



KENYA PLANT HEALTH INSPECTORATE SERVICE

STANDARD OPERATING PROCEDURE

Department: Finance and Accounting

Revision No:04

Issue No:01

SOP FOR ACCOUNTS PAYABLES/CREDITORS

SOP/KEPHIS/FIN/07

Issued by:

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Deputy Director Finance & Accounts

Date.....

27/01/25

Approved by:

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Director Corporate Services

Date.....

27/01/2025



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1.0. Purpose

To highlight the steps followed in processing creditors' payments.

2.0. Scope

From receipt of payment documents to release of funds to creditors.

3.0 References

- 3.1 KEPHIS Financial Policies and Procedures Manual
- 3.2 International Public Sector Accounting Standards
- 3.3 Creditors list
- 3.4 Chart of accounts
- 3.5 Quality Manual
- 3.7 ISO 9001:2015 Standard

4.0 Definitions

- 4.1 DCS Director Corporate Services
- 4.2 DD Deputy Director
- 4.3 LPO Local purchase order
- 4.4 DDFA Deputy Director Finance and Accounts
- 4.5 GRN Goods Received Note
- 4.6 IAC Inspection and Acceptance committee

5.0 Responsibilities

The Head Finance shall be responsible for implementation of this procedure.



6.0 Schematic representation

Creditors Payment						
Sources of Inputs	Inputs	Activities	Outputs	Receivers of Outputs	Risks	Checks/Controls
▪ Departments ▪ Regional offices	▪ Payment Voucher ▪ Approval Memos ▪ Invoices ▪ GRN ▪ IAC ▪ Delivery Notes ▪ LPO /LSO ▪ Credit notes ▪ Debit Notes	▪ Document Verification ▪ Document processing ▪ Payment ▪ Expensing	▪ Finances ▪ Expenses data ▪ EFT Register ▪ Payment voucher register ▪ Payment Voucher file ▪ Cheque Register ▪ Creditors Database	▪ Regional offices ▪ Creditors ▪ BOD ▪ Management ▪ Individual Staff	▪ Loss of finances ▪ Data Misrepresentation ▪ Delay in payment of Creditors ▪ Law suits	▪ Segregation of duties ▪ Verification

7.0 Procedure

7.1 The accountant receives Invoices from Supplies Department, The invoices are accompanied by supporting documents i.e LPOs/Contracts, GRN, Inspection Certificates, Bank Details, ETRS



7.2 The accountant verifies the payment documents as per

WI.1 /KEPHIS/FIN/01

7.2.1 If the payment documents are not correct, the accountant returns them to the relevant section.

7.2.2 If the payment documents are correct and approved for payment in the ERP, the accountant signs invoice dispatch register if supplies department/ if other ,register from originating department and prepares the payment vouchers and submits them through the ERP for examination and approval by other accountants who forward to the HF

7.3 The HF verifies the payment voucher as per WI.2 /KEPHIS/FIN/01

7.3.1 If not passed the payment vouchers are returned to the accountant with reasons for rejection who intern returns to the originating section.

7.4 The passed payment voucher is forwarded to the DCS by the DDFA for approval.

7.4.1 If not approved the DCS returns the payment vouchers to HF with remarks.

7.5 If approved the payment voucher is taken to the accountant for payment, either Via Cheque or EFT

7.6 For EFT, Original supporting documents together with approved payment voucher are attached to the Q-Pay and forwarded to the signatories for online bank approval, once fully approved the documents are filed

7.7 For Cheques Original supporting documents are attached together with approved payment voucher and a handwritten Cheque thereafter forwarded to the signatories for physical signing, afterwhich the owners are called to collect their cheques which are dispatched through cheque dispatch register

7.6 All Creditors are paid at the Head office unless for small value supplies which can be paid through regional imprests.



1. 8.0 Records

- 7.1 EFT Register
- 7.2 Creditors data base
- 7.3 Payment Voucher file
- 7.4 Cheque Register
- 7.5 Cheque Dispatch Register

REVISION DETAILS					
REVISION SUMMARY	REASON	DATE	REVISED BY	ISSUE NUMBER	REVISION NUMBER
1. Change of clause 3.1	Changes in reporting standards	18/05/2015	H-FIN	5	2
1. Review of entire SOP	To meet requirements of ISO 9001:2015	26/02/2018	H-FIN	1	3
1. Review of entire SOP	To meet requirements of ISO 9001:2015	13/01/2025	DDFA	1	4