THE AUDIT OFFICES—contd.		
<i>Quarterly</i>		
1. Pakistan Postage stamps paid in United Kingdom in extension of the value of the British Postal Orders.	Postal Account Section, Lahore Audit Office.	18th of every 3rd month.
2. Rent of Linemen's Quarters	Account Current Section.	Within a week of receipt of intimation from the Railway and Civil Departments.
3. Adjustment of the amount realised in stamps for sale of publications of the wireless Branch.	Postal Accounts Section of Lahore Audit Office.	On receipt of statements from the Director General of Posts and Telegraphs.
4. (i) Adjustment of the amount creditable to Radio Pakistan on account of fees realised from Broadcasting licenses.	Telegraph Engineering (Establishment) Section.	April to June July to September, Oct. to Dec. Jan. to March.
(ii) Adjustment of the amount creditable to Pakistan States on account of fees realised from Broadcasting licenses.	Telegraph Engineering (Establishment) Section.	8th Aug., 8th Nov., 8th Feb. In the accounts for March (Preliminary).
(iii) Adjustment of the fees from candidates for the examination of competency for Wireless Operators.	Telegraph Engineering (Establishment) Section.	April to June July to Sept. Oct. to Dec. Jan. to March 8th Aug., 8th Nov., 8th Feb. In the account for the next year.
<i>Half Yearly</i>		
1. Interest on Investment Certificates of Depositors.	Government Security Section of the Audit Office, Dacca.	18th May and 18th November.
2. Adjustment Railway and Canal Bills	Telegraph Engineering (books) Audit Section.	30th April and 31st December.
3. Rent of Linemen's quarters	Account Current Section.	Within a week of receipt of intimation from the Railway and Civil Departments.

APPENDIX 2—*contd.*

List of important recurring or periodical transfers in the Posts and Telegraphs Accounts—*contd.*

Nature of Entries.	Name of Section responsible for making the adjustment.	Due date.
A.—ENTRIES MADE IN THE AUDIT OFFICES— <i>contd.</i>		
<i>Yearly</i>		
1. Lapsed Deposits	Book Section ...	20th June.
2. Leave and pension contribution for clerks lent to Kashmir State for customs work.	Postal Accounts Section of the Audit Office, Lahore.	20th June.
3. Clearance Entry for Miscellaneous Posts and Telegraph Advances.	Postal Accounts Section	20th June.
4. Savings Bank Interest	Savings Bank Section ...	20th June.
5. Balance of Savings Bank Accounts transferred to Dead Account ledger.	Savings Bank Section ...	15th June every third year.
6. Interest on General Provident Fund Deposits	General Provident Fund Section.	20th June.
7. Interest on Civil Service of Pakistan Provident Fund.	Do. ...	Do.
8. Interest on Civil Service of Pakistan Annuity Fund.	Do. ...	Do.
9. Adjustment of General Provident Fund lapsed Deposits.	Do. ...	Do.
10. Adjustment of unclaimed General Provident Fund Deposits.	Do. ...	Do.
11. Adjustment on account of interest on balances of Civil Engineer's Provident Fund subscribers.	General Provident Fund	March Final.
12. Cost of establishment of Life Insurance Section Debitable to Postal Insurance Fund.	Life Insurance Section of the Audit Office, Dacca.	1st July, each year.
13. Deduct credits to working expenses—Credits for services rendered to other Governments, Departments, etc.—Management of Post Office Insurance Fund.	Do. ...	Do.
14. Items adjustable by Civil Miscellaneous on account of actuarial charges.	Do. ...	Do.
15. Interest on balance of Post Office Insurance Fund by credit to Post Office Insurance Fund.	Do. ...	Do.
16. Net gain or loss on account of purchase and sale of Investment certificates during the year.	Government security Section of the Audit Office, Dacca.	Do.

APPENDIX 2—contd.

List of important recurring or periodical transfers in the Posts and Telegraphs Accounts—contd.

