

# The Bookkeeping Ordinance (SFS 2000:606)

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## Introductory provisions

### Area of application

#### Section 1

This ordinance contains provisions relating to section 45 of the Government Budget Act (1996:1059).

The Archives Act (1990:782) and the Archives Ordinance (1991:446) contain provisions concerning the filing of accounting information.

### Agencies obliged to keep accounts

#### Section 2

Agencies that report directly to the Government are obliged to keep accounts as specified in this ordinance.

### Definitions

#### Section 3

In the ordinance the following terms have the following meanings:

1. bookkeeping item: each individual entry in the accounts
2. financial events: all changes in the amount and composition of an agency's assets, liabilities or capital which are a result of the agency's external financial relations, for example payments made and received, and claims and liabilities arising in the course of operations,
3. voucher: the information which documents a financial event or an adjustment made to the accounts,
4. accounting information:
  - (a) accounting information as referred to in
    - Section 8 (books of original entry and the general ledger),
    - Section 11 (subsidiary ledgers),
    - Section 13 (vouchers),
    - Section 14 (documents etc to which a voucher refers),
    - Section 18 (systems documentation and transaction logging),
    - Section 19 (annual reports),
    - Section 20 (specifications for the annual report),
    - Section 21 (reports to the Central Government Accounts), and
    - Section 8 of the Ordinance (2000:605) on annual reports and budget documentation (interim reports)

- (b) agreements and other documents of special importance for determining the financial status of operations, and
- (c) other information which is of importance for following and understanding the treatment of individual items in the accounts.

## **Financial year**

### **Section 4**

The financial year shall comprise the calendar year.

## **The meaning of the obligation to keep accounts**

### **General**

#### **Section 5**

An agency shall

- 1) ensure that all financial events in its books of account are currently recorded in accordance with the provisions contained in Sections 8-12,
- 2) ensure that there are vouchers as stipulated in Sections 13-16 for all bookkeeping items, and that systems documentation and transaction logging are available as specified in Section 18,
- 3) close the accounts in accordance with the provisions contained in Sections 19 and 20,
- 4) maintain all accounting information and equipment and systems necessary to present financial information in the form laid down in the Archives Act (1990:782) and the Archives Ordinance (1991:446).

### **Generally accepted accounting practice**

#### **Section 6**

The obligation to keep accounts shall be fulfilled in a manner consistent with generally accepted accounting practice. In this respect the special provisions for government operations issued by the Government and the Swedish National Financial Management Authority shall be observed.

### **Accounting of several operations**

#### **Section 7**

If an agency is responsible for several different types of operations, its accounts shall cover all its operations.

The Financial Management Authority may permit exceptions from the provision contained in the first paragraph.

## **Current bookkeeping and vouchers**

### **Books of original entry and the general ledger**

#### **Section 8**

Financial events are to be recorded in such a way that they can be presented in chronological order (book of original entry) and in systematic order (general ledger). This shall be done in such a way that it is possible to check the completeness of the bookkeeping items and to obtain an overview of developments in operations, the financial position and the change in capital for the year.

### **Points in time when transactions shall be recorded in the accounts**

#### **Section 9**

Cash disbursements and receipts shall be recorded in the books no later than the following working day. Other financial events shall be recorded in the books as soon as this can be done.

Financial events may be recorded in the books later than that stipulated in the first paragraph if special reasons exist and it is compatible with generally accepted accounting practice.

### **Year-end items**

#### **Section 10**

When the accounts are closed, items which are necessary to determine the revenue and expenses of the financial year and the financial position at balance sheet date shall be entered in the accounts.

### **Subsidiary ledgers**

#### **Section 11**

In the bookkeeping, asset and liability accounts shall be supported by detailed subsidiary ledgers to the extent necessary to provide satisfactory overview and control.

### **Corrections of bookkeeping items**

#### **Section 12**

If an item which has been recorded in the accounts is corrected, a note shall be made as to when and by whom the correction was made. If the correction is made by means of a special correction entry, steps shall be taken to ensure that anyone examining the corrected item can learn without difficulty of the correction.

### **Vouchers**

#### **Section 13**

There shall be a voucher for every financial event. If the agency has received information documenting a financial event, this information, supplemented

whenever necessary with information as specified in Sections 14 and 15, is to be used as a voucher.

If considered necessary in view of the type of voucher received, the entry in the accounts may be based on a specially prepared reference voucher.

Several similar financial events may be documented by one voucher which covers them all.

#### Section 14

The voucher shall contain information on when it was drawn up, when the financial event occurred, what the event concerns, the amount involved, and the other party concerned. Whenever necessary the voucher shall also contain information on documents or other information which formed the basis of the financial event and where this documentation is kept.

The voucher shall include a voucher number or another form of identification and any other information necessary to make it possible, without difficulty, to establish the relationship between the voucher and the accounting entry in the records.

#### Section 15

Information stipulated in the first paragraph of Section 14 may be omitted if it is difficult to include the information on the voucher and omission is compatible with generally accepted accounting practice.

#### Section 16

If a voucher is corrected, a note shall be added as to when and by whom the correction was made.

Other bookkeeping items than those referring to financial events

#### Section 17

The provisions of Sections 8-16 above also applies to other bookkeeping items than those referring to financial events.

Systems documentation and transaction logging

#### Section 18

The agency shall draw up specifications of the organisation and structure of the accounting system necessary to provide an overview of the system (systems documentation). The agency shall also draw up specifications of modifications made to the system which make it possible, without difficulty, to follow and understand the treatment of individual items (transaction logging).

## Closing of the books

### Annual report

#### Section 19

The agency shall close its books and produce an annual report for every financial year. The annual report shall be drawn up in accordance with the Ordinance (2000:605) on annual reports and budget documentation.

### Specification for the annual report

#### Section 20

For each summarised item in the balance sheet which shall be included in the annual report, the amounts which make up the item shall be specified on a special schedule unless the composition of the item is otherwise clearly evident from the accounts.

### Reports to the Central Government Accounts

#### Section 21

Over and above what is otherwise provided for in this ordinance, the accounting shall be arranged in such a way that

- 1) accounting against the government budget appropriations and income headings is made in accordance with the regulations which generally regulate this accounting,
- 2) it meets the specific accounting requirements given in letter of appropriations and other regulations,
- 3) it meets the requirements specified by the Financial Management Authority in respect of financial statistics and information for drawing up the Central Government Annual Report and Consolidated Financial Statements.

### Other provisions

#### Section 22

An agency that is obliged to keep accounts is responsible for ensuring that its accounting organisation and routines are designed to promote reliable accounting and to protect assets administered by the agency.

### Implementing provisions

#### Section 23

The Financial Management Authority may issue the regulations necessary for the implementation of this ordinance.

This ordinance enters into force on January 1, 2001, and shall be implemented for the first time for the financial year 2001.

This ordinance replaces the accounting ordinance (1979:1212)