



Exchequer and Audit Departments Act 1866

1866 CHAPTER 39

APPROPRIATION ACCOUNTS.

21 Annual accounts of issues for Consolidated Fund services to be prepared and audited for Parliament.

The Treasury shall cause an account to be prepared and transmitted to the Comptroller and Auditor General for examination on or before the thirtieth day of September in every year, showing the issues made from the Consolidated Fund of Great Britain and Ireland in the financial year ended on the thirty-first day of March preceding, for the interest and management of the public funded and unfunded debt, for the Civil List, and all other issues in the financial year for services charged directly on the said fund ; and the Comptroller and Auditor General shall certify and report upon the same with reference to the Acts of Parliament under the authority of which such issues may have been directed ; and such accounts and reports shall be laid before the House of Commons by the Treasury on or before the thirty-first day of January in the following year, if Parliament be then sitting, and if not sitting, then within one week after Parliament shall be next assembled.

22 Annual accounts of the appropriation of public money to be prepared for the House of Commons.

On or before the days specified in the respective columns of Schedule A. annexed to this Act, accounts of the appropriation of the several supply grants comprised in the Appropriation Act of each year shall be prepared by the several departments, and be transmitted for examination to the Comptroller and Auditor General and to the Treasury, and when certified and reported upon as herein-after directed they shall be laid before the House of Commons; and such accounts shall be called the "Appropriation Accounts " of the moneys expended for the services to which they may respectively relate ; and the Treasury shall determine by what departments such accounts shall be prepared and rendered to the Comptroller and Auditor General, and the Comptroller and Auditor General shall certify and report upon such accounts as

herein-after directed; and the reports thereon shall be signed by the Comptroller and Auditor General: Provided always, and it is the intention of this Act that the Treasury shall direct that the department charged with the expenditure of any vote under the authority of the Treasury shall prepare the appropriation account thereof: Provided also, that the term " department," when used in this Act in connexion with the duty of preparing the said appropriation accounts, shall be construed as including any public officer or officers to whom that duty may be assigned by the Treasury.

23 *Bach department to keep such books of accounts as may be prescribed by the Treasury.*

A plan of account books and accounts, adapted to the requirements of each service in order to exhibit, in a convenient form, the whole of the receipts and payments in respect of each vote, shall be designed under the superintendence of the Treasury ; and Her Majesty may from time to time, by Order in Council, prescribe the manner in which each department of the public service shall keep its accounts.

24 *Description of account.*

An appropriation account of supply grants shall exhibit on the charge side thereof the sum or sums appropriated by Parliament for the service of the financial year to which the account relates, and on the discharge side thereof the sums which may have actually come in course of payment within the same period ; and no imprest or advance, of the application of which an account may not have been rendered to and allowed by the accounting department, shall be included on the discharge side thereof.

25 *A balance sheet or statement to accompany the appropriation account.*

The department charged with the duty of preparing the appropriation account of a grant shall, if required so to do by the Comptroller and Auditor General, transmit to him, together with the annual appropriation account of such grant, a balance sheet so prepared as to show the debtor and creditor balances in the ledgers of such department on the day when the said appropriation account was closed, and to verify the balances appearing upon the annual appropriation account: Provided always, that the Comptroller and Auditor General may, if he thinks fit, require the said department to transmit to him in lieu of such balance sheet a certified statement showing the actual disposition of the balances appearing upon the annual appropriation account on the last day of the period of such account.

26 *The appropriation account to be accompanied by a statement explaining disposal of balances, &c.*

Every appropriation account when rendered to the Comptroller and Auditor General shall be accompanied by an explanation showing how the balance or balances on the grant or grants included in the previous account have been adjusted, and shall also contain an explanatory statement of any excess of expenditure over the grant or grants included in such account, and such statement as well as the appropriation account shall be signed by such department.

