



KHYBER PAKHTUNKHWA

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**GOVERNMENT OF THE KHYBER PAKHTUNKHWA
SPORTS, CULTURE, TOURISM, ARCHAEOLOGY, MUSEUMS AND YOUTH AFFAIRS
DEPARTMENT**

NOTIFICATION

Dated Peshawar, the 24th March, 2021.

No. SO(Y) Y-4/Misc/2021/5033. In exercise of the power conferred by section 9 of the Khyber Pakhtunkhwa Youth Welfare Endowment Fund Act, 2019 (Khyber Pakhtunkhwa Act No. XXVI of 2019), the Government of Khyber Pakhtunkhwa is pleased to make the following rules, namely:

**THE KHYBER PAKHTUNKHWA YOUTH ENDOWMENT FUND
MANAGEMENT, MAINTENANCE OF ACCOUNTS AND AUDIT RULES, 2021.**

**Part-I
Preliminary**

1. **Short title and commencement.**---(1) These rules may be called the Khyber Pakhtunkhwa Youth Endowment Fund Management, Maintenance of Accounts and Audit Rules, 2021.

(2) These rules shall come into force at once.

2. **Definitions.**--- (1) In these rules, unless the context otherwise requires,-

- (a) "Act" means the Khyber Pakhtunkhwa Youth Welfare Endowment Fund Act, 2019 (Khyber Pakhtunkhwa Act No. XXVI of 2019);
- (b) "Chairperson" means the Chairperson of the Committee;
- (c) "Drawing and Disbursing Officer" means the drawing and disbursing officer designated under these rules;
- (d) "Principal Accounting Officer" means the Principal Accounting Officer, specified in rule 4 of these rules; and
- (e) "sub-committee" means the sub-committee, constituted under rule 10 of these rules.

(2) Words and expressions, used but not defined under these rules, shall have the same meanings as are assigned to them under the Act.

Part-II
Administration of Fund

3. Administration of Fund.--- (1) In addition to the amount, credited to the Fund, under section 3 of the Act, all sums which may, in any manner, become payable to or vested in the Committee, in respect of any matter incidental to the exercise of its functions and powers, shall also be credited to the Fund.

(2) In terms of clause (d) of section 5 of the Act, the Fund shall also be utilized for the purposes of-

- (a) small grants for capacity building of newly established youth organizations;
- (b) sponsorship for individual youth, attending some national and international youth conferences; and
- (c) cash prizes to youth, who has attained excellence in any field.

(3) No contribution, donation or grant, which may directly or indirectly involved any immediate or subsequently financial liability of the Committee or which may involve an activity, not included in its program for time being, shall be accepted without the prior approval of the Committee.

4. Principal Accounting Officer.--- The Chairperson shall be Principal Accounting Officer for the purpose of utilization of the Fund, and he shall have the powers to-

- (a) sanction all expenditure provided for in the approved budget and to re-appropriate funds with the approval of the Committee;
- (b) sign all contracts on behalf of the Committee; and
- (c) designate any officer of the Directorate of Youth Affairs, Khyber Pakhtunkhwa as Drawing and Disbursing Officer for the purposes of these rules.

5. Maintenance of accounts.---(1) All accounts shall be maintained and operated by the bank. All cheques, issued, shall be entered on the payment side of the cashbook, giving full particulars of the payment in the serial order. Posting from the cashbook to the expenditure ledger shall be made in the light of audited payment orders and vouchers shall be properly maintained on monthly basis. No over-writing and erasers shall be allowed in the cashbook. In case of any corrections, the incorrect entry shall be corrected with the proper initial of the Drawing and Disbursing Officer.

(2) Bank cheques shall not be signed by any of the signatories under any circumstances. The number of cheques contained a fresh cheque book, from the bank shall be counted before its acknowledgement, is signed and sent to bank. The counterfoils of the used cheques shall be preserved and kept in safe custody.

(3) Copies of letter, containing standing instructions, shall be filed properly and kept under the custody of Drawing and Disbursing Officer. The bank's advices, on payment or receipt, shall be obtained and adjusted in the cashbook and relevant ledgers regularly.

6. **Balancing and reconciliation.**—The bank balances, at the end of each month, shall be reconciled with the bank statement and reconciliation statement shall be prepared by the Drawing and Disbursing Officer. Discrepancies shall be settled amicably. Uncashed cheques, if any, which remain outstanding for long, shall be brought to the notice of the Chairperson, a statement shall be obtained from the bank certifying the balances of each account at the close of each month.

