

**Hong Kong DanceSport Association Ltd.**  
**Accounting Procedures**  
**(Effective from 01-04-2015)**

**1      Introduction**

- 1.1      This Accounting Procedures Guidelines (“the Guidelines”) provide the basic principles and essential procedures to be followed by all staff and Executive Committee Members of Hong Kong DanceSport Association Ltd. (“the Association”) in handling financial transactions so as to establish an effective internal control system within the Association.
- 1.2      The Association can make reference to the Guidelines and draw up its accounting procedures to suit its business operation and provide guidelines to its staff and officials to carry out their duties effectively and efficiently. **The responsible action officers and approving officers should be clearly stated in the accounting procedures of the Association.**

**2      Basic Principles**

- 2.1      Separate bank accounts and ledger accounts should be maintained for subvented programmes and non-subvented activities. All accounting transactions should be properly entered into the ledger accounts.
- 2.2      The designated approving officers for receipt vouchers, payment vouchers, journal vouchers, petty cash claims, cheques and amendments to bank instructions and so on should be properly authorised and delegated by the Executive Committee.
- 2.3      All vouchers should be properly checked, authorised, signed and dated by the responsible officer.
- 2.4      **Deployment of receipts to other purposes is not allowed.** Official receipts are required to be issued for all income collection. All receipts should be properly recorded and banked promptly.
- 2.5      All expenses must be properly classified and duly authorised before payments are made. **No pre-signed payment vouchers and cheques are allowed.**
- 2.6      The policies on making cash payments, accommodation and meal expenses, scope and ceiling for entertainment expenses as well as transportation expenses like taxi fares and so on should be set by the Executive Committee where applicable. Unless under exceptional circumstances, staff and officials should use the most economical means of transport. Hotel accommodation for athletes, officials and coaches are restricted to standard rooms.
- 2.7      The petty cash holding limit and transaction limit for each purchase should be set and approved by the Executive Committee

- 2.8 There should be a ceiling set on the amount of cash advance and time frame for settlement of cash advance. Such a ceiling should be approved by the Executive Committee .
- 2.9 Minor corrections or alterations should be rectified by striking off or adding in, with initial of responsible officer, instead of correction fluid. If there are any corrections or alterations of critical information made on official receipts such as the amount and name of payer, the official receipts must be cancelled and retained in the Official Receipt Book (ORB). Fresh official receipts should then be issued. In case of other vouchers or supporting documents to vouchers, the corrections or alterations to critical information should be initialed by the responsible officer.
- 2.10 The accounting procedure guideline should be approved by the Executive Committee .

### 3 **Income**

#### ***Responsible Officers***

Cashier: AA2

Official Receipt Book Holder: SE

Receipt Voucher Preparing Officer: AA1#

Receipt Voucher Checking Officer: SE

Periodic Check: Secretary General

<sup>#</sup>This officer should be a staff responsible for handling accounting matters of the Association and should be a different person from the Receipt Voucher Checking Officer, and preferably also a different person from the Cashier if practicable.

#### 3.1 ***Maintenance of Official Receipts***

- 3.1.1 SE records the receipt of official receipt books on the Official Receipt Books in the Official Receipt Book Register (the “ORB Register”) at **Annex 1**. He/she also records the issue of official receipt books to AA2 and requests AA2 to initial on the ORB Register with date. The ORB holder and Cashier should be different persons.
- 3.1.2 On return of completely used up / obsolete official receipt books from AA2, SE updates the OR Register with initial and date.

#### 3.2 ***Issue of Official Receipts***

- 3.2.1 AA2 issues pre-numbered official receipts (**Annex 2**) in duplicate in date sequence and in consecutive order for income collections. Details of particulars of the receipts should be stated. The original should be provided to the payer while the copy should be kept properly in the ORB for audit trail. The official receipt stubs should be properly kept. Same official receipts can be issued for different sources of income e.g. collections from admission fees and entry fees. For payment through

electronic means, manual official receipts are not necessary as long as receipt reference is generated automatically by the collection system.

- 3.2.2 In case of spoiled or cancelled official receipts, AA2 marks “CANCELLED” immediately on both the original and the duplicate copies of spoiled or cancelled official receipts and attaches these official receipts to the respective ORB stub.
- 3.2.3 AA2 crosses all cheques which have not yet been crossed by the paying party. Post-dated cheques should not be accepted.
- 3.2.4 Both AA2 and SE should keep all receipts, ORB, complimentary tickets properly and under lock and key.
- 3.2.5 For Acknowledgement of Receipts by proforma requested by the payer such as the Leisure and Cultural Services Department (LCSD), such acknowledgement should be signed by Secretary General.