27 In what manner the examination of appropriation accounts shall be conducted by the Comptroller and Auditor General.

Every appropriation account shall be examined by the Comptroller and Auditor General on behalf of the House of Commons; and in the examination of such accounts the Comptroller and Auditor General shall ascertain, first, whether the payments which the accounting department has charged to the grant are supported by vouchers or proofs of payments, and, second, whether the money expended has been applied to the purpose or purposes for which, such grant was intended to provide : Provided always, and it is hereby enacted, that whenever the said Comptroller and Auditor General shall be required by the Treasury to ascertain whether the expenditure included or to be included in an appropriation account, or any portion of such expenditure, is supported by the authority of the Treasury, the Comptroller and Auditor General shall examine such expenditure with that object, and shall report to the Treasury any expenditure which may appear, upon such examination, to have been incurred without such authority ; and if the Treasury should not thereupon see fit to sanction such unauthorised expenditure, it shall be regarded as being not properly chargeable to a Parliamentary grant, and shall be reported to the House of Commons in the manner herein-after provided.

28 The Comptroller and Auditor General to have access to books of account, &c. in the accounting departments.

In order that such examination may, as far as possible, proceed *pari passu* with the cash transactions of the several accounting departments, the Comptroller and Auditor General shall have free access, at all convenient times, to the books of account and other documents relating to the accounts of such departments, and may require the several departments concerned to furnish him from' time to time, or at regular periods, with accounts of the cash transactions of such departments respectively up to such times or periods.

29 How the vouchers of appropriation accounts included in Schedule (B.) shall be examined.

In conducting the examination of the vouchers relating to the appropriation of the grants for the several services enumerated in Schedule (B.) to this Act annexed, the Comptroller and Auditor General, after satisfying himself that the accounts bear evidence that the vouchers have been completely checked, examined, and certified as correct in every respect, and that they have been allowed and passed by the proper departmental officers, may admit the same as satisfactory evidence of payment in support of the charges to which they may relate: Provided always, that if the Treasury should desire any such vouchers to be examined by the Comptroller and Auditor General in greater detail, the Comptroller and Auditor General shall cause such vouchers to be subjected to such a detailed examination as the Treasury may think fit to prescribe.

30 How other vouchers are to be examined.

In conducting the examination of the vouchers relating to the appropriation of the grants for any services not enumerated in the aforesaid schedule, the Comptroller and Auditor General shall test the accuracy of the castings and computation of the several items of such vouchers : Provided always, that when any vouchers have been certified to be correct by any officers specially authorised to examine the same, it shall be lawful

for the Comptroller and Auditor General, with the consent of the Treasury, to dispense with a second examination of the particular items of such vouchers.

31 Objections made by the Comptroller, &c. to be reported to the accounting department, and in certain cases to the Treasury.

If during the progress of the examination by the Comptroller and Auditor General herein-before directed any objections should arise to any item to be introduced into the appropriation account of any grant, such objections shall, notwithstanding such account shall not have been rendered to him, be immediately communicated by him to the department concerned, and if the objections should not be answered to his satisfaction by such department, they shall be referred by him to the Treasury and the Treasury shall determine in what manner the items in question shall be entered in the annual appropriation account.

32 What reports the Comptroller and Auditor General shall prepare for submission to Parliament.

In reporting as herein-before directed, for the information of the House of Commons, the result of the examination of the appropriation accounts, the Comptroller and Auditor General shall prepare reports on the appropriation account of the Army and on that of the Navy separately. He shall prepare a report on the appropriation accounts of the Departments of Customs, Inland Revenue, and Post Office.

He shall prepare a report or reports on the accounts relating to the several grants included within each of the classes into which the grants for civil services are divided in the Appropriation Act.

In all reports as aforesaid he shall call attention to every case in which it may appear to him that a grant has been exceeded, or that money received by a department from other sources than the grants for the year to which the account relates has not been applied or accounted for according to the directions of Parliament, or that a sum charged against a grant is not supported by proof of payment, or that a payment so charged did not occur within the period of the account, or was for any other reason not properly chargeable against the grant.

If the Treasury shall not, within the time prescribed by this Act, present to the House of Commons any report made by the Comptroller and Auditor General on any of the appropriation accounts, or on the accounts of issues for Consolidated Fund services, the Comptroller and Auditor General shall forthwith present such report.