

CHAPTER 10 - STOCK ACCOUNTING AND AUDITS

1001. **Provisions Stock Record.** Units holding stock are to maintain full stores accounts for stock on computerised and or manual (where authorised) stock records. All stock received is to be taken on charge, and removed from charge only when issued to messes, galleys or kitchens, and repayment customers in accordance with Chapter 4. Particulars of each transaction are to be entered as soon as possible from the relevant receipt and issue vouchers so that the stock records will provide an up-to-date record of transactions and of stocks held.

1002. **Computer Accounting User Guides (CAUG) and Other Instructions.** Instructions relating to stock accounts and stocktaking can be found in the relevant single-Service CAUG, local manual accounting instructions or management manuals.

1003. **Stock Record Actioning.** Each entry on the stock record is to be supported by a voucher. Whenever an anomaly is noted on vouchers during the actioning of the stock records, it is to be brought to the Senior Caterer's attention.

1004. **Receipt and Issue Vouchers.** Receipt and issue vouchers affecting the stock record are to be actioned and initialled to that effect within 24 hours of the transaction.

1005. **Control of Stock.** Stock is to be controlled as follows:

- a. **Daily Issues.** Stock issued to meet daily requirements is to be signed for by the Senior Chef in each galley or kitchen. The issue voucher is used to support the entry in the stock account and is to be retained for audit purposes.
- b. **Caterer's Ready Issue Store.** Stock held in the Caterer's ready issue store (e.g. broken packages) are to remain on stock record charge except in units where catering offices are an integral part of the galley or kitchen, ready use stocks may be off charge at the discretion of the responsible Officer.
- c. **Galley or Kitchen Stock.** Small quantities of stock held in the galley/kitchen need not be accounted for, however, the Senior Chef is responsible for their safe custody and is to ensure that stocks do not accumulate to a level higher than that recommended.

1006. **Transactions Not Accounted for in Stock Record.** Stock, which is lost after having been issued off charge is to be classed as a small stock loss, and recorded as Category B2 in the write-off register. Paperwork is to be endorsed 'Not for Store Account Action' and filed for record purposes, after appropriate credit action has been taken on the monthly balance sheet.

1007. **Stocktaking RN.** As well as maintaining endurance, stocktaking is integral to ensuring that storekeeping and stock control are maintained at an acceptable standard, stock is in date and that storeroom and refrigerated compartments are well maintained, clean and hygienic. When carrying out all stocktaking TRICAT Stock Variance Reports are to be raised.

a. **Stocktaking Cycle.**

- (1) Over a period of three months the LO or a nominated independent officer is required to instigate a 100% muster of complete stockholdings of Fresh/Dairy, Frozen, Dry and Portfolio stores. (CMT 3).
- (2) Records of all stocktaking are to be recorded on the monthly Foodmis report.
- (3) More frequent stocktakes may be ordered by the LO/SR LOGS (CS).
- (4) Stocktaking discrepancies greater than 3% of the previous 3 months expenditure are to be reported to FLEET HQ.

b. **Random Stocktaking Cycles (CMT 3).**

(1) The LO is required to carry out a random stocktake of 20 items across, all commodities, held on board every month not adjacent to the SR Logs (CS) random muster. The LO is to access TRICAT and choose 5 fast moving, 5 slow moving and 10 other items to be mustered. The LO is to carry out the muster, detailing the amounts mustered on the form. Best Before Dates (BBD) are to be filled in for all items mustered, including the computer generated list. On completion of mustering the stock items, and the LO is satisfied, the results are then entered on TRICAT and processed. The report is printed, signed and retained within the account for audit.

(2) The SR Logs (CS) is required to carry out a random stocktake of 40 items across, all commodities, held on board every month not adjacent to the LO random muster. The SR Logs (CS) is to access TRICAT and choose 10 fast moving, 10 slow moving and 20 other items to be mustered. The SR Logs (CS) is to carry out the muster, detailing the amounts mustered on the form. BBDs are to be filled in for all items mustered, including the computer generated list. On completion of mustering the stock items, and the LO is satisfied, the results are then entered on TRICAT and processed. The report is printed, signed and retained within the account for audit.