### 3.3 ***Banking of Income***

- 3.3.1 AA2 banks in promptly all income within One week or when the holding limit of HK\$20,000 is reached, whichever is earlier. The income collected should not be deployed to settle payments with suppliers directly.
- 3.3.2 After banking in, AA2 should record the official receipt numbers on the bank pay-in slips and keep properly the bank pay-in slips.

### 3.4 ***Preparation and Approval of Receipt Vouchers***

- 3.4.1 AA1 prepares Receipt Vouchers (**Annex 3**) with unique serial numbers and proper accounting records cross-referencing, e.g. official receipt numbers. Other supporting documents, such as original copy of remittance slips and receipt acknowledgement forms should also be attached to the Receipt Vouchers, where appropriate.
- 3.4.2 AA1 initials on the Receipt Vouchers with date.
- 3.4.3 SE checks the details contained in the Receipt Vouchers against supporting documents and initials and dates the receipt vouchers.

### 3.5 ***Issue of Complimentary Tickets***

- 3.5.1 AA2 stamps all the complimentary tickets with “Non-transferable” and distributes to the approved recipients or organisations. Proper approval from SE on the issue of complimentary tickets and list of recipients / organisations should be obtained before distribution.

3.5.2 AA2 keeps a record of distribution of complimentary tickets with details of recipients and quantities issued.

### 3.6 ***Supervisory Checking of Income and Physical Stocktaking of Official Receipts***

3.6.1 Secretary General, who should not be involved in the income collection process, conducts supervisory checking periodically on a quarterly basis. He/she checks the official receipts to ensure the following are tally:

- the total amount of income stated in official receipt duplicates; and
- the bank-in slips and collections on hand.

3.6.2 Secretary General checks the physical stock of official receipts against the ORB Register, to ensure no missing official receipt books or official receipts in official receipt books.

3.6.3 Secretary General checks official receipts issued are in consecutive order and there are no missing receipts.

3.6.4 Secretary General checks whether income collections are banked promptly in accordance with the prevailing policy (as stated in para. 3.3.1).

3.6.5 Secretary General records the inspection result and initials with dates on the inspection report. The inspection report should include the date, scope and result of checking. He/she also reports to the Executive Committee if there are any discrepancies found. In addition, he/she conducts investigation and reports to the Executive Committee on the findings and course of actions to be taken.

## 4 **Payment**

### ***Responsible Officers***

Invoices / Receipts Certifying Officer : SE

Payment Voucher / Cheque Preparing Officer : AA1#

Payment Voucher Approving Officer : Secretary General

<sup>#</sup> This officer should be a staff responsible for handling accounting matters of the Association and should be a different person from the Payment Voucher Approving Officer, and preferably also a different person from the Certifying Officer if practicable.

### 4.1 ***Preparation of Payment Vouchers***

4.1.1 All invoices / receipts should be submitted for certification of payment within TWO WEEKS of receipt.

4.1.2 The staff or user making the payment request ensures the receipt of goods or services in good and satisfactory condition as specified in the purchase order or

service order. He/she should provide the original invoices / receipts, delivery notes and supporting documents such as the purchase orders / service orders to substantiate all expenses incurred (including those incurred overseas) to SE for checking and verification.

4.1.3 SE checks the original invoices / receipts against the purchase / service orders, delivery notes and other supporting documents, and certifies on the original invoices / receipts with date.

4.1.4 Upon certification, SE passes the documents to AA1 within one week, to prepare payment vouchers.

4.1.5 AA1 checks the price and calculation on the invoices / receipts and matches them with the approved purchase / service orders and delivery notes.

4.1.6 For personnel expenses paid through auto pay or crossed cheques, AA1 attaches relevant supporting documents to payment vouchers only when there are special payments/deductions and changes in monthly salary, such as the employment contracts, approved instructions on changes in payment details and written approval on granting of salary top-ups for posts of slide-down appointment and so on for verification. Payment in respect of staff beyond the age of 60 should not be made through the subvention from LCSD. For payment of part-time staff salaries, the number of paid hours to be funded by subvention should not exceed the maximum conditioned monthly working hours of a permanent post.

