

**THE SINDH GOVERNMENT GAZETTE EXT. DECEMBER 31, 2004 PART-I.**

**FINNCE DEPARTMENT  
GOVERNMENT OF SINDH**

**N O T I F I C A T I O N**

Dated, the 10<sup>th</sup> November 2004.

No. R.O(R&C)/Misc:/4-49/2004:- In exercise of the powers conferred be section 191 read with item 20 of the part-I of the Fifth Schedule of the Sindh Local Government Ordinance ,2001, the Government of Sindh proposes to make the following rules which is hereby published as required by sub section (2) of section 191 of the said ordinance for the information of all persons likely to the affected thereby, and noticed is hereby given that objections and suggestions if any with respect thereof, may be send to the Secretary to Government of Sindh, Local Government Department, Karachi, within a period of seven days of the publication in the official gazette, which shall be taken into consideration after the expiry of the said period:-

**Chapter-I  
Short Title and Definitions**

- 1. Short title and commencement.** – (1) These rules may be called the Sindh (Fiscal Transfer) Rules 2004.  
(2) They shall come into force at once.
- 2. Definitions:** - (1) In these rules, unless there is anything repugnant in the subject or context:-
  - (i) “annual report” means a report referred to in section 120-E of the Ordinance.
  - (ii) “appropriation account of Local Government” means a statement of expenditures with regard to the budgetary allocations and shall ensure that **a)** the accounts properly present the accounting transactions in a most material aspect and **b)** reasonable arrangements were in place for excising pre-audit checks, while ensuring that payments have been made in observance of relevant rules and regulations and that **c)** the expenditures shown as incurred for the purpose of grants and appropriations, except where observed in Notes, have been booked to the relevant grants and appropriations;
  - (iii) “appropriation” means an allocation of funds to an office of the Local Government on the basis of its Schedule of Authorised Expenditure;
  - (iv) “account” means a repository of Local Government or Government Funds in the State Bank of Pakistan or in a Bank approved by the Government, or in Government treasury;

- (v) “accounts” means a statement of receipt and expenditure on the accounts of a Local Government prepared and maintained in such form and in accordance with such methods and principles as may be laid down by the Auditor General of Pakistan.
- (vi) “accounts statement” includes annual appropriate account and finance account.
- (vii) “annual finance account of Local Government” means a statement of receipts and expenditures of a Local Government as a whole including transactions relating to Local Government fund and the public account;
- (viii) “bank” means the State Bank of Pakistan or any of its officers or branches and includes any branch of the National Bank of Pakistan acting as the agent of the State Bank of Pakistan in accordance with the provisions of the State Bank of Pakistan Act, 1956 or a bank approved by the Government and includes a government treasury where the cash business of the Local Government is not conducted by a bank;
- (ix) “cash balance” means the aggregate monies held by a Local Government in its account at a given point in time;
- (x) “discrepancy in transfer” means as defined in these rules;
- (xi) “district accounts office” means an office in a district under the Provincial Government or the Accountant General Sindh inter alia responsible for maintenance of accounts of the District or City District Government;
- (xii) “Finance Commission” means the Sindh Finance Commission constitutive under section 120-A of the Ordinance.
- (xiii) “Local Government accounts office” means an office entrusted with the responsibility of maintenance of accounts of a Local Government and includes a district accounts office, a Taluka/Town account office and a Union accounts office;
- (xiv) “Local Government expenditure” means the amount expended by the designated functionaries of a Local Government in the manner prescribed in the financial rules and in accordance with the annual budget including supplementary budget approved by its council;
- (xv) “Local Government finance office” includes offices responsible for regulating the finance of a Local Government and includes the offices of the Executive District Officer (Finance & Planning), the Taluka/Town Officer (Finance) and office of the Union Accountant;