7. **Receipts.**—(1) All moneys shall be received through crossed cheques, bank drafts etc. which shall be deposited in the bank and recorded in the cashbook daily. If due to unavoidable circumstances the money cannot be deposited on the day it is received, the matter shall be brought to the notice of the Chairperson, who may take necessary precaution for the safe custody of the cash.

(2) For all moneys, received other than through bank challans and the money orders, a printed receipt shall be prepared and countersigned by the Drawing and Disbursing Officer. In case any receipt is cancelled, it shall be defaced with rubber stamp and kept properly folded in the receipt book.

(3) All money, received by the bank, shall be analyzed date wise by the Drawing and Disbursing Officer on the classification sheet prepared and recorded in the main cashbook. Posting on the income ledger shall be made from the main cashbook. Monthly total, after the cash has been analyzed head wise, shall be posted to income ledger.

(4) The Drawing and Disbursing Officer shall maintain a bank ledger for all the transactions of daily deposits in and withdrawal of cheques from the banks. Posting of the bank ledger shall be made from the main cashbook and totaled on monthly basis. When the figures are recorded in the cashbook, the classification sheet, duly filled in, shall be kept in order by the Drawing and Disbursing Officer for record.

(5) Deposits of the cheques, bank drafts and cash shall be made through paying slips after issuing proper printed receipt, duly numbered under the custody of the Drawing and Disbursing Officer. A brief description, regarding the nature of receipt, shall also be noted on the counterfoil.

(6) The Drawing and Disbursing Officer shall ensure that the bank statement alongwith the copy of the counterfoil is received daily. Accounts of interest or profit, credited by the bank, shall be properly checked and differences in rates or amounts shall be pursued with the bank till their settlement.

8. **Audit of the Fund.**—(1) The accounts of the Fund, in terms of sub-section (3) of section 8 of the Act, shall be audited by the Auditor General of Pakistan.

(2) It is the duty of the Drawing and Disbursing Officer or any other officer, authorized by the Committee, to ensure that the Auditor General is afforded all reasonable facility in the discharge of its functions and furnished with the fullest possible information for which he may ask for the preparation of any account or report, which it is his duty to prepare. The information, any books or other documents, to which the Auditor General of Pakistan has a statutory rights of access, may not be withheld from such Auditor General.

(3) On receipt of audit report from the Auditor General of Pakistan, the Principal Accounting Officer shall consider the observations, pointed out in the audit report, annotate response of the report and place it before the Committee and to Government, if needed.

(4) Any loss of money, caused by defalcation or otherwise, which is discovered in a Fund, shall immediately be reported by the Drawing and Disbursing Officer to the Auditor General of Pakistan. The irregularity detected by the Auditor General of Pakistan in the post instance, shall be reported immediately to the Committee and the Committee, if deems necessary, may submit such report to Government, as well.

(5) The report, so submitted under sub-rule (3), shall be processed accordingly on which detected report after completing such departmental investigation as may be necessary or expedient on the causes or circumstances which led it the defalcation or loss, the steps taken to prevent its recurrence and the disciplinary or other action proposed as regards the person responsible.

(6) Any reason for loss of immovable property, covered by any act of God, immediate, shall be reported to the Committee.

(7) The Auditor General, which conducts the audit, shall ascertain whether the procedure for the management of the Fund, as specified in the Act and prescribed under these rules, has been followed in letter and spirit.

(8) The Committee shall also cause to be carried out audit of its accounts.

9. Internal audit of the accounts.—The Committee may, for its assistance, appoint an Internal Auditor which shall report to it. The Internal Auditor shall assist the Chairperson in the areas of decision making, performance management and operational management. The Internal Auditor shall conduct the internal audit of the Fund to assess the adequacy, effectiveness and efficiency on the established internal controls of the Fund.

10. Sub-committee.—(1) For the purpose of section 5 of the Act, the Committee may constitute a sub-committee, from time to time, for procurement purposes, which consist of such number of technical members as the Committee may deem fit.

(2) No officer may incur any expenditure or enter into a contract to create a liability from the Fund until the expenditure has been approved in the annual work plan by the Committee.