4.1.7 AA1 ensures adequate supporting documents are attached and prepares payment vouchers (**Annex 4**) including all the following details:

- Serially assigned (preferably pre-printed) voucher number;
- Date of voucher;
- Name of payee;
- Ledger accounts to be entered;
- Particulars of the payment of full details of the goods and services provided;
- Currency and amount; and
- Mode of Payment

4.1.8 AA1 crosses out unused space at the bottom of the payment voucher, and initials and dates on the payment vouchers.

4.1.9 For documentary evidence and certification in support of payment, AA1 should observe the following:

- Special circumstances where only the electronic copy / faxed copy / photocopy of invoices / other supporting documents are available

The copy should be certified correct, marked with the wordings of “Certified true copy and no previous payment has been made”, and initialed and dated by the supervisor or programme-in-charge.

- Payment of official fees

Proper attendance records of officials and other documents such as the course

timetable and attendance records of participants should be maintained and attached to the payment vouchers. Officials should have signed on the attendance records of officials and participants with full name and signatures.

- Payment of taxi fare, entertainment expenses, meals and other special items

Sufficient information such as the reasons for taking taxi instead of the most economical means of transportation, the guest lists and the events / programmes related should be documented. Proper approval should also be obtained in accordance with the prevailing approving authority.

- Payment of entry fees

The list of participants should be provided.

- Foreign currency transactions

The exchange slips for currency exchange or exchange rate quotes from reliable source should be attached to the payment vouchers.

## 4.2 ***Approval of Payment Vouchers***

- 4.2.1 Secretary General reviews the details of payment items against the supporting documents attached to the payment vouchers. In case of payment in cash instead of cheques, he/she should satisfy that this arrangement is complied with the prevailing policy for cash payment of the Association.
- 4.2.2 Secretary General checks if the maximum per capita for entertainment expenses is exceeded and whether sufficient justification and proper approval have been given in case the ceiling is exceeded.
- 4.2.3 Secretary General signs and dates on the payment voucher if the payment is in order.

## 4.3 ***Effect of Payment***

- 4.3.1 AA1 prepares cheques with details in the payment vouchers.
- 4.3.2 Cheque signing officer and cheque countersigning officer, as specified in Section 7.1 below, check the payment details against the approved payment vouchers and sign on the cheques or auto pay instruction forms.
- 4.3.3 AA1 sends out the signed cheques to the payees and stamps all paid invoices / receipts and supporting documents with “PAID” immediately after payment.
- 4.3.4 In case of payment in person, AA1 ensures the recipients MUST sign with date to acknowledge receipt of the amount. If another person is authorised to receive payment on behalf of the entitled payee, the supporting document for such authorisation should also be retained.

#### 4.4 ***Payment for Community Sports Club Programmes***

4.4.1 Before the reimbursement of programme expenses to the Community Sports Club (CSC), AA1 and Secretary General check whether the CSCs have complied with the following requirements:

- a Programme Report (CSC Project), an attendance record of participants and all original receipts relating to the payment of programme expenses should be submitted to the Association within one month after the completion of each subsidised programme;
- the Programme Report (CSC Project) should be affixed with the official seal and certified by the Chairman / Treasurer of the CSC;
- all receipts should be affixed with the official seal of the CSC. If the payment for certain items/services exceeds \$5,000, then the receipts, accounts or relevant information should be countersigned by the Chairman and Secretary / Treasurer of the CSC for verification purpose;
- the number of sessions for training programmes should not be reduced without justification; and
- pay rate to part-time staff should be no less than the standard pay rate of LCSD.

4.4.2 AA1 ensures the payment is disbursed to CSCs within 8 weeks after receiving the Programme Report (CSC Project) together with all original receipts from CSCs.

4.4.3 AA1 should check the return of duly signed acknowledgement receipts from CSCs after 3 weeks from the payment to CSCs.

#### 5 **Petty Cash**

##### **Responsible Officers**

Petty Cash Holder: AA2

Petty Cash Voucher Approving Officer: SE

Petty Cash Replenishment Preparing Officer: AA2

Petty Cash Replenishment Approving Officer: SE

Payment Voucher Preparing Officer: AA1 #

Supervisory Cash Count: Treasurer

# This officer should be a staff responsible for handling accounting matters of the Association.

#### 5.1 ***Petty Cash Holding and Transaction Limit***

Petty Cash Holding Limit	HK\$5,000
Transaction Limit per purchase	HK\$500

Any amount exceeding the transaction limit should be processed by crossed cheques instead of petty cash. Repeated purchases from the same supplier should not be encouraged. Repeated purchases of the same item in different receipts in order to avoid the transactions limit are NOT allowed.

