

The Accounting Procedures of the Access to Justice Development Fund 2005

4th April, 2005

S.R.O (I)/2005.- In pursuance of sub rule (3) of rule 3 of the Access to Justice Development Fund Rules 2002, the Governing Body of the Access to Justice Development Fund has laid the following Accounting Procedure of the Access to Justice Development Fund.

1. Short title, commencement and introduction.- (1) These procedures may be called the Accounting Procedures of the Access to Justice Development Fund, 2005.

(2) They shall come into force at once and shall deem to have taken effect with effect from 11-12-2004.

(3). Introduction

Under section 6-A of the Law and Justice Commission of Pakistan Ordinance 1979 (XIV of 1979), the Access to Justice Development Fund hereinafter referred to as Fund, has been established in the Public Accounts as a Reserve Fund Account which shall comprise of an endowment grant of the Federal Government amounting to rupees one thousand four hundred twenty one million and other grants of the Federal Government or a Provincial Government and donations or contributions by individuals, institutions and sums raised by the Commission. A Governing Body to regulate the investment and management of the fund has been constituted under the Access to Justice Development Fund Rules, 2002 hereinafter referred to as AJDF Rules 2002.

2. Establishment of the Fund

2.1 The Federal Government has provided an initial grant of rupees one thousand four hundred twenty one million as a principal amount to establish the Fund in the Public Accounts of the Chart of Classification for Federal, Provincial and Local Government accounts. The Head of Account allocated by the Controller General of Accounts for this purpose is as under:

'Major Head 3000000 Deposits & Reserve (B-not bearing interest) Minor Head 3300000 Reserve Funds Detailed Head 3312000 Other Funds Sub-Detailed Head (Old) 3312050 Access to Justice Development Fund (248-B)' in new 'Chart of Account-G12764 Access to Justice Development Fund'

2.2 The principal amount is non-consumable and shall remain intact. The income earned from investment of the Fund shall be used for the purposes specified in clauses (a) to (g) of Section 6-B of the Ordinance, and rules 9 and 10 of the AJDF Rules as per criteria laid down from time to time by the Governing Body.

2.3 The Federal Government has also provided another initial grant of rupees fifty eight million to the Commission credited to the reserve fund account which shall be expendable on carrying out the purposes of the Ordinance including other eligible expenditure under AJDF Rules 2002.

2.4 All grants, donations and contributions towards the principal amount from the Government and donors to the Fund as envisaged in sub-section (2) of Section 6-A of Law & Justice Commission of Pakistan Ordinance, 1979 shall be credited to the 'Reserve Funds Accounts.'

2.5 The Governing Body shall draw the Principal amount of the Fund in full or in parts from the Reserve Fund Account as may be required for investment and other amount for expenditures on other purposes of the Ordinance by presenting a bill to the AGPR which shall be placed in the Commission's NIDA Account No. 44-0AJDF in the National Bank of Pakistan, Civic Center Islamabad for investment or other purposes of the Ordinance.

2.6 The Chairman shall approve to draw any amount of the Fund in full or in parts from the Reserve Fund Account for investment.

2.7 The Secretary shall convey the sanction to draw any amount out of the Fund and submit a bill as Drawing & Disbursing Officer to the Accountant General Pakistan Revenues.

3. Management of the Fund

3.1 The Commission shall have overall control of the Fund, its undertakings, properties and assets, which shall be administered and managed by the Governing Body of AJDF.

3.2 The Deputy Secretary of the fund (hereinafter referred to as Deputy Secretary) shall maintain all the records of the Fund including books of account, cashbooks, ledgers, assets and liabilities, the seal of the Fund, the cheque books, investments, expenditures, audit and other record of the Fund.

3.3 The Deputy Secretary shall cause the preparation and submission of accounts of the Fund in accordance with the manner and form prescribed by the Auditor General of Pakistan and shall lay a statement of income available for distribution to the Fund Windows.

3.4 The Deputy Secretary with the approval of the Chairman may delegate any of his functions relating to the management and administration of the Fund to his subordinate, as he may consider expedient from time to time

3.5 The Deputy Secretary shall place annual budget or additional budget of the Fund Administration before the Governing Body.

3.6 The Deputy Secretary as may be authorized by the Chairman may sanction the expenditures from the amount allocated to the Fund Administration Window maintained in the Bank and shall keep cash as imprest money to meet petty expenses in discharge of day-to-day functions with regard to administration and management of the Fund.