- (xvi) “Local Government revenue-expenditure statement” means a monthly statement of accounts separately showing the receipts and expenditures of a Local Government classified in the prescribed manner;
- (xvii) “local own source revenue” means revenues received by a Local Government from the proceeds of taxes or charges levied by a Local Government and other proceeds vested in it under the Local Government Ordinance;
- (xviii) “officer in-charge of a spending arrangement” means an officer entrusted with the executive authority of implementing a project, programme, scheme or any other initiative financed out of the budget of the Government or Federal Government;
- (xix) “Ordinance” means the Sindh Local Government Ordinance 2001;
- (xx) “prescribed report” means a report prescribed under these rules and shall only constitute such a report if produced in the form set for the purpose;
- (xxi) “Provincial Consolidated Fund” means the Fund as described in Article 118 of the Constitution of Pakistan, 1973;
- (xxii) “reporting officer” means an officer vested with the responsibility of submitting a report under these rules;
- (xxiii) “Schedule” means a Schedule attached to these rules;
- (xxiv) “Secretary” means the Secretary of the Finance Commission who shall be the Secretary to Government of Sindh, Finance Department;
- (xxv) “share of local government as calculated” means the share of a local government calculated by the Finance Department at the commencement of a calendar month using the actual allocable amount based on actual provincial receipts and in accordance with Finance Commission award for the time being in force;
- (xxvi) “share of Local Government as determined” means the share of a Local Government determined by the Finance Commission in its award and it may be based on any estimated revenues for a year;
- (xxvii) “Taluka or Town accounts office” means an office located in each Taluka or Town or Town Municipal Administration headed by a Taluka or Town or Town accounts officer responsible for the maintenance of accounts of the Taluka or Town Municipal Administration;

(xxviii) “Taluka or Town accounts officer” means an officer responsible for the maintenance of accounts of a Taluka or Town or Town Municipal Administration;

(xxix) “transfer” means funds transferred to the account of a Local Government from the account of the Government or another Local Government where they are not paid in lieu of a service or a goods provided by the recipient Local Government to the Government or the Local Government, as the case may be.

(2) Words and expressions used but not defined in these rules shall have the same meaning as are respectively assigned to them in the Ordinance.

## **Chapter II**

### **Secretariat and intergovernmental fiscal database**

**3. Secretariat of Financial Commission.-** (1) The Finance Department shall set up a designated establishment of officers and staff, with adequate resources and equipment, which shall be called the Finance Commission Secretariat, hereinafter referred to as the Secretariat.

(2) When so required, the Secretary may hire the services of experts to provide technical expertise to the Finance Commission.

(3) The number of posts for the Secretariat shall be determined by the Secretary, from time to time, with due regard to the nature and quantum of work.

(4) The senior executive officer of the Secretariat as may be appointed by the Secretary shall be responsible for implementation of any functioning and duties interested the Secretariat.

(5) The Secretariat shall function under the overall executive control of the Secretary.

**4. Functions and duties of the Secretariat.-** The functions and duties of the Secretariat, without prejudice to the generality of technical and Secretariat support as may be required by the Finance Commission or as otherwise provided in these rules shall include--

- (a) preparing technical briefs for the Finance Commission meetings;
- (b) making available all prescribed documents to the Finance Commission for its meetings;
- (c) carrying out simulations, development of formula options and study the differential impact of various options of local government finance;
- (d) maintenance of the intergovernmental database, in such forms and of such standards, as may from time to time be prescribed by the Secretary;
- (e) carrying out monitoring of receipts of funds by the Local Government ;

- (f) receipts of reports from Local Government, as may be prescribed by the Finance Commission;
- (g) undertaking analysis of Local Government finance, or if so required, by the Finance Commission of provincial finances;
- (h) preparation and maintenance of relevant data relating to Local Government , as prescribed, as may be required by the Finance Commission;
- (i) evaluation of impact of fiscal transfers on Local Governments and other relevant matters;
- (j) commissioning of special research and studies relating to intergovernmental finance;
- (k) preparation and publication of annual report after the approval of the Finance Commission;

**5. Communication and access to information.-** Nothing contained in these rules shall be deemed to impose any limits on the Secretariat to carry out timely communication or information on any matters relating to fiscal transfers to Local Government , Government agency or any person or in providing access to information to any citizen.