## **5.2 Submission of Petty Cash Claim**

All claims must be applied to AA2 within TWO WEEKS after the expenses are incurred.

## **5.3 Preparation of Petty Cash Voucher**

5.3.1 The claimant completes and signs with date on the Petty Cash Voucher (**Annex 5**) after the goods and services have been revised in good and satisfactory condition, and attaches the original receipts / invoices to the voucher. All completed vouchers must have the following

- Issue date of voucher;
- Name of person issuing the voucher;
- Amount of monies disbursed; and
- Details of expenses (including the event information where applicable).

When claiming “Local Duty Travelling Expense”, the following information should be included in the Petty Cash Voucher:

- Date of travelling;
- Means of transport;
- Purpose and location of the trip; and
- Reason for taking taxi instead of most economical means of transport.

## **5.4 Checking of Petty Cash Voucher**

5.4.1 SE, who should NOT be the same person as the claimant and Petty Cash Holders, checks the Petty Cash Voucher against invoices, receipts or supporting documents and considers if the claim and prices are reasonable. He/she certifies on the Petty Cash Vouchers and invoices / receipts with initial and date, after the supporting invoices/receipts are stamped “PAID”. SE is required to certify the supporting invoices/receipts when the documents are provided in the form of the faxed copies/photocopies instead of the originals.

## **5.5 Payment of Petty Cash**

5.5.1 AA2 assigns a unique serial number on each properly authorised Petty Cash Voucher.

- 5.5.2 The claimant signs on the petty cash voucher upon reimbursement in person as receipt acknowledgement.
- 5.5.3 AA2 stamps the Petty Cash Voucher and invoices with 'PAID' chop upon settlement of the claim. He/she then enters the transaction into the columnised Petty Cash Book with analysis by different categories of expenditure.
- 5.5.4 AA2 keeps all Petty Cash Vouchers and evidence of payment, e.g invoices and unused petty cash, in lock and key.

## 5.6 *Replenishment of Petty Cash*

- 5.6.1 AA2 prepares a payment voucher for replenishment of petty cash and submits it together with the paid Petty Cash Vouchers and supporting invoices / receipts to SE or designed approving officer for endorsement.
- 5.6.2 SE verifies the replenishment against the paid Petty Cash Vouchers and receipts / invoices, and approves the replenishment. He/she ensures that the petty cash holding limit is not exceeded upon replenishment.
- 5.6.3 AA1 prepares and obtains signed payment vouchers and cheques (as in Paragraphs 4.2, 7.1 and 7.4) for the replenishment to the Petty Cash Holder.
- 5.6.4 AA2 acknowledges the cheque for the replenishment with signature and date upon receipt of the cheque. He/she then keeps the replenished cash into the petty cash box and records the replenishment to his Petty Cash Book. **Petty Cash float should be separated from personal funds of the Petty Cash Holder.**

## 5.7 *Surprise Cash Count*

- 5.7.1 Treasurer conducts surprise cash count at irregular intervals in a year, say at least once every four months:
- counts the petty cash and paid vouchers on hand and checks if the amount matches with the Petty Cash Book;
  - checks evidence of payment;
  - signs, dates and records the result of the checking on the Petty Cash Book; and
  - reports to the Executive Committee if there are any discrepancies identified.
- 5.7.2 Treasurer or designed inspection officer conducts investigation and reports to the Executive Committee on the findings and course of actions to be taken.

## 6 Cash Advance

### *Responsible Officers*

Cash Advance Approving Officer : SE  
 Cash Advance Settlement Approving Officer: Secretary General  
 Payment Voucher Preparing Officer : AA1#  
 Supervisory Check : Chairman

# This officer should be a staff responsible for handling accounting matters of the Association.

#### 6.1 ***Cash Advance Limit***

Per Event	HK\$50,000
Per Day in respect of travelling for business of the Association	HK\$5,000

#### 6.2 ***Application for Cash Advance***

6.2.1 The applicant completes the standardised Cash Advance Application Form (**Annex 6**) listing out the expense items and the respective amounts to be covered by the cash advance.

6.2.2 SE reviews the application and signs with his decision on the application form. He/she can reduce the amount of cash advance if the payment can be made through direct payments to suppliers or service providers.

6.2.3 AA1 obtains proper approval on payment vouchers and signed crossed cheques (as in paragraphs 4.2, 7.1 and 7.4) for the advance payment.

