

THE STATUTES OF THE REPUBLIC OF SINGAPORE

**FINANCIAL PROCEDURE ACT
(CHAPTER 109)**

1970 Ed. Cap. 68

Act

13 of 1966

Amended by

3 of 1968

13 of 1968

33 of 1968

14 of 1969

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20 of 1976

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Financial Procedure Act

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An Act to provide for the control and management of the public finances of Singapore, and for financial and accounting procedure, including procedure for the collection, custody and payment of the public moneys of Singapore, and the purchase, custody and disposal of public property, other than land, of Singapore and for matters connected therewith.

[9th August 1965]

PART I

PRELIMINARY

Short title.

1. This Act may be cited as the Financial Procedure Act.

Interpre-
tation.

2. In this Act, unless the context otherwise requires —

“accounting officer” includes every public officer who is charged with the duty of collecting, receiving, or accounting for, or who in fact collects, receives or accounts for, any public moneys, or who is charged with the duty of disbursing, or who does in fact disburse, any public moneys, and every public officer who is charged with the receipt, custody or disposal of, or the accounting for, public stores or who in fact receives, holds or disposes of public stores;

“Consolidated Fund” means the Consolidated Fund constituted by Article 143 of the Constitution;

“financial year” means a period of 12 months ending on 31st March in any year;

“public moneys” means all revenue, loan, trust and other moneys and all bonds, debentures, and other securities whatsoever raised or received by or on account of Singapore;

“public stores” means chattels which are the property of or in the possession of or under the control of Singapore;

“statutory expenditure” has the same meaning as in Article 145 (4) of the Constitution;

“Treasury” means the Minister charged with the responsibility for finance and includes any officer under the administrative control or direction of the Minister.

PART II

ACCOUNTING OFFICERS

3. Every accounting officer shall be subject to the provisions of this Act and any regulations made thereunder and shall perform such duties, keep such books and render such accounts as may be prescribed by or under this Act or by instructions issued by the Treasury in matters of financial and accounting procedure not inconsistent therewith.

Duties of accounting officers.

4. No accounting officer shall open any public or official account in respect of public moneys of Singapore in any bank without the authority in writing of the Minister, and no bank shall permit an overdraft on any public or official account in respect of public moneys of Singapore unless the same be authorised by the Minister or under the authority of any written law.

Bank accounts.

PART III

CONTROL AND MANAGEMENT OF PUBLIC FINANCES OF SINGAPORE

5. The Minister shall, subject to the provisions of the Constitution and of this Act, have the management of the Consolidated Fund and the supervision, control and direction of all matters relating to the financial affairs of Singapore which are not assigned to any other Minister by any other law.

Powers of Minister.

6. There shall be maintained by the Treasury in respect of the Consolidated Fund two separate accounts —

Consolidated Fund accounts.

(a) an account to be called the Consolidated Revenue Account in which account shall be kept all moneys in the Fund other than such moneys as are mentioned in paragraph (b);

(b) an account to be called the Consolidated Loan Account in which account shall be kept all moneys received by way of loan upon the public credit of Singapore.

7.—(1) All public moneys shall be kept with such bank or banks as the Minister shall from time to time direct.

Custody and investment of public moneys.

(2) All such moneys paid into a bank shall be deemed to be the property of Singapore lent by Singapore to the bank.

(3) Moneys standing to the credit of Singapore with any bank, or otherwise held by Singapore may be invested by the Minister —

- (a) on deposit in any bank;
- (b) in any of the stocks, funds or securities authorised for the time being in the United Kingdom for the investment of trust funds;
- (c) in any joint fund maintained by the Crown Agents for such investment;
- (d) in securities of, or guaranteed by, any government or international financial institution as may be determined by the President;
- (e) in any of the stocks, funds, securities or investments authorised by the President; or
- (f) as otherwise authorised by law or by resolution of Parliament,

and such investments together with any interest received therefrom shall form either —

- (i) part of the Consolidated Fund;
- (ii) part of any fund created by any law; or
- (iii) part of any deposit account constituted under section 8,

as the case may be.

(4) Interest received from the investment of any moneys in accordance with subsection (3) shall be accounted in the Consolidated Revenue Account, except that where it is so provided in any law or under the terms of any trust, or the Minister so directs, the interest received from the investment of any moneys standing to the credit of any trust account shall be paid to the credit of such trust account.

Deposit
accounts.

8.—(1) The Minister shall establish such deposit accounts as may be necessary for the proper accounting of moneys received subject to a trust.

(2) The following moneys shall be paid to the credit of the deposit account to which they relate:

- (a) all moneys deposited with any accounting officer, not being revenues of Singapore;

- (b) all moneys received from the sale to any person or department of any articles purchased or produced, or for work paid for, with moneys standing to the credit of a deposit account; and
- (c) all moneys paid by any person for the purpose of any deposit account.