**6. Budget.-** (1) The annual budget of the Secretariat shall be prepared separately as a part of the budget estimates of the Finance Department.

(2) Special funds may be allocated for undertaking studies and analysis.

**7. Intergovernmental fiscal database,-** (1) Intergovernmental fiscal database shall be set up in the Secretariat, subject to the following, in such form as may be possible in view of available technological options and data that may be gathered.

(2) The intergovernmental fiscal database shall comprise of and be maintained for data on revenues and expenditures of the Local Governments under various heads, all kinds of fiscal transfers to Local Governments, besides data pertaining to specific issue peculiar to the Finance Commission award for the time being in force, or any data, as otherwise required and listed in Part A of the First Schedule.

(3) All data shall be updated on a monthly basis provided that for certain categories, a different period may be observed with the permission of the Secretary.

(4) Intergovernmental database may include, without prejudice to the provisions of sub-rule (2), all elements as described in Part B of the First Schedule and reports may be provided to the Finance Commission for analysis, review deliberations on formula options or any other functions, duties and exercise of powers of the Finance Commission;

(5) Data and reports from the intergovernmental fiscal database may be provided to any Local Government, Government Agency, person or organization for any academic or other purpose upon request and payment for any fee that may be charged with express permission of the Secretary.

(6) Such fees as may be collected in accordance with the provisions of sub-rule (5) shall be deposited in the Government Treasury or in a special account authorized by the Secretary.

### **Chapter III** **The Method of Transfers**

**8. Dissemination of formula.-** (1) As soon as may be possible, upon notification of a Finance Commission formula under the provisions of the Ordinance, the Secretariat shall make all suitable and necessary arrangements for dissemination of the formula to Government agencies and Local Governments in the province.

(2) Where grant systems are seeking to achieve specific objectives through Local Government action, the Secretariat shall make special arrangements for dissemination and wider understanding of the conditionalities, provisions, incentives and sanctions attached to such transfers.

**9. Notification of Provincial Consolidated Fund and its distribution.-** (1) The Secretariat shall notify the calculated size of the Provincial Consolidated Fund, Provincial Retained Amount and Provincial Allocable Amount in accordance with the Finance Commission formulae for the time being in force, based on the estimated revenues of the Province, in the month of March every year for the following fiscal year.

(2) It shall notify the revised size of the Provincial Consolidated Fund, Provincial Retained Amount and Provincial Allocable Amount for on ongoing fiscal year as early as possible and such notification shall be based on the revised estimates.

**10. Notification of shares of local government .-** (1) Share of Local Government as determined shall be notified by the Secretariat upon determination in the light of the formula set by or applicable under the decision of Finance Commission.

(2) Notifications of the shares for the period of the formula shall be made in accordance with the projected revenues of the Province at the beginning of each time period of a formula.

(3) Notifications of the shares for fiscal year shall be made in accordance with the projected revenues of the Province for the fiscal year in the month of March before that fiscal year.

(4) Notifications of the shares shall be made in the form given in the Second Schedule.

(5) All notifications under this rule shall be published in the official gazette.

**11. Copies of notifications.-** Copies of all notifications shall be provided, as soon as possible to Local Governments, members of the Finance Commission and to any other agency as the Secretary may direct.

**12. Authorisation of transfer.-** (1) Upon approval that may be required the Finance Department shall authorize transfer of the share as calculated to the Local Government at

the beginning of every calendar month, as soon as possible and into later than the third day of that month.

(2) Authorisation shall be communicated to the State Bank of Pakistan or any other authority responsible for transferring the amount to the Local Government and a copy of such authorization may be made available to Local Government.

**13. Transfer of the share as calculated.-** (1) The share of Local Government as calculated shall immediately be transferred to its account upon issuance of its authorisation.

(2) A certification of fiscal transfer shall be issued by the Local Government accounts office upon completion of transfer providing the total amount and date in the form approved by the Secretary and a copy may also be provided to the Local Government finance office.

(3) A copy of the certification shall be provided to the Secretariat and to other officers as may be directed from time to time.