6.2.4 The applicant acknowledges the receipt of cash advance on the Cash Advance Application Form.

#### 6.3 ***Settlement of Cash Advance***

6.3.1 Cash advanced should be settled within a reasonable timeframe, say 1 month. The applicant completes the Cash Advance Settlement Statement (**Annex 7**) and hands in:

- original invoices, acknowledgement of receipts by officials / helpers and other supporting documents duly certified by Secretary General or designated approving officer; and
- unspent cash or bank pay-in-slips.

6.3.2 Secretary General reviews if the expenses are properly supported and in order. Upon review, he/she endorses and initials with dates on all the supporting documents after the supporting invoices/receipts are stamped "PAID". Secretary General is required to certify the supporting invoices/receipts when the documents are provided in the form of faxed copy/photocopy instead of the original.

6.3.3 AA1 checks the proper endorsement and banks in unspent balance of cash advance (if any) promptly. He/she should avoid mixing the unspent balance with petty cash.

6.3.4 AA1 attaches the original pay-in slip of unspent balance to the settlement statement. The respective ledgers should also be updated accordingly.

#### 6.4 ***Supervisory Check***

6.4.1 Chairman, who should not be involved in approving the cash advance application and reviewing the cash advance settlement statement, conducts periodic check on a half-yearly basis on the application forms / settlement statements and bank pay-in slips, in particular on the prompt settlement of cash advance. He/she should sign with date on the work done.

### 7 **Operation of Bank Accounts**

#### ***Responsible Officers***

Cheque Book Holder: AA1

Cheque Signing Officer: Chairman /Secretary General /Treasurer

Cheque Countersigning Officer: Chairman /Secretary General / Treasurer

Bank Reconciliation Reviewing Officer: Secretary General

Supervisory Check: Treasurer

# This officer should be a staff responsible for handling accounting matters of the Association and should be a different person from the Bank Reconciliation Reviewing Officer.

#### 7.1 ***Authorisation of bank Instructions and Cheques***

7.1.1 All bank instructions and cheques (including auto payment) must bear the signatures of TWO authorised officers. The cheque signing officer and cheque countersigning officer should be different persons. Any endorsed change of the authorised signatories by the Executive Committee should be notified to the Accounts Office and the respective banks for prompt updating.

7.1.2 Authorisation limits for cheque signatories are:

<b>Authorisation Limit</b>	<b>Cheque Signing Officer</b>	<b>Cheque Countersigning Officer (MUST be different from Signing Officer)</b>
Any Amount	Chairman / Secretary General/	Chairman / Secretary General/

	Treasurer	Treasurer
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7.2

### ***Maintenance of Cheque Book Register***

7.2.1

AA1 records cheque books received in the Cheque Book Register (**Annex 8**). He/she should also keep the cheque books under lock when they are not in use.

7.2.2

AA1 updates the Cheque Book Register when the cheque book is completely used up or becomes obsolete.

7.3

### ***Preparation of Cheques***

7.3.1

AA1 checks the proper bank accounts to be drawn and prepares cheques in sequential order in accordance with the details contained in the approved payment vouchers, petty cash vouchers and cash advance application forms. The respective cheque numbers should also be marked into the approved payment vouchers, or cash advance application forms.

7.3.2

“Crossed” cheques should be issued unless with justifiable reasons. In case “cash” cheques are to be issued, the name of the intended recipients (instead of “cash”) should be entered. The word “bearer” should be struck off.

7.3.3

AA1 marks on the cheque stub the dates, names of payee and amount.

7.4

### ***Issue of Cheques***

7.4.1

The designated cheque signing officer (as stipulated in para. 7.1.2) checks the details stated in the cheque against the supporting documents or vouchers. He/she signs the cheques. All cheque stubs should be retained.

7.4.2

The designated cheque countersigning officer (as stipulated in para. 7.1.2) checks the details stated in the cheque against the supporting documents or vouchers and the authenticity of the cheque signing officer. He/she signs the cheques.

7.4.3

AA1 stamps “PAID” on paid invoices / receipts. The cheques are to be sent out to the payee promptly by post or by hand. All spoiled cheques are stamped with “Cancelled” and attached to the cheque stubs.

7.5

### ***Monthly Bank Reconciliation***

7.5.1

AA1 prepares the bank reconciliation on a monthly basis (**Annex 9**) within 14 days from receipt of bank statements and sign with date.

