

CIRCULAR SAVINGRAM

GOVERNMENT OF TONGA

To : All Heads of Ministries and Departments
From : Secretary for Finance
Saving No : 15/23/379
Date : 9th June, 2006.

TREASURY INSTRUCTIONS NO.6/05-06

PHYSICAL COUNT OF LONG-TERM PHYSICAL ASSETS – 30 June, 2006.

Please be advised that all ministries shall comply with the following Treasury Instructions in relation to physical counting of all long-term physical assets that all ministries have on hand at 30 June, 2006:

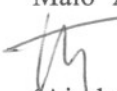
1. All Ministries/Departments shall take a physical count of all long-term physical assets being held on hand at 30 June, 2006.
2. These assets had been advised and required by Treasury to record and updated in each Ministry/Department respective Assets Register. These assets should include property, plant and equipment, infrastructure assets, heritage assets, defense or military assets, and natural resources. Physical assets donated by a donor organization or others to any ministry/department shall be included as well.
3. Inventories, stationeries, office supplies shall not be included in the exercise but ministries/departments may have the discretion of counting and recording them for control purposes.
4. For those ministries/departments that have already had and maintained an Asset Register, they shall count the assets being held on hand and verify them against the Asset Register details and identify and record the variance (if any).
5. For those Ministries/Departments who have neither established nor maintained an Asset Register, they shall count the stated assets being held and record and establish the Asset Register accordingly.
6. All counts shall be performed within two (2) weeks from the last day of the financial year, which is 30 June 06.
7. The physical counting procedures and designation of the counting teams are left to the decision of the respective Heads of Departments who will supervise the whole exercise, but the Supervisor of Accounts is suggested to lead this work.
8. The counting team shall consist of at least two (2) persons, one for counting and the other for recording. The counting team supervisor shall observe and spot check the counting during the process.
9. All counts shall be recorded in the 'Assets Count Sheet' using the draft format attached as minimum details of information to include, and should be signed by the supervisor and members of the counting team.
10. All 'Assets Count Sheets' must be pre-numbered and accounted for.
11. Heads of Departments and Supervisor of Accounts shall ensure and check that all columns of the 'Assets Count Sheet' are completed with accurate detail information.

12. The counting team shall sign all 'Assets Count Sheet' at the end of the count, and upon completion of all the required details.
13. The Supervisor of Accounts shall compile all 'Asset Count Sheets' used and then prepare a summary report of the count to the Head of Department.
14. All 'Asset Count Sheets' shall be securely filed in a safe place for later confirmation reference by auditors.
15. Heads of Departments shall submit the report of the results of the physical count of assets held at 30 June, 2006, to Treasury *no later than 31 July, 2006*.
16. All Ministries/Departments shall keep appropriate details relating to the assets counted and should be able to provide any relevant information to the Treasury when requested. This may include: date of purchase, item cost, depreciation, any valuation, etc. All records pertaining to the acquisition of the assets shall always be kept in a safe place.

Please appreciate the importance of this exercise in order to determine the total assets held by government at year-end, improve the accuracy of asset information, and allow for better management of assets within our respective Ministries/Departments and for the Government as a whole. It should be noted that Ministries/Departments can still include additional procedures to ensure the complete and accurate counting and recording of their assets.

Once again we thank you for your assistance and cooperation. Should you require further information on the above instructions, please contact Makeleta Siliva at Treasury.

Malo 'Aupito


Aisake Eke
Secretary for Finance.



Ministry/Department Assets Count Sheet

Division : _____
Location : _____ **Count Team: Supervisor** _____
Sub-Location : _____ **Team** _____
Assets Category : _____ **Date of Count:** _____

Asset Item	Particular	Item Cost	Quantity in Asset Register	Physical Count Quantity	Over/(Short)

Sign by: Counting Team: _____

Supervisor: _____