(3) Subject to the provisions of any law and the terms of any trust, the Minister shall in respect of any such deposit account or class of deposit accounts specify the persons by whom and the manner in which such account or class of accounts shall be controlled.

(4) Subject to the provisions of any law and the terms of any trust, the Minister may direct that any deposit account shall be closed and thereupon, after all liabilities of the account have been met, the account shall be closed accordingly.

(5) Subject to the provisions of any law and the terms of any trust, the Minister may direct that any moneys standing to the credit of any deposit account which are not required for the purposes of that account and the balance of moneys standing to the credit of a deposit account closed under subsection (4) shall be paid into the Consolidated Revenue Account.

9. The Minister shall establish such advance accounts as may be necessary for the proper accounting of moneys approved by resolution of Parliament to be paid out of the Consolidated Fund for the purpose of making advances. Advance accounts.

10. There shall be paid into any Government fund created by any law — Government funds.

- (a) such sums as may from time to time be appropriated for the purposes of any such fund, either out of the Consolidated Revenue Account or out of the Consolidated Loan Account, as the case may be;
- (b) revenues of Singapore allocated thereto;
- (c) all repayments of loans made out of any such fund and all interest thereon;
- (d) all moneys received from the sale to any person or department of any articles purchased or produced, or for work paid for, with moneys standing to the credit of any such fund; and

- (e) all moneys paid by any person for the purpose of any such fund.

Contingen-
cies Fund.

11.—(1) A Contingencies Fund is hereby created consisting of moneys from time to time appropriated thereto from the Consolidated Fund.

(2) The Minister may, if he is satisfied that there has arisen an urgent and unforeseen need for expenditure for which no other provision exists and for which funds cannot be provided under section 17 (4), make advances from the Contingencies Fund to meet that need.

Payment of
moneys from
Consolidated
Fund.

12.—(1) No moneys shall be withdrawn from the Consolidated Fund except in the manner provided by this section.

(2) The Minister shall by warrant under his hand authorise the issue from the Consolidated Fund of sums to meet the due cost of any service charged upon the Consolidated Fund, and such sums shall be accounted in the Consolidated Revenue Account:

Provided that this subsection shall not apply to sums issued from the Consolidated Fund to meet the cost of any service charged upon the Consolidated Fund which —

(a) is authorised by law to be met from moneys accounted in the Consolidated Loan Account; and

(b) is withdrawn from the Consolidated Fund in accordance with subsection (4).

(3) (a) The Minister may by warrant under his hand authorise the issue from the Consolidated Fund of sums to meet expenditure —

(i) appropriated by a Supply Act or any other law; or

(ii) approved by resolution of Parliament in accordance with Article 146 (4) of the Constitution:

Provided that the aggregate of such sums under each head of expenditure shall not exceed the total sum so approved.

(b) The Minister may by warrant under his hand authorise the issue from the Consolidated Fund of sums to meet expenditure approved by resolution of Parliament in accordance with Article 146 (6) of the Constitution.

(c) Notwithstanding any general or specific authority which may have been given by him, it shall be within the discretion of the Minister to limit or suspend any expenditure so authorised.

(4) The Minister may by warrant under his hand authorise the issue from the Consolidated Fund of sums to be applied for the purposes for which funds shall have been appropriated by or in accordance with the provisions of any written law authorising the raising of a loan and such sums shall be accounted in the Consolidated Loan Account.

13. Unless it is expressly provided to the contrary in any law creating any fund, the Minister may by warrant under his hand authorise the issue from any such fund of sums sanctioned for expenditure therefrom by inclusion in estimates laid before Parliament and approved by resolution thereof.

Payment of moneys from Government funds.

14. The Minister or any person specified under section 8 (3) in respect of any deposit account or class of deposit accounts may withdraw moneys accounted therein for the purposes of such account.

Payment of moneys from deposit accounts.

15. No guarantee involving a financial liability shall be binding upon Singapore, unless entered into with the written authority of the Minister or in accordance with law.

Guarantees.

16. Where any law provides for the payment of any refund, rebate or drawback in respect of any money paid into the Consolidated Fund under the authority of any law, and accounted in the Consolidated Revenue Account, the amount of such refund, rebate or drawback shall be charged on the Consolidated Fund.

Refunds, etc., charged on Consolidated Fund.

17.—(1) The estimates of expenditure laid before Parliament in accordance with Article 144 (1) of the Constitution in respect of any financial year shall show subheads under each head of expenditure.

Estimates and virement. 53/73 20/76.

(2) There shall be laid before Parliament a list showing under each head of expenditure the political appointments and the number and categories of personnel whose salaries are to be met from the allocations of funds for political appointments and permanent staff respectively.

(3) No addition or alteration to the list referred to in subsection (2) shall be made unless authorised by the Minister by the issue of a warrant under his hand.