7.5.2

The bank reconciliation should also ascertain if any amount is to be transferred between the bank accounts for subvented activities and that for non-subvented

activities in order to properly account for the transactions related to subvented activities in the designated bank account.

7.5.3 Secretary General reviews the bank reconciliation statement for each bank account and sign with date after the review.

7.5.4 For dishonoured or returned cheques, AA1 liaises with the responsible staff / officials to take appropriate follow-up actions (e.g. to check if any replacement cheques have been received or to contact the payee to arrange replacement cheques for payment).

7.5.5 For long outstanding unpresented cheques (such as after six months of issue), AA1 should investigate the reasons and cancel the cheque if appropriate. If the payment is still to be made, a fresh cheque should be issued, the procedures on issue of cheques should be followed.

7.5.6 If it is decided that the payment is not to be made for unpresented cheques, e.g. due to failure to contact the payee, proper update to the accounting records should be made. If such payment is in connection with subvented programmes, the SE should inform the relevant government departments such as LCSD.

## 7.6 *Supervisory Check*

7.6.1 Treasurer checks the physical stock of cheques against the Cheque Book Register regularly on a monthly basis. He/she also checks if any missing cheques in cheque books.

7.6.2 Treasurer initials and dates on the cheque book register or inspection report after the checking. If any discrepancies are identified, he/she should conduct investigation and reports to the Executive Committee on the findings and course of actions to be taken.

## 8 Fixed Assets

### *Responsible Officers*

Fixed Assets Register Holder: AA1

Disposal Reviewing Officer: SE

Periodic Supervisory Check: Treasurer

## 8.1 *Maintenance of Fixed Assets Register (the “FAR”)*

8.1.1 Fixed assets are those property, plant and equipment items which have a useful life of more than one year and an original acquisition cost of HK\$2,000 or above, for example, furniture, photocopies and personal computers.

- 8.1.2 Every fixed assets shall be recorded in the Fixed Assets Register (the “FAR”) (**Annex 10**). The minimum requirements for information to be contained in the FAR are:
- unique asset number
  - description of asset (including model number if applicable);
  - classification of asset;
  - date of purchase / date of completion
  - cost of purchase / completion;
  - useful life;
  - source of funding (e.g LCSD subvention);
  - current location
  - written approval of disposal / write-off; and
  - date of disposal / write off.
- 8.1.3 AA1 promptly updates the details of the fixed assets received into the FAR upon receipt of the fixed assets. Each fixed assets is assigned with a unique asset number.
- 8.1.4 AA1 affixes the labels of the assigned unique asset numbers to the fixed assets.
- 8.1.5 AA1 updates the FAR promptly with all movements of fixed assets, including trade-in and disposal. The approval on disposal / write-off should also be marked on the FAR and kept properly on file. The monetary sales / disposal amount should be recorded into the Cash Book, where appropriate.
- 8.2 ***Fixed Assets on Loan***
- 8.2.1 AA1 maintains a loan register for fixed assets which are on loan to staff / officials. The borrowers have to acknowledge the loan and specify the period of loan with signature and date as evidence of receipt of the fixed assets.
- 8.2.2 On return of assets, AA1 checks if the fixed assets are in satisfactory physical condition and signs the return on the loan register with date.
- 8.3 ***Disposal of Fixed Assets***
- 8.3.1 Users provide full justifications for disposal of fixed assets which are of no use to the Association and the recommended means of disposal to SE for approval. The disposal procedures as stated in the Procurement Guidelines should be followed.

- 8.3.2 SE reviews and makes his decision in writing.
- 8.3.3 AA1 updates the FAR.
- 8.3.4 In case there are proceeds from disposal, AA1 prepares the Receipt Voucher and records the income received (as in para.3.4).
- 8.3.5 No item of fixed asset should be removed from the NSA or disposed without proper written approval.
- 8.4 ***Physical Check***
- 8.4.1 Treasurer conducts physical check on fixed assets including all subvented fixed assets at least once a year. Upon checking, he/she should initial and date on the inspection report of FAR. The inspection report should include the date of physical check, the result of checking and the signature of the physical checking and the reviewing officer, etc.
- 8.4.2 Treasurer investigates discrepancies identified (if any) and reports to the Executive Committee on the findings and course of action to be taken.
- 9 **Journal Vouchers**
- 9.1 A double-entry bookkeeping system should be maintained to record all transactions. Entries not belonging to receipts or payments should be effected by journal vouchers (**Annex 11**) and posted to General Ledger.