

UTI/PWD/1#2

FALKLAND ISLANDS.

No.

120/16

Date of Receipt.

Governor's Office.



From

SUBJECT.

Secretary of State for the Colonies.

PUBLIC WORKS MATERIALS AND STORES.

Approval generally of instructions for

No.

Date

24.

15. 2. 16.

Colonial Secretary's Record No.

686/15

Registered Number of last Despatch.

369/15

MINUTES.

Minutes sent to Col Sec.

17. 4. 16

No. next Despatch.

FALKLAND ISLANDS

NO 24.



Downing Street,

^{15th} February, 1916.

Sir,

I have the honour to acknowledge the receipt of your despatch No.136 of the 25th October and to inform you that I approve generally of the Instructions which you have drawn up for accounting for Public Works Materials and Stores.

2. Paragraph 5 of the Instructions provides that the value of stores for the purpose of issue shall be the invoice price with the addition of a percentage to cover the cost of freight, insurance &c. but I consider that it would be preferable to add to the invoice price of each class of stores the proportional cost of the additional charges, calculated separately in the case of each individual consignment.

I have the honour to be,

Sir,

Your most obedient,

humble Servant,

A. Bonar Law

GOVERNOR

W.D. YOUNG, ESQ., C.M.G.,

&c., &c., &c.,

Honourable Colonial Secretary,

With reference to C.S.O. M.P. 686 I annex Copy of Secretary of State's despatch No. 24 of the 15th February, 1916, approving generally of the instructions for accounting for Public Works Materials and Stores.

I also annex copy of the Instructions with paragraph 5 amended in the light of the Secretary of States direction.

Please send copies to the Colonial Engineer, the Treasurer and the Auditor.

Governor.

19th April, 1916.

FALKLAND ISLANDS.

Instructions for accounting for Public Works Materials and Stores.

1. There shall be a Standard Stock of Materials and Stores for the Public Works Department, under the charge of the Colonial Engineer, of a gross value not exceeding £600 or such other sum as the Governor, subject to the approval of the Secretary of State, may from time to time determine.

2. The Colonial Engineer shall indent only for such stores and materials as are necessary and prevent overstocking. Any unauthorized expenditure in excess of the standard amount fixed will be regarded as a serious financial irregularity.

3. The sums required for maintaining the Standard Stock shall be provided out of the Colony's funds as an advance, under the authority of the Governor.

4. The Treasurer shall keep an account to be called "the Public Works' Store Account" which shall be debited with the total cost of all stores authorized and purchased on account of the Public Works Store Account, and credited, monthly, with the total value of all stores issued, corresponding debits being at the same time made against the votes or accounts to which the stores issued are chargeable.

5. The cost of stores purchased shall include all proper charges for freight, insurance etc., and the value of the stores issued shall be the invoice price of each article or unit of quantity, with the addition of the proportional cost of the
additional

additional charges calculated separately, as far as possible in the case of each individual consignment, sufficient to cover freight insurance, etc.

6. In cases where stores have been issued to a work and have not been wholly used the unexpended balance should again be brought on charge at the issue value i.e. invoice price plus the approval percentage. This applies equally to any stores remaining from a work to which the cost was charged direct in the first instance.

7. A monthly statement showing the total value of the stores used on the various works, classified according to the votes against which they are to be charged, shall be prepared in the Public Works Department. These statements certified by the Colonial Engineer, shall be transmitted to the Treasurer by whom the respective votes shall be debited and the Materials and Stores Account credited with the total value of the issues.

8. A similar monthly statement of stores brought on charge under the preceding instruction shall also be sent to the Treasurer, who shall debit the Materials and Stores Account with the amount shown therein.

9. These statements shall be filed as vouchers to the Treasurer's Accounts and be submitted for audit with his monthly accounts.

10. Under this arrangement the stores account shall show, as debits, the total expenditure in connection with the unallocated stores purchased or returned from works, and, as credits the sums transferred therefrom from time to time on account of issues and debited to works.

11. The Public Works Store ledger will be kept as

regards.

regards quantities only, but the current issue valuation must also be recorded against each article promptly and regularly.

12. A stock balance sheet shall be prepared by the Colonial Engineer at the end of each financial year and submitted for audit, showing (1) as the opening balance, the value of stores in hand at the commencement of the year, (2) a summary of the whole of the transactions appearing in the Materials and Stores Account during the year, including any financial adjustments on account of depreciation of losses of stores, etc. and (3), as the closing balance, the value of stores in hand at the end of the year.

13. The Balance Sheet should be supported by a Stock Valuation Return, prepared in four columns (Ledger balances, Actual Stock, Excess and Deficiency) from the store ledger and from the actual stocktaking required by Colonial Regulation No. 385, and certified by the Colonial Engineer. This return will shew the differences between the ledger balances and the actual stock. Full explanation therefore must be submitted therewith. The valuation here referred to does not mean an actual valuation of stock, the ledger values being accepted plus the approved percentage for charges, etc., but unserviceable and obsolete articles should be brought forward annually for revaluation and any depreciation finally adjusted during the year.

14. The value of stores in hand (i.e. the balance of Materials and Stores as shewn by the Stores Account) will be included in the periodical statements of the Colony's Assets and Liabilities.

Governor.

19th April, 1916