Nature of Entries.	Name of Section responsible for making the adjustment.	Due date.
A.—ENTRIES MADE IN THE AUDIT OFFICES—contd.		
<i>Yearly—contd.</i>		
17. Gain or Loss on account of Purchase and sale of Government Promissory Notes during the year.	Government Security Section of the Postal Audit Office, Calcutta.	1st July.
18. Interest accrued on Government Promissory Notes held by the Auditor General as permanent advance.	Do. ...	Do.
19. Amount of exchange on the sale and payment of British Postal Orders.	Postal Account Section of Lahore Audit Office.	Do.
20. Adjustment of the value of Inter-National reply coupons exchanged between Pakistan and Foreign countries in respect of accounts settled by remittance or otherwise, during the year.	Do. ...	25th July.
21. Adjustment of the Sale-proceeds of telegraph cuttings by credit to the head "Abstract B.—Miscellaneous Revenue—Telegraph (including Radio) Receipts—Fees and other Receipts—other item."	Telegraph Engineering (Works) Section.	March Final.
22. Balance of Inland money orders at the end of the third year of issue transferred to "Forfeited Money Orders".	M. O. Section. ...	At the close of March Final.
23. Interest on Capital outlay incurred during period of construction of works required by Government Departments.	Telegraph Engineering (Works) Audit Section.	March Final.
24. Clearance of amounts held under "Miscellaneous Posts and Telegraphs Advances" in respect of works remaining unfinished at end of year.	Do. ...	Do.
25. Adjustment of Guaranteed Office bills ...	Do. ...	Before 15th August.
26. Adjustment of Defence system bills ...	Do. ...	Last day of February.
27. Adjustment of contribution works ...	Do. ...	
28. Adjustment of deposits (for works done for public).	Do. ...	On receipt of accepted bills.
29. Adjustment on account of Police guards for the protection of Peshawar Radio.	Telegraph Engineering (Establishment) Audit Section of the Lahore Audit Office.	Within a week of receipt of debit from the Military Department.

APPENDIX 2—contd.

List of important recurring or periodical transfers in the Posts and Telegraphs Accounts.—contd.

Nature of Entries.	Name of Section responsible for making the adjustment.	Due date.
A.—ENTRIES MADE IN THE AUDIT OFFICES—concl'd.		
<i>Yearly—concl'd.</i>		
30. Adjustment of charges from 69—Capital outlay (Not charged to Revenue) to 21—Capital outlay (charged to Revenue).	Book ...	March Final & March Supplementary.
31. Adjustment of the amount realised in stamps for sale of Posts and Telegraphs guide and other publications.	Postal Accounts (Miscellaneous) Section.	March Final.
32. Adjustment of the amount realised in stamps for sale of saleable Telegraph forms received from the Forms Press by Departmental Telegraph Offices.	Telegraph Traffic Section	March Final.
33. Adjustment of unclaimed balances of Post Office cash certificates.	Savings Certificate Section	March Final.
34. Adjustment of gain or loss on account of Government Securities transactions.	Government Securities Section of the Dacca Audit Office.	March Final.
35. Adjustment of the unclaimed balance of Pakistan Postal orders.	Pakistan Postal Order group of Record Section of the Lahore Audit Office.	March Final.
B.—ENTRIES MADE IN THE LAHORE AUDIT OFFICE RELATING TO "STORES AND WORKSHOPS."		
<i>Monthly.</i>		
1. Transfer transactions between Civil and Posts and Telegraphs Department.	T.E. (W) ...	13th each month.
2. Freight charges on Telegraph Stores carried by Railways.	Do. ...	Do.
3. Debits for Stores supplied on payment to Civil, Railways and Military Departments.	Do. ...	Do.
4. Cost of stores supplied by Postal Seals Office debited by Postal Branch.	Do. ...	Do.
5. Share of Revenue Establishment and Stores indirect charges transferred from Working Expenses and Stores suspense Accounts.	Do. ...	17th each month.
6. Amounts debited to Stores and Workshop Suspense Accounts on account of interest from Capital Outlay depreciation by Central Credit to 20—P. & T.—Interest on Debt and "Working Expenses, Abstract O".	Do. ...	13th each month.

APPENDIX 2—contd.

List of important recurring or periodical transfers in the Posts and Telegraphs Accounts.—contd.

Nature of Entries.	Name of Section responsible for making the adjustment.	Due date.
B.—ENTRIES MADE IN THE LAHORE AUDIT OFFICE RELATING TO "STORES AND WORKSHOPS."—contd.		
<i>Monthly—concl'd.</i>		
7. Adjustment of London Invoices	T. E. (W)	13th each month.
8. Adjustment of payment statements received from England.	Do.	Do.
9. Cost of stores supplied through the agency of the Supply Department debited by the Civil Department.	Do.	Do.
10. Customs charges on imported stores debited by the Civil Department.	Do.	Do.
11. Cost of mathematical and Survey stores and metallurgical inspection charges debited by the Civil Department.	Do.	Do.
12. Transfer of amounts representing "unabsorbed indirect charges", "Residue of on-costs" and "Net loss or gain on estimates" from the Stores and Workshop Suspense Accounts to Abstract F—Engineering Expenses.	Do.	Do.
13. Telegraph Engineering transactions with the Marine and Civil Departments, Pakistan, for services rendered and stores supplied to Wireless Branch.	Do.	Do.
<i>Annual.</i>		
1. Payments made to members of the Workshop and Store Depots under "Workmen's Compensation Act".	T. E. (E)	March Final.
2. Amount recoverable from the Military Department for custody of Army Mobilisation Stores.	T. E. (W)	Do.
3. Payment on account of Compassionate Gratuities and under Workmen's Compensation Act relating to Stores and Workshops transferred from Working Expenses to the Stores and Workshop Suspense Accounts.	Do.	15th April.
4. Difference between the actual conveyance charges on stores issued from Stores Depots and the total amount charged through percentages.	Do.	March Final.
5. Interest on debts as intimated by the Auditor General.	Do.	Within a week of receipt of intimation.

