

DIRECT ACCOUNTING SYSTEM

**"IMPROVING DATA CAPTURE SYSTEM FOR
TIMELY ANNUAL PUBLIC ACCOUNTS"**

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By : Wan Azmin Bin Wan Abd. Aziz

ITM I/C: 85330286

FDR : ACC 555, Attachment

Advisor: Puan Raenah Bt. Md. Sem

CONTENTS

	Page
LIST OF ABBREVIATIONS	i
ACKNOWLEDGEMENT	ii
PREFACE	iii
CHAPTER	
ONE	INTRODUCTION
	1
1.1	Self Accounting Department
	1
1.2	Non-Self Accounting Department
	2
1.3	Branch Accounting Office
	2
1.4	State Treasury
	3
1.5	Accountant General's Office
	3
1.6	Confirmation of Expenditure
	4
1.7	Aim of Project
	6
TWO	LIMITATIONS OF THE STUDY
	8
THREE	METHODOLOGY
	9
FOUR	SYSTEM BEFORE DIRECT ACCOUNTING SYSTEM
	11
4.1	Definition of Indirect Method
	11
4.2	Accounts used for Channelling Accounting Data
	13
4.2.1	Inter Administration Current Account
	13
4.2.2	Self Accounting Department Clearance Account
	13
4.3	Accounting Entries
	14
4.4	Interdepartmental settlements
	17

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PREFACE

Eversince I am aware of the need of proper public accounting system for public monies, I wished I had an indepth knowledge and a reference material from which I could very quickly obtain accurate and concise information regarding the tedious preparation of Annual Public Accounts of the Malaysian Government.

I have no doubt that many Malaysians have experienced this need. It is obvious that the Annual Account itself communicates no messages especially to those who have not had the advantage of learning this highly specialised field previously and practical working experience.

It is my hope that this research paper will make my dream comes true and also assist those readers who were curious enough to know the system adopted by the Government in improving data capture for preparation of Annual Public Accounts.

I must concede and stress that this is, in essence, only a project paper and to those who demand a detailed exposition of the finer points of the system, may I humbly suggest that they refer to more advanced works by more eminent and distinguished authors/researchers.

However, I am confident that the areas covered are comprehensive enough to aid fellow students in their studies in this particular topic.

CHAPTER ONE

INTRODUCTION

One of the main responsibilities of the Accountant General is the preparation of the Annual Public Accounts. In order to fulfill such responsibility, all accounting data must be channelled through his office for accounting and recording. The sources of accounting data for consolidation to form the Accounts come from Self Accounting Departments, Non-Self Accounting Departments, Branch Accounting Offices, State Treasuries and Accountant General's Office.

1.1 Self Accounting Department (SAD)

A Ministry/Department is termed 'Self Accounting' if it has the following capabilities :-

- to make its own disbursement
 - to maintain its own ledger cards
 - to maintain a clearance account with the Accountant General's Office
- and/or
- to receive and account for revenue collected

A SAD does not however have autonomy over its financing or cash resources. It receives its funds on request from the AG and within the budget allocation voted by the Parliament.