**14. Banks.-** (1) The Finance Department may notify a bank or banks to undertake functions for making over, holding or reporting of transfers.

(2) Where any functions are given to a bank it shall provide all such reports as may be required by the Finance Department.

**15. Cash Balance.-** (1) Cash balance in a Local Government account shall be communicated to the Secretariat as and when so required by the Secretary in accordance in the form approved by him.

(2) Under no circumstances the cash balance or any amount thereof in a local government account shall be transferable to or any other account including government account.

#### **Chapter IV Financial Reports**

**16. Expenditure-Revenue Statement.-** (1) The Local Government finance office shall provide monthly expenditure-revenue statement to the Secretariat in accordance with the form given in the Second Schedule.

(2) The Secretary may require quarterly and the end of the year expenditure-revenue statements from the Local Government and in such cases the Local Government shall provide these statements in accordance with the forms set out in the Second Schedule.

**17. Local own source revenues.-** (1) A statement of local own source revenues assessed and collected shall be provided to the Secretariat at the end of each quarter in a fiscal year by the Local Government finance office.

(2) For the purpose of this report the Local Government finance office may attribute to assessment carried out by and agency provided that the estimates of assessment are not less than those used in its decision making.

**18. Other transfers and amounts received.-** Upon receipt of any funds other than the formula based transfers from the Province or local own source revenues the Local Government finance office shall report all funds received in their accounts to the Secretariat within a period of three months.

**19. Project funds and investments,-** Every officer in-charge of special spending arrangement shall report all expenditure incurred through his office to the respective finance office shall provide that information to the Secretariat in accordance with form set out in the Second Schedule provided that expenditures carried out under the approved budget of the local government shall not form part of this report.

**20. Accounts reports.-** (1) Local Government accounts offices shall forward appropriation account and finance account statements to the Secretariat in accordance with the forms for the time being in force.

(2) All such reports will be submitted before the end of third quarter of the fiscal year following the year for which reports are being formulated.

(3) In case where certified accounts are pending finalisation a report based on draft accounts may be provided.

(4) Where a report is based on draft accounts it shall be mentioned in the report.

(5) Where a report has been provided on the basis of draft accounts, upon certification of accounts a second report shall be provided with appropriate reference made to the earlier report.

## **Chapter V Responsibilities and Powers**

**21. Reporting officers.-** (1) Any reporting officer while submitting a report under these rules, unless otherwise provided, shall submit such a report to the Secretariat within the prescribed or required time period if an approval has not been given for such submission in time.

(2) No disciplinary or administrative proceedings shall be admissible against a reporting officer for submission of such a report, unless they be on grounds other than those specified in sub-rule (1) of this rule.



**22. Duties of Local Government finance and accounts offices.-** (1) Duties of Local Government finance and accounts offices shall include maintenance of record of monthly and periodic transfers in prescribed form as set out in the Second Schedule.

(2) A copy of the record shall be provided to the Secretariat at the end of each of fiscal year not later than expiry of the first calendar month of the succeeding fiscal year.

**23. Responsibility for the validity of the report.-** (1) The Zila Nazim and the District Coordination Officers shall be responsible for the veracity of all reports submitted by the District Government offices to the Secretariat.

(2) The Taluka/Town or Town Nazim and Taluka/Town or Town Municipal Officer, as the case may be, shall be responsible for the veracity of all reports submitted by the Taluka/Town or Town Municipal Administration Offices to the Secretariat.

(3) The Union Nazim and the Secretary of Union Administration shall be responsible for the veracity of all reports submitted by the Union Administration to the Secretariat.

**24. Responsibility of the Accountant General.-** (1) The Accountant General shall ensure timely and correct submission of reports to the Secretariat from district accounts officers under these rules.

(2) The Direct Local Fund Audit, or any other authority designated from the inspection/audit of Taluka/Town or Town Municipal Administration and Union Administration accounts, shall ensure the timely and correct submission of reports to the Secretariat.