List of important recurring or periodical transfers in the Posts and Telegraphs Accounts.—contd.

Nature of Entries.	Name of Section responsible for making the adjustment.	Due date.
B.—ENTRIES MADE IN THE LAHORE AUDIT OFFICE RELATING TO "STORES AND WORKSHOPS"—concl.		
<i>Annual.—concl.</i>		
6. Amount debitabte to Store Suspense Account on account of certain overhead charges by credit to Abstract O and 20—P. & T.—Interest on Delt, e.g.		
(1) Interest on Capital Outlay on buildings	T. E. (W) ...	March Final.
(2) Depreciation of buildings	Do. ...	Do.
(3) Stationery and Printing	Do. ...	Do.
(4) Share of cost of Audit	Do. ...	Do.
(5) Pension	Do. ...	Do.
C.—ENTRIES MADE IN THE OFFICE OF THE AUDITOR GENERAL		
<i>Annual</i>		
1. Adjustment of credits for services rendered (Savings Bank, Pakistan Savings Certificates) etc.	Book Section ...	March Final.
2. Cost of Wireless services rendered to Civil Aviation Department.	Do. ...	Do.
3. Adjustment of bonus on Pakistan Savings Certificates.	Do. ...	Do.
4. Amount transferred from "69-B" to "Renewals Reserve Fund".	Do. ...	Do.
5. Interest on Capital outlay	T. E. (W) ...	Do.
6. Adjustment of contribution from Revenue to Renewals Reserve Fund.	Do. ...	Do.
7. Adjustment of Interest on Renewals Reserve Fund.	Do. ...	Do.

APPENDICES

APPENDIX 3

(See Article 394).

List showing the rate of Annual Depreciation of assets of the Pakistan Posts and Telegraphs Department at 3½ per cent. interest on Sinking Fund basis.

Item No.	Class of Assets	Effective life	Residual value	Net value per cent. on which depreciation is to be calculated	Provision for depreciation per rupee of Net Value
		(years)	(Per cent.)		
	<i>All Branches.</i>				
1	Land	Permanent	...	...	...
2	Buildings	100	...	100	0·000969
3	Electrical house installations and electric fans, etc. (including dust filtering plant).	16	3	97	0·046745
	<i>Post Office</i>				
4	Railway Mail Vans	30	...	100	0·018588
	<i>Telegraphs, Radios and Tele-phones.</i>				
5	Underground Cable	36	5	95	0·013571
6	Submarine Cable	20	...	100	0·034462
7	Aerial Cable	10	3	97	0·084261
8	Posts (including brackets) ...	45	10	90	0·008841
9	Copper or Bronze Wire	40	30	70	0·011159
10	Iron Wire-Telegraph circuits ...	36	4	96	0·013571
11	Iron Wire-Telephone circuits ...	15	4	96	0·050876
11-A	Enamelled and insulated wires, Perrins and cadmium.	12	20	80	0·067512
12	Masts, aerials and earths ...	15	8	92	0·050876
	<i>Apparatus.</i>				
13	Manual exchange, Private Switch board.	15	5	95	0·050876
14	Engines, motors, Switch gears, etc., of all kinds.	16(a) 12(a)	2(a)	98	0·046745 0·067512 (b)
15	Automatic exchange	25	2(b) 5	95	0·024832

APPENDIX 3—contd.

List showing the rate of Annual Depreciation of assets of the Pakistan Posts and Telegraphs Department at 3½ per cent. interest on Sinking Fund basis.—contd.

Item No.	Class of Assets	Effective Life	Residual value	Net value per cent. on which depreciation is to be calculated	Provision for depreciation per rupee of Net Value
APPARATUS—contd.					
16	Subscribers' Apparatus	10	5	95	0·084261
17	Telegraph Instruments of all kinds and wireless apparatus.	{ 25(c) 10(d)	{ 5(c) Nil(d)	{ 95(e) 100(d)	{ 0·024832 0·084261 (c) (d)
18	Accumulators	8	10	90	0·109498
19	Workshop, plant and machinery	20	5	95	0·034462
20	Motor vehicles and launches* ...	10	10	90	0·084261
21	Carrier apparatus	25	5	95	0·024832
22	Testing apparatus of all kinds ...	15	5	95	0·050786

*Includes Motor vehicles and launches belonging to Divisions as well as Store Depots.

