

Department shall keep its accounts. The necessary forms for all books, accounts, and documents required by Departments for properly carrying into effect the provisions of the Act shall be such only as are prescribed or approved by the Treasury. Where not inconsistent with these regulations the system of keeping departmental accounts and the books and forms to be used thereunder shall at all times be subject to the control, supervision, and inspection of the Treasury.

104. The accounting system of each office must be arranged in such manner as will secure the greatest possible measure of internal check on the handling of public moneys and stores. Where the same can be obviated, the cashier should not have access to the ledger, and generally the allocation of duties should, as far as possible, be based on the principle that requires the concurrence of knowledge and action of two or more officials to complete a transaction.

105. Receipts or credits defined as "credits-in-aid" in section 51 of the Public Revenues Act must be treated in the accounts as such irrespective of whether the same were foreseen or allowed for in the annual appropriations or not; but, except as provided in the aforesaid section, any excess of credits-in-aid received over the amount appropriated in respect of the particular vote is not available to increase the annual appropriations.

106. Correction of errors in respect of expenditure or credits-in-aid, whether due to mistake of fact or mere clerical error, and such other adjustment of accounts as the Treasury shall from time to time determine, shall be deducted from the expenditure or credits-in-aid, as the case may be, in respect of the relative vote.

107. Income and Expenditure or Profit and Loss Accounts and such other accounts as may be required, together with balance-sheets on a commercial basis, shall be prepared by departments in accordance with Treasury instructions as soon as possible after the close of each financial year. As far as possible separate Income and Expenditure or other Accounts shall be prepared for different activities, institutions, or services. One copy is to be submitted to the Audit Office for examination and report, and one copy forwarded to the Treasury, accompanied by a report in respect of services which proved to be unremunerative.

PART V.

STORES.

108. "Stores," as defined by section 2 of the Public Revenues Act, shall for the purposes of these regulations be deemed to include any article of a consumable or non-consumable nature required in carrying out the services of any Government Department, and may also include unserviceable articles, whether old or new, which may or may not possess a value to a Department; and also to include books, forms, stationery and office requisites, furniture, fittings, mechanical office appliances, motor-cars and other vehicles, buildings, implements, live-stock, and all Government personal property of any description.

109. Subject to the provisions of the Public Revenues Act and of these regulations, the function of co-ordinating and supervising the purchase, distribution, use, and inter-departmental transfer of stores shall be vested in the "Stores Control Board" constituted by the regulations made by Order in Council on the 28th day of October, 1925, and published in the *Gazette* on the 29th day of October, 1925. The instructions of the aforesaid Board in these matters must be strictly complied with.

110. Subject to the provisions of the Public Revenues Act and of these regulations, the Permanent Heads of Departments shall prepare rules for the observance by accounting officers and others employed in connection with the accounting for and the management and control of stores. Such rules shall be based wherever practicable on the principle that requires concurrence of knowledge and action on the part of two or more officials to complete a transaction, and that irregularities and misappropriation in connection with public stores are equivalent to irregularities and misappropriation of public moneys.

There shall also be embodied in the rules particulars of the books, accounts, and forms to be used for recording all transactions relating to stores, together with instructions in respect of their purpose and application.

111. Before adoption, such rules, accounts-books, and forms must be submitted (in triplicate) to the Treasury for approval; provided that