**25. Special powers of the Secretary.-** (1) If so authorised by the Finance Commission, the Secretary may require any special reports on or related to Local Government finance from the Accountant General, Director Local Fund Audit or any other authority designated for Administration of Taluka/Town or Town Municipal Administration and Union Administration accounts relating to their respective administrative jurisdictions.

(2) The Secretary, in case of reports which are not submitted in time, or are submitted incorrectly or are incomplete, may recommend action to the authority empowered under the law against the local government finance office, local government accounts office or any local government officer-in-charge or any other person responsible, as the case may be, provide that in such cases prior notice shall be given to the local executive setting out the reasons for such action.

(3) The authority to whom the action is recommended in each case shall undertake proceeding on such recommendation and provide a final report to the Secretary within an appropriate time period.

(4) To ensure carrying out the functions and purposes of the Finance Commission the Secretary may require any information from any agency carrying out functions in the Province relating to local government finance to be laid before the Secretariat.

## **Chapter VI Discrepancies and Delays in Transfers**

**26. Discrepancy in the transfer.-** (1) A transfer less than the share of a Local Government as calculated shall be deemed a discrepancy,

(2) Any discrepancy in the transfer made to a Local Government shall be reported to the Finance Commission before the end of the quarter by the Secretariat and the Finance Commission may take any action deemed fit under the law.

**27. Delay in the transfer.-** (1) Whenever a transfer due to a Local Government in accordance with the share as calculated is not made within the prescribed time period it shall amount to a delay.

(2) Any delay in the transfer for which a Local Government is eligible in accordance with the notifications, for whatsoever reason, shall be recorded by the Secretariat and reported to Finance Commission in the next following meeting and the Finance Commission may take any action deemed fit under the law.

## **Chapter VII Miscellaneous**

**28. Annual Report.-** (1) Draft annual report to the Finance Commission shall be prepared by the Secretariat before the end of the first quarter of each fiscal year, keeping in view the time required for consideration by the Finance Commission, and present it to the Secretary who shall lay it before the Finance Commission.

(2) The draft report upon approval by the Finance Commission shall be finalized by the Secretariat.

(3) Annual report shall be published by the Secretariat and copies shall be provided to each district government and Taluka, Town or Town Municipal Administration in the province for laying it before the respective Council.

(4) Annual report shall be in the prescribed form given in the Third Schedule.

**29. Timeliness of report.-** Reporting officers and other agencies shall be responsible for submission of reports or completion of actions, as the case may be, in accordance with the timeframes specified in the Fourth Schedule to these rules.

**30. Powers of the Finance Commission.-** Nothing contained in these rules shall be deemed to impose any limits on the powers of the Finance Commission to require any

reports from any Federal, Provincial or a Local Government, or from any authority, corporation, body, or organization established by or under law or which is owned or controlled by the any Government or in which any of the governments has a controlling interest or any other source.

**First Schedule**

**Data that shall be maintained by the Secretariat**

**Part A**

**(See Rule 7(2))**

**(Disaggregated by district, Taluka / Town, town and where possible by union)**

1. Expenditures of Local Government, function and object wise;
2. Revenues of Local Government, item wise;
3. Transfers received by Local Government, all categories;
4. Data on specific issues in accordance with Finance Commission award;
5. Data on implementation of conditionalities that may be attached to any transfers; and
6. Any matters specifically assigned by the Finance Commission.

**Part B**

**(See Rule 7(4))**

**(Disaggregated by district, Taluka / Town, town and where possible by union, or as otherwise specified by the Secretary)**

1. Population, with projected increases over time;
2. Area of Local Government;
3. Service levels in a Local Government jurisdiction, all services;
4. Land, by various categories of usage and tillage;
5. Industry and other economic activity;
6. Social indicators;
7. Economic indicators;
8. Estimates of personal and household income and expenditure;
9. Measures of various local tax bases; and
10. Cost of service delivery, by category.