APPENDIX 4

List of Periodical Returns

NOTE.—This Appendix contains a list of returns to be rendered by the Office of the Auditor General and the Audit Offices as prescribed in this Code or in the Account Code, Volume IV or under special orders. The returns relating to general and technical audit and accounts, etc., will be found in the lists appended to the relevant volumes. The omission from this Appendix of any return should not be interpreted to mean that its submission has been discontinued.

No.	Description of Returns	Reference to Articles	To whom sent	Due date of submission	Remarks
(i) OFFICE OF THE AUDITOR GENERAL					
MONTHLY RETURNS					
<i>Book Section</i>					
1	Progressive Statement of Revenue and Expenditure of the Pakistan Posts and Telegraphs Department.	236	Director General ...	5th of the second month following.	
1-A	Approximate figures of S. B. and P. S. C.	409-A	Government of Pakistan, Ministry of Finance.	7th of the month following the month of account.	
2	Statement of actual Expenditure against grant under offices of Account and Audit.	238	Office of the Auditor-General (Section concerned).	15th of the second month following.	
3	Approximate Figures of Posts and Telegraphs.	407 and 409	Financial Adviser, Communications, D. G., P. & T and Superintendent, Budget Section of the office of the D. G., P. & T.	16th next month.	
4	Statement of Receipts and Charges of the Posts and Telegraphs Department.	237	State Bank of Pakistan and the Ministry of Finance.	20th of the second month	The Statement for March Preliminary should be sent on the 18th May.
5	Revenue and Expenditure of the Posts and Telegraphs Department.	239	Ministry of Finance ...	20th of the second month following.	
6	Summary of Revenue and expenditure.	Note to 236	D. G., P. & T. ...	15th of the second month	
7	Statement showing expenditure against grant under 22—Interest on debt and other obligations.	...	Accountant General Pakistan Revenues.	15th of the second month following.	
8	Statement showing progressive actuals for Advances Recoverable Loans and Advances by the Central Government.	...	State Bank of Pakistan	28th of the second month following.	
QUARTERLY RETURNS					
<i>Book Section</i>					
1	Subsequent Report of Debt Head Balances.	349	Office of the Auditor General (Section concerned).	1st May, 1st August, 1st November and 15th February.	
ANNUAL RETURNS					
<i>Book Section</i>					
1	Annual Return of approximate charges under 69—Capital outlay on Posts and Telegraphs.	412	Office of the Auditor General (Section concerned).	To reach Auditor General's office by the 15th May each year.	
2	March Final Accounts	247	State Bank of Pakistan and Ministry of Finance.	31st July.	

APPENDIX 4—contd.
List of Periodical Returns—contd.

No.	Description of Returns	Reference to Articles	To whom sent	Due date of submission	Remarks
	(i) OFFICE OF THE AUDITOR GENERAL—contd.				
	ANNUAL RETURNS—contd.				
	<i>Book Section—contd.</i>				
3	Abstract of Receipts & Expenditure for the year (up to March Final).	247	Office of the Auditor General (Section concerned).	31st July.	
4	Progressive statement of Revenue and Expenditure of the Pakistan Posts and Telegraphs Department (up to March Final).	247	Director General ...	On or before the 10th August.	
5	Statement of Gross Value of Service of Ordinary Postage Stamps sold in each Postal Circle.	74	Director General of Posts and Telegraphs.	End of July.	
6	Abstract of Journal Entries, 1st batch.	249	Section concerned of the Office of the Auditor General and the State Bank of Pakistan.	10th September.	
7	Finance & Revenue Accounts ...	339	Auditor General (Section concerned of the office).	10th and 27th October.	
8	Abstract of Journal Entries, 2nd batch.	249	Do.	Do.	
9	Review of balances ...	347	Section concerned of the office of the Auditor General.	10th November.	
10	Abstract of Journal Entries, 3rd batch if sanctioned by the Auditor General.	249	Do. ...	To reach Auditor General's Office on the date fixed by him.	
11	Statement showing progressive actuals for the year for Advances Recoverable and Loans and Advances by the Central Government.	...	Do. ...	As soon as possible after close of Journal Entries, 2nd batch.	
12	Trial Balance certificate ...	323	Do. ...	30th March, next year or earlier on receipt of orders from Auditor General for closing books.	
13	Intimation of closure of Journal and Ledger.	320	Do. ...	30th March, next year.	
14	Advance schedule for the month of February showing original transactions adjustable in the books of the High Commissioner for Pakistan in London.	...	Accountant General, Pakistan Revenues.	15th April.	
15	Advance schedule for the month of March showing original transactions adjustable in the books of the High Commissioner for Pakistan in London.	...	Do. ...	30th April.	
16	Statement of monetary transactions of the Pakistan Posts and Telegraphs Department.	Para. 95-A of A.G.'s Manual of the Office Procedure.	D. G. P. & T. ...	25th July.	
17	Statement showing Direct, Indirect, Interest and Depreciation charges of Radio Stations.	Clause VI of Article 307-C.	Director General of Posts and Telegraphs.	After the close of the March (Supplementary) Accounts.	
	(ii) AUDIT OFFICES.				
	MONTHLY RETURNS.				
1	Statement showing details of amount adjusted by the Accountant General, Posts and Telegraphs Branch, Lahore, on account of British, Postal Order and Savings Bank transactions,	Note to Art. 108	Office of the Auditor General.	5th of the 2nd month.	

