

CHAPTER IX

TRANSFER ENTRIES

267. Transfer entries, that is entries intended to transfer an item of receipt or charge from the account of a work in progress or of a regular head of account to the account of another work or head, are necessary—

(a) In order to correct an error of classification in the original accounts.

Sometimes it is more convenient to classify items pertaining to several heads (or works) under a single head in first instance than to classify them under each from the beginning. For example, when a joint work in which several parties are interested is undertaken, the individual transactions relating to it are taken to the account of a single party in the first instance, and before closing the accounts of a month, the necessary distribution over all the accounts is effected by transfer entry.

(b) In order to adjust, by debit or credit to the proper head of account (or work), an item outstanding in a suspense account or under a debt head.

NOTE—The value of materials issued from stock to a work is not adjusted by a transfer entry but through the stock accounts at the end of the month, *vide* paragraphs 469 and 474(a).

(c) In order to bring to account certain classes of transactions which do not pass through the cash or stock account, *e.g.*—

(i) for credit to “Purchase” or “London stores”, as the case may be, on account of materials received for works from sources other than stock, *vide* paragraphs 469 and 474;

(ii) for credit to “P. W. deposits” on account of balances due to contractors on closed accounts, *vide* paragraph 504;

(iii) for credit to revenue heads on account of revenue not recovered in cash;

(iv) for original debits or credits to remittance heads based on transactions not appearing in cash or stock accounts;

(v) for credit to the heads concerned of the several percentages leviable under the rules, *e.g.*, those on account of storage (when not recovered in cash), establishment, tools and plant and workshop charges, *vide* paragraph 187 and Appendix VII and paragraph 608;

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(vi) For debits to "London stores" on account of the value of English stores, *vide* paragraph 588;

(d) In order to respond to a remittance transaction advised by the Principal Auditor or direct by the division or department concerned, if the corresponding debit or credit to the remittance head has not already appeared in the accounts:

(e) In order to relieve the account of a work in progress of—

(i) items which have ceased to be chargeable against the estimate for the work, and

(ii) suspense charges which can no longer be kept within the accounts of the work (*vide* paragraph 497). Such transfer entries are necessary either when the accounts of any contractor or of the work itself are to be closed, or when any recoveries (otherwise than in cash) have become due, *e.g.*, by the transfer of stores to any other work or account.

NOTE—For the identification of errors in a accounts see paragraphs 162, 213, 522 and 769.

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268. For every transfer entry there must either be an authority in form no. 53, transfer entry order, or an order recorded on another document (*e.g.*, survey report, form no. 18, and final bill of a contractor's closed account placed under P. W. deposits) which sets forth all the necessary particulars; see also paragraphs 729 and 746.

1. In cases in which the transfer entry order is not required to be submitted to audit with the monthly account, *vide* paragraph 760, the necessary order, if not initiated by a sub-divisional officer, may be signified by the divisional officer's initials against the entry in the transfer entry book (paragraph 272).

2. There is no objection to a transfer entry covering a number of adjustments and corrections, provided that all the necessary particulars are set forth in respect of each.

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269. A transfer entry order may be initiated by the sub-divisional officer or an assistant engineer in the Buildings and Roads divisions where sub-divisions have been abolished, and should be so initiated by him in all cases falling within clauses (a), (b), (c) and (e) of paragraph 267, which come within his cognizance.

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270. The divisional officer is responsible that no transfer entry is made in the accounts unless admissible

under the rules, that a transfer entry is made as soon as it becomes necessary, and that transfer entry orders in respect of transactions falling under clauses (a), (b) and (c) of paragraph 267, proposed by sub-divisional officers or assistant engineers are countersigned by himself in token of acceptance.

Transfer entries should receive the special attention of divisional officers so that habitual errors and misclassifications in the accounts of subordinate officers may not remain unnoticed.

271. All transfer entry orders should set forth such explanation of the correction or adjustment proposed to be made as would establish clearly the correctness and necessity of the entry. P.W.A.C. 245.

In cases of corrections involving a reduction in the charges against the estimate of a work, it is essential not only that full particulars of the vouchers and accounts in which the erroneous charges originally appeared are specified, but also that the circumstances in which the charges were wrongly allocated under the estimate for the work are clearly set forth. It is not sufficient to state that the charges were erroneously classified previously.

272. All transfer entries ordered to be made should be registered in the transfer entry book, form no. 54, maintained in the divisional office. Entries should be numbered in separate groups for each month in the accounts of which they are to be incorporated, Roman figures being used in lieu of Article figures. Before the book is closed monthly, the divisional accountant should see that no adjustments which are required to be made under any rule are omitted. P.W.A.C. 246.

273. No transfer should be made from one sub-head to another in the accounts of a work except on the authority of a formal transfer entry order prepared in accordance with the procedure prescribed in this chapter and approved by the divisional officer. The order should be filed with the works abstract for the month in which the transfer is effected and it should not be entered in the transfer entry book. P.W.A.C. 247.