**Second Schedule**  
**Forms**

Form FTR 1  
Notification of PCF  
(See Rule 9)

Government of Sindh  
Finance Commission Secretariat  
Dated

In exercise of powers conferred under Section 120 (D) of the Sindh Local Government Ordinance 2001, the Governor of Sindh on the recommendation of Finance Commission is pleased to specify the size of Provincial Consolidated Fund and its distribution into Allocable and Retained amounts for the Province as under.

Rs.

Consolidated Fund	_____
Retained Amount	_____
Allocable Amount	_____

## **Third Schedule**

### **Recommended from for the Finance Commission Annual Report**

#### **Objectives**

The Annual Report of the Finance Commission will be meant to inform the citizenry about how public funds have been managed to their benefit and at the same time afford them an opportunity to assess the performance of the Finance Commission. The report will also facilitate the Government in bringing about changes in the previous years fiscal policy that would lead to improved transfer and allocation practices for the future.

#### **Analysis**

The report will offer a detailed analysis of the general health of the Provincial economy and will provide information that will guide policy makers to enable them to incorporate changes and make adjustments in the distribution of funds and allied policies of tapping into new sources of revenue. It will also serve as material for dialogue and action to enable the provincial leadership in suggesting a way forward for the economic well being and uplift of the population in general. For the Finance Commission Secretariat it will serve as a mirror for reflecting on the past years formulae for resource distribution.

The report will also offer a:

#### **1) Tool for analyzing the utilization and source of available resources**

Through the Finance Commission award the province decides how it would spend the total resources available of that year. The report will provide detail of how much the respective local governments spend. It will identify the source of funds and help identify separately the respective shares provided by the Federal and sub national levels of government.

#### **2) Financial management tool**

The report will provide detail on the financial condition of the province and Local Governments. It will include details information regarding budget balances, the results of audit, liabilities being carried over, ending balances of the local governments and figures for helping elucidate the level of disparity in overall fiscal health. Indicators of fiscal managements such as whether books are being properly kept and whether there has been either a financial or program audit are additional tools in the report that will facilitate financial management.

#### **3) Comparative analysis of the Provincial economy**

The report will provide an opportunity for Provincial policy makers to make comparisons with fiscal policies of the provincial governments. It will also help identify the disparities in economic growth among the various local governments and regions of the Province, and help policy makers gauge whether these differences are increasing or decreasing.

4) In the Finance Commission report policy makers will be able to pinpoint the major economic issues which will affect the performance of the intergovernmental transfer system.

**5) Means to bridge expenditure abnormalities**

The report will present an analysis of expenditure patterns for each level of Government through which clear identification of areas of growth as well as stagnation will be identified. Similarly public employment levels and patterns will be deduced through the study of expenditure patterns.

**6) Identification of revenue sources, improvement in own revenue**

The report will present an analysis of revenue patterns by level of government and show revenue growth by source. This will include own source revenues, and an analysis of the dependence on transfers.

**7) Evaluation of the Transfer Formula-identifying successes and shortfalls**

Finance Commission distribution formulae may not hold true and effective over an extended period. The report in this case will provide indicators for analysis which will be used to retune (if required) the intergovernmental transfer system used by the Province. Similarly, the impact of the transfer formula as well as suggestions for change and adjustments will be facilitated through the report.

**8) Innovation**

The report will not just be providing information on what has been undertaken over the fiscal year but will also serve as a source of novel ideas which the Finance Commission may take up for inclusion in future awards. The addition of special studies on innovative ideas and practices that will be included in the report will facilitate the generation of dialogue on subjects such as:

- a. Equalization evaluation
- b. Alternative for own revenue mobilization
- c. Public employment levels and disparities

**9) Presenting a way forward**

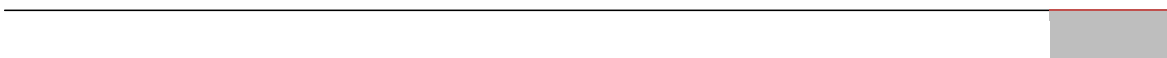
The report will conclude with the presentation of challenges and issues where the major hurdles to be overcome in developing an intergovernmental fiscal system that will match the objectives of the provincial policy will be streamlined for action. These will include province level issues such as poor fiscal management by some local governments, growing disparities within the regions and the need to accommodate these, etc. Also issues of relationship between the Province and the Federal Government on matters such as a proposed new revenue sharing scheme, or proposed new legislation on natural resource taxation that might affect the provincial and local government budgets may be taken cognisance of in the Finance Commission report.