APPENDIX 4—contd.
List of Periodical Returns—contd.

No.	Description of Returns	Reference to Article	To whom sent	Due date of submission	Remarks
(ii) AUDIT OFFICES—contd.					
MONTHLY RETURNS—contd.					
2	Fund Subscription Lists ...	71 (8)	Secretaries and Examiners of Funds.	24th of the month following.	
3	Approximate figures of Receipts and Expenditure.	404	Office of the Auditor General.	13th next month.	
4	Circle Abstracts of Receipts and Expenditure.	175	Do.	25th next month.	
5	Statement showing particulars of leave taken by Military Officers in Civil employ who are subscribers to Pakistan Military Service Family Pension and Pakistan Military Widows and Orphans Funds.	...	Controller of Military Accounts concerned.	20th each month.	
6	Statement showing particulars of subscriptions recovered on account of Pakistan Military Service Family Pensions and Pakistan Military Widows and Orphans Funds since the return to duty of officers mentioned in item 14 from leave out of India.	...	Controller of Military Accounts concerned.	20th each month.	
7	Deleted.				
8	Stores Circle Abstract ...	202	Office of the Auditor General.	25th of the month following the month of account.	
9	Abstracts of cash and Stores Detail Book of Stores and workshop Branch.	202	Do. ...	Do.	(Lahore Audit Office only).
10	Stores and Manufacture Suspense Schedule.	203	Do. ...	11th of the 2nd month following the month of Account.	(Lahore Audit Office only).
11	Statement showing total adjustment made against "ordinary stamps".	65	Do. ...	29th next month.	
12	Schedule incorporation the adjustment of amount relating to London Account.	...	Lahore Audit Office ...	30th next month	(Dacca Audit Office)
13	Statement of net receipts on account of Income-tax and Super Tax.	413	Secretary, Central Board of Revenue.	On or before the 6th of the month following.	
14	Monthly statement of sales of Tobacco Excise Reserve Stamps by Post Offices.	Note 3 under Article 71.	Territorial Administrative Authorities concerned (<i>vide</i> Annexure E to Chap. 2).	15th of the month following.	
15	General Account between the Post Offices of Great Britain and Northern Ireland and the Post Offices in Pakistan.	100	Chief Accounts Officer, Office of the High Commissioner for Pakistan in London.	10th of the second month following the month of Account.	(Lahore Audit Office).
16	London Account	98	Accountant General Pakistan Revenues, Karachi	20th of the second month following the month of Account.	(Lahore Audit Office).
QUARTERLY RETURNS					
1	Reports of Debt and Remittance Heads with a statement showing subsequent adjustment in respect of items relating to the previous year under all Debt Heads.	350	Office of the Auditor General.	To reach the Office of the Auditor General on or before the 7th February, 24th April, 24th July, and 25th October.	
2	Statement Showing the outstandings in respect of Exchange Accounts.	63	Office of the Auditor General.	10th of September, December, March and July.	

APPENDIX 4—contd.
List of Periodical Returns—contd.