3.7 The Deputy Secretary shall perform his duties and functions under the supervision of the Secretary.

4. Investment and Income of the Fund

4.1 The Fund shall be invested in the Government approved securities, term finance certificates (TFCs), shares or in any other form of investment in accordance with the approved policy of the Government.

4.2 The income generated by investment of the fund or drawn from reserve fund account shall be credited to the fund account of the commission with the National Bank of Pakistan, Islamabad for allocation for the purposes specified in clauses (a) to (g) of section 6-B of the Ordinance.

4.3 All investments made, properties acquired, undertakings taken, agreements reached, bank accounts opened, shall be in the name of the Commission.

4.4 The Secretary with the approval of the Governing Body shall transfer the specified percentage of the income to each of the Fund Windows in terms of clauses (a) to (g) of Section 6-B of the Ordinance.

4.5 All transactions into or from accounts of the Fund shall be made through the banking channel.

4.6 The Fund account in the Bank shall be operated jointly by two Members of the Governing Body or by the Secretary and Deputy Secretary of the Fund as authorized by the Governing Body.

5. Allocation of Income to the Fund Windows

(a) Provincial Judicial Development Fund Window

The Governing Body shall allocate 60.3% share of the income generated on the Fund to the Provincial Judicial Development Fund for the purposes specified in clause (a) of rule 10 of the AJDF Rules.

- A Provincial Judicial Development Fund hereinafter called PJDF shall be established by the High Court of each Province. The amount allocated to the PJDF Window shall be transferred to an account of High Court opened in the

Bank to meet the needs of the subordinate courts as may be determined by the High Court as specified in clause (a) of rule 10 of the AJDF Rules.

- The High Court shall send half yearly and annual verified expenditures to the Commission.

(b) Special Projects Fund in the Under-developed Provinces and Regions

- The Governing Body shall allocate 10% share of income generated on the Fund to the special projects fund window for funding a project as specified in clause (g) of rule 10 of the AJDF Rules.
- The Governing Body shall evaluate the proposals received and the funding shall be made available for the projects as approved by the Governing Body.
- The concerned agency of the Province or region administering the project shall ensure proper utilization of the fund made available.
- The concerned agency shall maintain and send annual and half yearly verified accounts of the project to the Governing Body.
- The Governing Body may constitute a committee to evaluate the project for funding and monitor execution of its work if deemed necessary.

(c) Legal Empowerment Fund

1. The Governing Body shall allocate 13.5% share of income generated on the Fund to the Legal Empowerment Fund Window, which shall be expended for the purposes specified in clause (b) of rule 10 of the AJDF Rules.

2. The Commission shall expend the 70% out of the total 13.5% share of Legal Empowerment Fund Window as per criteria laid down by the Governing Body.

3. The 30 % amount out of the total 13.5 % shall be transferred to the District Legal Empowerment Committee hereinafter referred as DLEC.

4. The DLEC shall be constituted by the Law and Justice Commission of Pakistan with the concurrence of the concerned High Court and the Provincial Government.

5. The DLEC shall comprise of District & Session Judge as its head, the District Coordination Officer, President District Bar Association, District Superintendent Jail of such District shall be the members. The DLEC shall co-opt one representative from the civil society as member for a period of three years.

6. The DLEC shall open a separate account in the Bank to be managed and operated by its head.

7. The DLEC shall utilize fund for the purpose of legal aid as per criteria laid down by the Governing Body.

8. The DLEC shall send the half yearly and annual verified and audited accounts to the Commission.

d) Federal Judicial Academy Fund

1. The Governing Body shall allocate 4.5% share of income generated on the Fund to

the Federal Judicial Academy Fund, which shall be expended for the purposes as specified in clause (d) of rule 10 of the AJDF Rules.

2. The Federal Judicial Academy hereinafter referred to as FJA shall submit proposal of its activities for funding to the Governing Body to meet its functions, which are not covered by regular budget.

3. The Governing Body shall evaluate the proposals of the FJA and approve funding by allocating the required amount to the FJA or making payment of bills submitted to the Governing Body.

4. The FJA shall be responsible to ensure utilization of the amount in accordance with the approved proposal and furnish half yearly and annual accounts to the Governing Body.

5. The FJA shall submit a result-oriented report to the Governing Body regarding the activity undertaken with the amount made available under this window.

e) Legal Innovations Fund

1. The Governing Body shall allocate 4.5% share of income generated on the Fund to Legal Innovations Fund, which shall be expended for the purposes specified in clause (c) of rule 10 of the AJDF Rules.

2. The Governing Body shall invite proposals from educational, research and other institutions or individual researchers or scholars in the manner as may be approved by the Governing Body.