**Fourth Schedule**  
**Timeframes for various important activities**

<b>Activity</b>	<b>Responsibility</b>	<b>Timeframe</b>
Preparation of technical briefs for Finance Commission meetings	Finance Commission Secretariat	Periodic, as and when required.
Preparation of necessary documents for Finance Commission meetings.	Finance Commission Secretariat	Periodic, as and when required.
Maintenance updating of Intergovernmental database.	Finance Commission Secretariat	Periodic
Carrying out monitoring of receipts of funds by Local Government	Finance Commission Secretariat	Second week of every month
Carrying out analysis of Local Government finance	Finance Commission Secretariat	Periodic, as and when required.
Carrying out analysis of Provincial finances	Finance Commission Secretariat	Periodic, as and when required.
Preparation and maintenance of data relating to Local Government.	Finance Commission Secretariat	Periodic, as and when required.
Evaluation of impact of fiscal transfers on Local Government	Finance Commission Secretariat	Annual
Commissioning of special research and studies relating to Intergovernmental finance.	Finance Commission Secretariat	Annual
Preparation of draft Annual Report.	Finance Commission Secretariat	Annual
Publication of Annual Report of the Finance Commission	Finance Commission Secretariat	Before the end of first quarter in every fiscal year.
Provision of periodic reports on Local Government finance to the Secretary	Finance Commission Secretariat	Periodic, as and when required.
Notification of shares of Local Government.	Finance Commission Secretariat	March (before a fiscal year)
Publishing of Notification of Local Government shares in the official gazette.	Finance Commission Secretariat	March (before a fiscal year begins)
Authorization of transfer to LGs.	Finance Commission Secretariat	Beginning of every calendar month not later than the third day of that month.



Communication of authorization to the State Bank of Pakistan	Finance Commission Secretariat	Same day as notified
Transfer of the share as calculated to LGs	Finance Commission Secretariat	Within three days of the issuance of authorization
Issuance of certification of transfer	Local Government Accounts office	Upon completion of transfer not later than the last working day of the first week of every calendar month.
Provision of copy of the certification to the Secretariat and other offices	Local Government Accounts office	Within three days of receipts of funds
Provision of monthly expenditure-revenue statement to the Secretariat	Local Government finance office	Not later than the tenth day of a calendar month.
Quarterly and end of year expenditure-revenue statements.	Local Government	Within 15 days of the end of the quarter or which the statement relates and end of the first quarter of the next fiscal year following the year to which the annual statements relates.
Reporting of all funds received in their accounts to the Secretariat	Local Government finance office	Not later than the last working day of the first week of every calendar month.
Reporting of all expenditure incurred (through the Local Government office) to the respective finance office and to the Secretariat.	Local Government office in-charge	In the first week after the end of the quarter.
Accounts reports	Local Government finance office	Before the end of the fiscal year following the year for which reports are being formulated.
Provision of special reports required by the Secretary Finance Commission related to Local Government finance.	Accountant General, Director Local Fund Audit or any other authority designated for administration of Tauluka or Town or Town Municipal Administration and Union Administration accounts.	Periodic, within fifteen days of request.



Preparation of Draft Finance Commission Annual Report.	Finance Commission Secretariat	Before 15 <sup>th</sup> August.
Publication of Finance Commission Annual Report.	Finance Commission Secretariat	Before 15 <sup>th</sup> August.
Provision of copies of the Finance Commission Annual Report to each District Government and Taluka / Town or Town Municipal Administration in the Province.	Finance Commission Secretariat	Before 30 <sup>th</sup> August.
Maintenance of record of monthly and periodic transfers in prescribed form in accordance with the Second Schedule.	Local Government finance and accounts office.	Continuous
Provision of monthly record of transfer in prescribed form in accordance with the Second Schedule to the Secretariat.	Local Government finance and accounts office.	No later than the 5 <sup>th</sup> of the next month following the month to which the statement relates.
Provision of annual report on record of transfer in prescribed form in accordance with the Second Schedule to the Secretariat.	Local Government finance and accounts office.	End of each fiscal year not later than 31 <sup>st</sup> July.