No.	Description of Returns	Reference to Articles	To whom sent	Due date of submission	Remarks
	(ii) AUDIT OFFICES—contd.				
	ANNUAL RETURNS.—contd.				
1	Consolidated statement of Cash balances of each circle together with the necessary certificates of the Audit Offices.	...	Office of the Auditor General.	10th September.	
2	Circle Abstract for March Final Accounts including figures for March Preliminary.	241	Do.	To reach the Office of the Auditor General on or before 7th July.	
3	Exchange Accounts for March Final	53	Parties concerned ...	31st July.	
4	Exchange Accounts for March Final—1st Supplementary.	Do.	Do. ...	10th September	
5	Exchange Accounts for March Final—2nd Supplementary	Do.	Do. ...	19th October	
6	Communication of balances at the end of March Final Accounts	64	Parties concerned and the Office of the Auditor General.	31st August.	
7	Annual consolidated Abstract of the Progress Report.	65	Do. ...	20th December.	
8	A Consolidated Advance Schedule for the month of February showing original transactions adjustable in the books of the High Commissioner for Pakistan in London.	...	Lahore Audit Office ...	To reach Lahore Audit Office on or before the 15th April.	(Dacca) Audit Office
9	A Consolidated Advance Schedule for the month of March showing original transactions adjustable in the books of the High Commissioner for Pakistan in London.	...	Do. ...	To reach Lahore Audit Office on or before the 30th April.	(Dacca) Audit Office
10	Statement showing the total number of S. B. transactions (ii) cost of audit of Savings Bank work and (iii) net amount of loss on account of S. B. frauds, in the preceding year for each circle.	293	Do. ...	15th July.	
11	Statement showing the (i) total number of P. S. C. transactions (ii) cost of audit C.C. work and (iii) net amount of loss on account of S. B. frauds, in the preceding year for each circle.	296	Do. ...	Do.	
12	Statement apportioning total Expenditure of the Audit Offices between the several branches of the Pakistan Posts and Telegraphs Department.	263	Do. ...	Do.	
13	Certificate of closing balance under General Stock.	372	Do. ...	...	To be sent by the Account's Officer Telegraph stores Karachi through the Lahore Audit Office.
	After March Final ...	...	...	End of July ...	
	After Journal Entry, 1st batch	...	...	End of September ...	
	After Journal Entry, 2nd batch	...	...	End of October ...	
	After Journal Entry, 3rd batch	...	...	End of November ...	
14	Extracts from the register of sale of assets showing the adjustment to the Renewals Reserve Fund	...	Office of the Auditor General.	1st August. 1st September. 1st October.	

APPENDIX 4—*contd.*
List of Periodical Returns—*contd.*

No.	Description of Returns	Reference to Articles	To whom sent	Due date of submission	Remarks
	(ii) AUDIT OFFICES— <i>contd.</i> ANNUAL RETURNS— <i>contd.</i>				
5	Statement showing the amounts booked under Abstracts I(a)—Postal and I(d)—Telephone for repairs to buildings carried out under the supervision of the Divisional Engineers, Telegraphs.	305	Office of the Auditor General.	28th August.	
6	Statement showing details of expenditure recorded under the head 69.	...	Do. ...	Do.	
17	Circle Abstract for Journal Entry, 1st batch.	248	Do. ...	To reach by the 1st September.	
18	Review of balances under Stores, and objections with full explanations for Appropriation Report.	...	Do. ...	5th September.	
19	Statement of Balances outstanding under the Debt and Remittance heads at the close of March (Final Accounts) of each Circle.	348	Do. ...	10th September.	
20	Circle Abstract for Journal Entries, second batch.	248	Do. ...	To reach on or before the 1st October.	
21	Statement of Balances outstanding under the Debt and remittance heads at the close of Journal Entry, 2nd batch of each Circle.	348	Do. ...	1st November.	
26	Suggestions for additions and alterations in Heads of Accounts in Classified Abstract, Circle Abstract and Detail Books (all branches).	...	Do. ...	16th December.	

APPENDICES.

APPENDIX 5.

List of Books and Registers to be reviewed by Accountants and Gazetted Officers.

NOTE.—This Appendix contains a list of books and registers prescribed in this Code or in the Account Code, Volume IV, or under special orders. The books and registers relating to General and Technical Audit, Accounts, etc., will be found in the lists appended to relevant volumes. The omission from this Appendix of any book or register should not be interpreted to mean that the review of such book or register should be dispensed with.

No.	Description	Reference to Articles	Due date of review	Remarks
OFFICE OF THE AUDITOR GENERAL				
<i>Book Section</i>				
1	Journal and Ledger	308	10 days after despatch of accounts of the State Bank of Pakistan.	
2	Register of approximate figures of the transactions of the Pakistan Posts & Telegraphs Department.	407	16th of the following month.	
3	General Abstract	232	20th of the 2nd month.	
4	Plant Value Ledger	376	31st January.	
5	Broad-sheet of reconciliation of Plant Value Ledger with Financial Ledgers.	380	31st January.	
6	Register of assets purchased from other Departments.	383	As each entry is made in the Register and on 31st July.	
7	Register of assets sold, abandoned or otherwise disposed of before maturity and not replaced.	382	With March final & each batch of entries for Supplementary Accounts.	
8	Statement showing the calculation of combined office charges.	302	30th July.	
9	Register of Annual Transfer Entries	...	20th August. 20th September. 20th October.	
10	Register of Current Depreciation ...	...	At the time of closing the accounts for March (Final) and each batch of Journal Entries.	
11	Register of Interest on Renewals Reserve Fund.	...	Do.	
12	Statement of distribution of General & Joint Charges of Pakistan Posts and Telegraphs Department.	289	Do.	