(3) The activity, for which procurement proceedings are to be initiated, shall be reflected in the work plan and adequately budgeted to cover the costs of the procurement.

(4) The Committee may authorize the sub-committee to purchase any kind of stocks to the extent of any amount, so allowed by the Committee.

(5) The Committee shall have the power to purchase any item upto rupees 20,00,000/- without involving the sub-committee. It shall, however, give a certificate that the items were purchased at the lowest and most economical rate prevailing in the market. A certificate to this effect, if recorded on the face of the cash memo, shall be considered sufficient.

(6) All the purchases of goods and services shall be made according to the Khyber Pakhtunkhwa Public Procurement Regulatory Authority Act, 2012 (Khyber Pakhtunkhwa Act No. XI of 2012) and the rules made thereunder.

(7) For all contracts, a formal supply order on the stamped paper shall be executed between the Committee and the contractor or the supplier.

(8) Before making of payment, the Chairperson shall certify that the work has been completed in time and according to the specifications. The certificates shall be submitted to the Committee for approving the payment.

11. Re-appropriation of Fund.---(1) No re-appropriation shall be made from the Fund, allocated for a particular financial year, after the expiry of that financial year.

(2) Fund may not be re-appropriated to meet any expenditure which is likely to involve further outlay in a future financial year.

(3) No re-appropriation shall be made to meet expenditure not sanctioned by the Committee competent to sanction it.

(4) Re-appropriation shall not be made to meet expenditure for the purposes not contemplated in the approved work plan, pertaining to a particular financial year. If Fund to meet such expenditure may be made only after authorization by the Committee.

(5) Re-appropriation shall not be made out of lump-sum provision.

(6) Re-appropriation shall not involve undertaking of recurring liability.

(7) Re-appropriation shall not be made to or from the primary units of appropriation pay of officers, travelling allowances, medicines and dietary charges, telephone, electricity, gas, water charges and taxes.

(8) Re-appropriation shall not be made to or from appropriation for POL, advertisement, rent charges, stationary without prior approval of the Committee.

(9) Re-appropriation shall not be made so as to divert the provision for specified new items to other purpose.

(10) Re-appropriation shall not be made from a unit with intention of restoring the diverted appropriation to that unit when saving becomes available under other unit later in the financial year.

(11) In the case of expenditure on works-

- (a) re-appropriation shall not be made to meet any expenditure which is likely to involve further outlay in future financial year;
- (b) re-appropriation shall not be made from the units "major Works", "Minor Works" and "Repairs" or "Maintenance and Repairs";
- (c) re-appropriation shall not be made from the allotment for a new original major work to any other work or time or vice versa; and
- (d) re-appropriation can be made from an original major work in progress only to a work or works of the same category.

12. Duties of the Drawing and Disbursing Officer.---(1) The Drawing and Disbursing Officer, under the supervision of the Chairperson, shall maintain all the related accounts of the Fund. He shall maintain the following books for record and proper accounting treatment of the transaction:

- (a) cash book;
- (b) income ledger;
- (c) expenditure ledger;
- (d) stock register for machinery, furniture and equipment;
- (e) stock register for non-consumable items; and
- (f) stock register for consumable items, including the office stationeries.

(2) The Drawing and Disbursing Officer shall be responsible for all stock entries and its issuance under the order of the Chairperson.

(3) All the financial transactions shall be coordinated and routed through the Drawing and Disbursing Officer for sanction of any expenditure and obtaining approval of the Committee.

(4) The Drawing and Disbursing Officer shall be responsible for each and every allocation or allotment of Fund during the fiscal year (1st June follow) and making out expenditure for which it was allocated.

(5) The Drawing and Disbursing Officer shall disburse all payments to legal and entitled persons or suppliers etc. The Drawing and Disbursing Officer shall be answerable to the Committee in all cases pertaining to financial mater, and shall bring to their notice serious irregularities or any violation and breach of the financial rules for decision.

(6) The Drawing and Disbursing Officer shall be responsible for physical verification of fixture, furniture, machinery, equipment and all other non consumable items belonging to the Fund once in a year and submit a report to the Committee.

**SECRETARY,
GOVERNMENT OF KHYBER PAKHTUNKHWA
SPORTS, CULTURE, YOUTH AFFAIRS, ARCHAEOLOGY,
TOURISM AND MUSEUMS DEPARTMENT**

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