3. The Governing Body shall constitute a committee to scrutinize the proposals, approve funding, monitor progress of work undertaken and approve the final report.

f) Legal and Judicial Research Fund

1. The Governing Body shall allocate 4.5% share of the income generated on the Fund to the Legal and Judicial Research Fund Window, which shall be expended for the purposes specified in clause (e) of rule 10 of the AJDF Rules.

2. The Governing Body shall approve areas and projects requiring research by the institutions or eminent scholars, researchers, experts. It shall invite research proposals from the institutions, eminent scholars, researchers and experts in a manner as may be approved by the Governing Body.

3. The Governing Body shall constitute a committee to scrutinize the proposals, evaluate the credentials of the researchers, approve funding, monitor the progress of work undertaken by the concerned individual or agency and approve the final report.

g) Fund Management Window

1. The Governing Body shall allocate 2.7% share of income generated on the Fund to

the Fund Management Window, which shall be expended for the purposes specified in clause (f) of rule 10 of the AJDF Rules.

2. The amount of the Fund shall be expended as per budget of the Fund Administration or otherwise approved by the Governing Body.

3. The amount allocated to this Window shall be kept in a separate Bank account to be operated jointly by the Secretary and the Deputy Secretary of the Fund.

6. Utilization of Initial Grant

1. The initial grant of rupees fifty eight million provided to the Commission by the Federal Government and income generated from the investment of the principal amount of the Fund thereby shall be utilized for carrying out the functions and duties of the Commission as per given in the schedule.

2. Any future grant, donation or contribution to be made under clauses (b) to (c) of Section 6-A of the Ordinance and the income generated therefrom shall be expended as may be approved by the Commission for purposes as specified under clause (h) of section 6-B of the Ordinance.

3. The accounts of the aforesaid amount shall be maintained by the Deputy Secretary in accordance with the procedure prescribed under the AJDF Rules.

7. Accounts and Audit of the Fund Windows

- A separate receipt and expenditure account shall be maintained for each category of the Fund Windows by the concerned agency along with itemized statements on a monthly basis accompanied by receipted invoices, vouchers and other appropriate supporting materials.
- Within 60 days of close of the first half of each financial year, the accounts of Fund containing copies of income/expenditure statements of that year shall be submitted to the Commission.
- Within 50 days of the close of the Financial Year, the annual accounts of Fund shall be prepared. The accounts, income and expenditure statements, balance sheet and reports prepared in accordance with the relevant law, rules shall be place before the Commission. The Commission shall consider the accounts of the fund in its meeting and approve them.
- The internal audit of the Fund shall be conducted annually in accordance with the relevant law, rules or by-laws of the Federal Government.
- The Secretary or the Deputy Secretary with the approval of the Secretary may inspect the account of the Fund Windows maintained by the agencies concerned.
- The accounts of the Fund including the income and expenditure statement and the balance sheet shall be audited by the Auditor General of Pakistan.

Schedule
(see para 6)

S/n	LJC Functions under section 6 of the Ordinance	AJDF Windows/Objects	% Share from \$ 1 million
1	<ul style="list-style-type: none"> • Carrying out a regular and systematic review of the statutes and other laws of the land, with a view to improving/modernizing laws for bringing them in accord with the changing needs of the society. • Removing inconsistencies between Federal and provincial laws; • Arranging the codification and unification of laws, so as to eliminate multiplicity of laws on the same subject; 	Judicial and Legal Research Fund	4.5%
		Projects in the Underdeveloped Provinces & Regions	3 % of total 10%
2	<ul style="list-style-type: none"> • Simplifying laws for easy comprehension and suggesting measures to make the society law-conscious; • Preparing an operating schemes for access to justice, legal aid and protection of human rights; 	Legal Empowerment Fund	13.5%
		Projects in the Underdeveloped Provinces & Regions	3 % of total 10 %
3	<ul style="list-style-type: none"> • Introducing reforms in the administration of justice; • Adopting simple and effective procedure for the administration of laws to ensure substantial, inexpensive and speedy justice; 	Judicial Development Fund	60.3%
		Projects in the Underdeveloped Provinces & Regions	4 % of total 10%
4	<ul style="list-style-type: none"> • Recommending improvements in the quality/standard of legal education 	Fund for Innovation in Legal Education	4.5%
5	<ul style="list-style-type: none"> • Taking measures for developing human resources for efficient court administration and management of case flow; 	Federal Judicial Academy window	4.5%

6	• Managing the access to justice development fund	Fund Management window	2.7%