1008 End of Month Stocktake- Army. On the last working day of each month, when the final issues for that month have been made, an officer detailed by the CO is to conduct a 100% stocktake of **all** the messing commodities held in the ration store. The value of all items listed will form part of the ration account audit on account closure.

STOCK ACCOUNTING (RAF)

1009. Placing of Orders. OC Cat Sqn/Flt is required to sign all demands for all provisions.

1010. Kitchen Larder Stocks. OC Cat Sqn/Flt is to ensure that strict control is maintained by the NCO IC kitchen over all issues made from kitchen larder stocks. The maximum levels of kitchen larder stocks value is not to exceed 7 days income.

1011. Voucher Register. A voucher register is to be maintained. There is a requirement to:

- a. Number vouchers consecutively throughout the messing period.
- b. Indicate whether the voucher is a receipt or an issue.
- c. Enter date and order number placed with local trader.
- d. Check the numerical sequence of filed vouchers and, if present, tick the voucher filing record check.

1012. Voucher checks. A voucher check is to be carried out by OC Cat Sqn/Flt who is to select and examine 10% of the vouchers recorded in Forms 6826 during the month and is to include a minimum of four receipt vouchers. The voucher is to be endorsed by OC Cat Sqn/Flt with '10% spot check' followed by his signature and the date. A manuscript record is to be maintained of the voucher numbers checked.

1013. End of Month Stock Check- RAF. On the last working day of each month, when the final issues for that month have been made, an officer detailed by the CO is to take stock of **all** the messing commodities held in the kitchen store using the certificate of stocktaking and stock account to record the quantities counted.

TRANSFER OF CHARGE

1014. Transfer of charge is undertaken as follows:

- a. Whenever charge is transferred from one person to another, the person assuming responsibility is to verify all stocks in all locations.
- b. A certificate verifying the completion of a 100% stocktake is to be raised.
- c. When an officer is appointed by the Commanding Officer to take temporary charge of the catering account, the actions described in a & b above are to be followed. This procedure is also to apply when the charge is re-transferred and the temporary charge ceases.
- d. The instructions at a & b above are to be followed when senior Caterers who are in 'Charge of Accounts' are relieved by another person.

EXTERNAL AUDITS

1015. **Director of Internal Audit (DIA).**

- a. The audit of inventory accounts or tenders by DIA, will normally take place at the same time as the audit of the account of the parent unit. Both copies of the inventory are therefore, where practicable, to be made available for audit.
- b. The audit is concerned with the overall accounting system and ensuring that laid down accounting procedures are being operated correctly. The auditor will therefore examine a representative sample of accounting records, vouchers, registers, etc.
- c. Arrangements for each audit will be made by DIA direct with the unit involved. Commands will normally already be made aware of the inclusion of the unit for audit in DIA's annual plan.
- d. The programme arranged by DIA is to be adhered to as far as possible, but if a need for a change arises, (i.e. in the case of HM Ships and RFAs), the reasons are to be notified in advance to enable consideration to be given for revision of the programme.
- e. Units are to make available appropriate computer transaction access levels to the auditing team in accordance with instructions detailed in the CAUG.
- f. In preparing for a DIA audit all accounts, whether computerised or manual, are to be posted up to date, and vouchers correctly filed before the audit commences.
- g. Following an audit visit the auditors will render a report on the account to the Commanding Officer of the Unit, copied to the relevant Command

1016. **National Audit Office (NAO).** The NAO is directly responsible to Parliament for auditing the accounts of every government department, to ensure that systems of accounting exist for the control of public funds and are being correctly operated. Accounts may also therefore be subject to periodic audit by NAO. Arrangements for NAO visits may be made direct with units, but relevant commands should be made aware of any impending NAO audit.

1017 – 1099. Reserved

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