APPENDIX 5—contd.

List of Books and Registers to be reviewed by Accountants and Gazetted Officers—contd.

No.	Description	Reference to Articles	Due date of review	Remarks
	OFFICE OF THE AUDITOR GENERAL —contd.			
	Book Section—contd.			
13	Register of Balances of Debt and Remittance heads for each circle.	351	15th October and 10th November.	
14	Journal and Ledger of Profit and Loss Account, Journal Entry II-Batch.	319	27th October.	
15	Register of Interest on Profit and Loss.	389	15th November.	
	AUDIT OFFICES			
1	Classified Abstract	152	10th of each month, and again by the end of the month.	
2	Abstract of Adjustment	131	18th, next month.	
3	Combined Transfer Ledger & Abstract	131	18th, next month.	
4	Abstract of Transfer Entries of the Postal Insurance and Government Security Sections.	132	18th, each month.	
5	Register of Classified Abstract ...	155	Last Working day, each month.	
6	Detail Books	177	7th, second month.	
7	Register of assets sold, abandoned or otherwise disposed of before maturity and not replaced.	382	31st July each year.	
8	Broad sheet of Periodical Adjustments	123	After the March Final Accounts are closed and again after the close of Journal Entries 1st & 2nd batch.	
9	Inward adjustment registers (for A.G., P. R., and Railways).	57 & 58	5th of the 3rd month following.	
10	Inward adjustment registers (Civil other than A. G., P. R. & Defence.)	Do.	20th of the 2nd month following.	
11	Progress Registers (A. G., P. R., and Railways).	57 and 61	6th of the 3rd month following.	

List of Books and Registers to be reviewed by Accountants and Gazetted Officers—concl'd.

No.	Description	Reference to Articles	Due date of review	Remarks
<i>AUDIT OFFICES—cont'd.</i>				
<i>Account Current Section</i>				
12	Progress Registers (Civil other than A.G., P.R., & Defence).	57 and 61	26th of the 2nd month following.	
13	Remittance Registers on account of drawings from Treasuries.	69	End of the 2nd month following the month of account.	
14	Exchange Account Objection Book ...	57 and 60	25th Next month.	
15	Register of items outstanding for more than 6 months.	60	Do.	
16	Registers for adjustment of various items shown by the Superintendent, Foreign Posts, Karachi, in the General Account.	804	8th of the 2nd month following.	For Lahore Audit Office only.
17	Exchange Account Abstracts ...	58 and 129-A(C)	Just when they are required by Book Section for incorporation in the Detail Books.	
18	Register maintained for checking the credits on account of supply of stamps to Kashmir States.	Note 1 to Article 71	End of the month	For Lahore Audit Office only.
<i>P. A. Section</i>				
19	Audit Register of Railway charges against sanctions.	86	8th of the 3rd month following the month of account.	

APPENDIX 6.

List of Forms.

Number	Description
A.G.P.T.-503	... Monthly Summary of Revenue.
A.G.P.T.-504	... Monthly Summary of Expenditure.
A.G.P.T.-509	... Audit Register of Railway Charges against allotment.
A.G.P.T.-510	... Audit Register of Fixed Charges paid by transfer.
A.G.P.T.-511	... Statement showing special train hire charged in the accounts of the Pakistan Posts and Telegraphs Department.
A.G.P.T.-513	... Letter to Heads of Circles asking for Director General's sanction in connection with Railway Charges.
A.G.P.T.-514	... Letter forwarding vouchers for countersignature.
A.G.P.T.-517	... Account Current with the High Commissioner for Pakistan in London.
A.G.P.T.-518	... Register of Adjustments shown in the General Account with Great Britain and Northern Ireland.
A.G.P.T.-519	... Monthly Abstract of Transfer Entries brought into account in the Office of the Auditor General.
A.G.P.T.-521-A.	... Exchange Account Abstract for Credit items.
A.G.P.T.-521-B.	... Exchange Account Abstract of Debit items.
A.G.P.T.-540	... Classified Abstract.
A.G.P.T.-541	... Classified Abstract—Appendix A.
A.G.P.T.-542	... Classified Abstract—Appendix B.
A.G.P.T.-543	... Classified Abstract—Appendix C.
A.G.P.T.-544	... Classified Abstract—Appendix D.
A.G.P.T.-545	... Statement of Disburser's Account.
A.G.P.T.-546	... Unified Detail Book (Revenue and Receipts)—Part I.
A.G.P.T.-546-A.	Unified Detail Book (Expenditure proper)—Part II.
A.G.P.T.-546-B.	... Unified Detail Book (Expenditure Debt and Remittance heads)—Part III.
A.G.P.T.-547	... Telegraph Check Branch Detail Book (Revenue and Receipts)—Part I.
A.G.P.T.-547-A.	... Telegraph Check Branch Detail Book (Expenditure proper). Part II
A.G.P.T.-547-B.	... Telegraph Check Branch Detail Book (Expenditure—Debt and Remittance heads)—Part III.
A.G.P.T.-548	... Statement of Stamp Imprests held in cash and stamps.
A.G.P.T.-550	... Store Detail Book for A.O., Telegraph Stores, Karachi, A.O., Telegraph Workshops, Kotri, ("Workshop") portion only and Stores Depot Officer (Revenue and Receipts)—Part I.
A.G.P.T.-550-A.	... Do. (Expenditure proper)—Part II.
A.G.P.T.-550-B.	... Do. (Expenditure, Debt and Remittance heads)—Part III.
A.G.P.T.-551	... Circle Store Detail Book (Revenue and Receipts)—Part I.
A.G.P.T.-551-A.	... Do. (Expenditure proper)—Part II.
A.G.P.T.-551-B.	... Do. (Expenditure, Debt and Remittance heads)—Part III.