(4) If the exigencies of the public service render it necessary to alter the proportions assigned to the subheads under a head of expenditure shown in the estimates referred to in subsection (1) or to create a new subhead, the Minister may by warrant under his hand authorise the transfer of a further sum out of any surplus arising on any other subhead of the same head, in aid of any subhead which may be deficient, or any new subhead which may be deficient, or any new subhead.

Yearly
statement
of accounts.
Cap. 17.

18. The Minister shall for the purpose of section 9 of the Audit Act, as soon as practicable after the end of every financial year, prepare in respect of that year —

- (a) a full and particular account of the Consolidated Revenue Account stating under the heads and subheads of the estimates or supplementary estimates laid before Parliament in accordance with Article 144, 145, 146 or 147 of the Constitution in respect of that year the amounts estimated to be received and spent in that year and the amounts actually received and spent in that year;
- (b) a full and particular statement of the Consolidated Loan Account showing receipts and expenditure of any loan moneys;
- (c) a statement of receipts and expenditure of moneys accounted in any deposit account or class of deposit accounts;
- (d) a statement of receipts and expenditure of moneys accounted in any advance account or class of advance accounts;
- (e) a statement of receipts and expenditure of moneys accounted in any Government fund created by any law;
- (f) so far as is practicable, a statement of the assets and liabilities of Singapore at the end of the financial year, the manner in which those assets are invested or held, and the general heads in

respect of which those liabilities are outstanding; and

(g) such other statements as the Minister may think fit.

19. The Minister shall in respect of public moneys and public stores have power — Write-off.

- (a) to write off losses or deficiencies of public moneys and the value of lost, deficient, condemned, unserviceable, redundant or obsolete public stores; and
- (b) to abandon any claim to irrecoverable amounts of revenue, debts and overpayments.

20.—(1) If it appears to the Minister that any person who is or was in the employment of the Government — Surcharge.

- (a) has failed to collect any moneys owing to the Government for the collection of which he is or was responsible;
- (b) is or was responsible for any improper payment of public moneys or moneys administered by the Government or for any payment of such moneys which is not duly vouched; or
- (c) is or was responsible for any deficiency in, or for the destruction of, any public moneys, or moneys administered by the Government, stamps, securities, public stores, or other property of the Government,

and if a satisfactory explanation is not, within a period specified by the Minister, furnished to the Minister, with regard to such failure to collect, improper payment, payment not duly vouched, deficiency or destruction, the Minister may refer the matter to the appropriate Service Commission and the Service Commission may, after such inquiry as it thinks fit, surcharge against that person the whole or such proportion as it thinks fit of any such amount not collected, payment, deficiency, or loss or the original value of the property destroyed, as the case may be.

(2) In this section and sections 21 and 22, “the appropriate Service Commission” means the Public Service Commission or the Legal Service Commission.

Notification
of surcharge.

21. The Secretary of the appropriate Service Commission shall cause the head of the department of the person surcharged to be notified of any surcharge made under section 20 and that head of department shall thereupon notify the person surcharged.

Withdrawal
of surcharge.

22. The appropriate Service Commission may at any time withdraw any surcharge in respect of which a satisfactory explanation has been received or if it otherwise appears that no surcharge should have been made, and the Secretary of the appropriate Service Commission shall at once cause the head of department to be notified of such withdrawal.

Recovery of
surcharge.

23. The amount of any surcharge made under section 20 and not withdrawn under section 22 shall be a debt due to the Government from the person against whom the surcharge is made and may be sued for and recovered in any court of competent jurisdiction at the suit of the Government, and the Minister may direct that the amount of any surcharge shall be recovered by equal monthly instalments by deductions from the salary or pension of such officer in amounts not exceeding one-fourth of the total monthly salary or pension, as the case may be, of such officer.

PART IV

REGULATIONS

Regulations.

24.—(1) The Minister may make regulations, to be called Financial Regulations, not inconsistent with the provisions of this Act, for carrying out the provisions of this Act, and without prejudice to the generality of this provision such regulations may provide for —

- (a) the collection, receipt, custody, issue, expenditure, due accounting for, care and management of all public moneys and the guidance of all persons concerned therein;
- (b) the more effectual record, examination, inspection and departmental check of all receipts and expenditure and the keeping of all necessary books and accounts;
- (c) the forms for all books and documents whatever required under the provisions of this Act or the regulations made thereunder;

- (d) the purchase, safe custody, issue, sale or other disposal or writing-off of public stores and other property of Singapore, and the proper accounting for, and stocktaking of, such stores and property;
 - (e) the preparation of estimates of revenue and expenditure;
 - (f) the authorisation of rates of payment of public funds for specific purposes where such rates of payment are not provided by law; and
 - (g) the making of advances to public officers and other persons and the rates and limits of such advances and the rates of interest thereon.
- (2) All such regulations shall be published in the *Gazette* and shall be presented to Parliament as soon as possible after publication.