**Secretary  
Finance & Corporation Department**

FTR 2  
Notification of Determined Share for Three Years  
(See Rule 10)

Government of Sindh  
Finance Commission Secretariat  
Dated

In exercise of powers conferred under Section 120 D (6) of the Sindh Local Government Ordinance 2001, the Governor of Sindh on the recommendation of Finance Commission is pleased to specify the following award separately indicating the Provincial Allocable and Provincial Retained amounts and the inter se shares of the local governments for three years starting from \_\_\_\_\_ (year).

Provincial Allocable Amount \_\_\_\_\_

Provincial Retained Amount \_\_\_\_\_

Name of Local Government	
Districts	Inter-se Share
TMA's	

FTR 3  
Notification of Determined Share for Three Years  
(See Rule 10)

Government of Sindh  
Finance Commission Secretariat  
Dated

In exercise of powers conferred under Section 120 D(6) of the Sindh Local Government Ordinance 2001, the Governor of Sindh on the recommendation of Provincial Finance Commission is pleased to specify the following award separately indicating the Provincial Allocable and Provincial Retained amounts and the inter se shares of the local governments for the year ending 30,20 \_\_\_\_\_

Provincial Allocable Amount \_\_\_\_\_

Provincial Retained Amount \_\_\_\_\_

Name of Local Government	
Districts	Inter-se Share
TMA's	

FTR 4  
 Authorisation of Transfers  
 (See Rule 12)

Government of Sindh  
 Provincial Finance Commission Secretariat  
 Dated

**ORDER**

In pursuance of the Provincial Finance Commission Award Ordered No. \_\_\_\_\_ ,  
 Dated \_\_\_\_\_ ,20 sanction is hereby accorded to release an amount of  
 Rs. \_\_\_\_\_ , for credit to District / Local Fund) for the month of  
 \_\_\_\_\_ , 20 \_\_\_\_ as single line resources transfer to respective Account of each local  
 government, per contra debit to Sindh Government Account No. 1 (as per the specified head of  
 account).

Name of Local Government	
Districts	Inter-se Share
TMAs	

FTR 5  
 Notification of Calculated Share  
 (See Rule 13)

Government of Sindh  
 Provincial Finance Commission Secretariat  
 Dated

In exercise of powers conferred under Section 120 D(6) of the Sindh Local Government Ordinance 2001, the Governor of Sindh on the recommendation of Provincial Finance Commission is pleased to specify the following calculated Share of individual local governments for the year ending June 30,20 \_\_\_\_\_, based on the actual size of the Provincial Consolidated Fund

Provincial Retained Amount \_\_\_\_\_

Provincial Allocable Amount \_\_\_\_\_

Name of Local Government	
Districts	Inter-se Share
TMAs	

Form FTR 6  
Certification of Receipts  
(See Rule 13)

On the basis of statement or receipts provided by the State Bank of Pakistan / National Bank of Pakistan, the Bank, \_\_\_\_\_ (name of branch) in respect of \_\_\_\_\_ (name of) Local Government , it is certified that a sum of Rs. \_\_\_\_\_, has been credited in the account of the Local Government \_\_\_\_\_ (name) during the month of \_\_\_\_\_, 20 .

Signed  
District / Taluka , Town Accounts  
Officer  
Union Accountant  
Stamped



FTR 7

Cash Balance as at 30, \_\_\_\_\_, 20  
Local Government \_\_\_\_\_  
(See Rule 15)

Rs.

Opening Balance as on 1<sup>st</sup> of \_\_\_\_\_, 20

Add: Receipts during the month

Less: Payments made during the month

Closing Balance as on 30<sup>th</sup> of \_\_\_\_\_, 20