APPENDIX 6—*contd.*List of Forms—*contd.*

Number	Description
A.G.P.T.-552	... Circle Unified Abstract (Revenue and Receipt)—Part I.
A.G.P.T.-552A.	... Do. (Expenditure proper).
A.G.P.T.-552-B.	... Do. (Expenditure, Debt and Remittance heads) Part III.
A.G.P.T.-553	... Stores and Workshop Suspense Schedule.
A.G.P.T.-553-A.	... Abstract of Receipts and Expenditure of Store transactions (for Circle).
A.G.P.T.-553-B.	... Abstract of Revenue and Receipts of the Telegraph Check Branch Part I.
A.G.P.T.-553-C.	... Abstract of Expenditure proper of the Telegraph Check Branch Part II.
A.G.P.T.-553-D.	... Abstract of Expenditure (Debt and Remittance heads) of the Telegraph Branch—Part III.
A.G.P.T.-554	... Abstract of Receipt and Expenditure of Store transactions for A. O. Telegraph Stores, Karachi, A. O., Telephone Revenue and Telegraph Workshops ("Workshops" portion only) and Stores Depot Offices.
A.G.P.T.-555	... General Abstract.
A.G.P.T.-556	... Progressive Statement of Revenue and Expenditure.
A.G.P.T.-557	... Monthly Account of Receipts and Charges.
A.G.P.T.-560	... Account of Receipts and Expenditure submitted to the Auditor General (section concerned of the office).
A.G.P.T.-561	... Journal of Posts and Telegraphs Account.
A.G.P.T.-562	... Trial Balance Sheet of the Pakistan Posts and Telegraphs Department.
A.G.P.T.-563	... Central Check Register of Balances at the close of March Final J. E. II Batch.
A.G.P.T.-564	... Plant Value Ledger.
A.G.P.T.-565	... Broadsheet of reconciliation between Plant Value Ledger and Financial Ledger.
A.G.P.T.-566	... Register of Arrears of Depreciation.
A.G.P.T.-567	... Register of Assets sold, abandoned or otherwise disposed of before maturity and not replaced.
A.G.P.T.-571	... Statement showing Compilation of Approximate Accounts.
A.G.P.T.-572	... Statement of Approximate Actuals.
A.G.P.T.-574	... Register of transfer entries made in adjustment of Postal transactions.
A.G.P.T./A.O.-52	... Combined Transfer Ledger and Abstract.
A.G.P.T./A.O.-52-A.	... Combined Transfer Ledger and Abstract for use in the Money Order Section.
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A.O.-20	... Adjustment Register of Inward Exchange Accounts.
A.C.-9	... Register of Adjustment of Account Current objections.
A.O.-24	... Progress Register of Exchange Accounts.
A.O.-25	... Annual Consolidated Abstract of Progress Register of Exchange Accounts.
A.O.-26	... Details of outstandings in Exchange Accounts on 31st March.
A.O.-50	... Transfer Entry.
A.C.-31	... Index of Transfer Entries.
A.O.-54	... Ledger for Debt and Remittance Heads closed to balance.
A.T.C.-81	... Abstract of Objections.
A.O.-15	... Exchange Account between Civil and Civil (to be used for the Exchange Accounts with Defence and Railway).
A.O.-23	... Objection Book of Exchange Accounts.
S.Y.-102	... Schedule of London Account.
S.Y.-286	... Register of objections more than six months old.
AO.-51	... Transfer entry number book.
P.W.A.-54	... Transfer Entry Book.

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