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Director General

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அரசு கணக்குகள் திணைக்களம்

பொது திறைசேரி

Department of State Accounts

GENERAL TREASURY

මගේ අංකය
எனது இல. } SA/AS/CMA/30-2008
My No.

ඔබේ අංකය
உமது இல. }
Your No.

දිනය
திகதி } 05/11/2008
Date

න. අං. අංකය 1559, පළමුවන මහල,
මහලේකම් කාර්යාලය, කොළඹ 01, ශ්‍රී ලංකාව.
க. அ. அ. இல. 1559, முதலாம் மாடிக், இலங்கை,
கொழும்பு 01, இலங்கை.
P. O. Box 1559, 1st Floor, The Secretariat,
Colombo 01, Sri Lanka.

State Accounts Circular No: 196 / 2008

To: All Secretaries to Ministries,
Head of Departments and
District Secretaries

Closing of Accounts for the Financial Year – 2008

Books of accounts for the financial year 2008 have to be closed on 31st December 2008 in compliance with F.R. 429. Accordingly, it is essential to forward your Summary of Accounts, Transfer Orders and such other accounting reports to the Department of State Accounts on or before the dates given below. Therefore, it is emphasized that the instructions issued in this circular regarding closing of accounts for 2008 have to be strictly followed and complied with by all Ministries, Departments and District Secretariats. In this regard, your kind attention is also invited to Treasury Circular No.1/2004 of 24th February 2004 on "Annual Performance Reports and Accounts of Ministries, Departments, Provincial Councils and Local Authorities".

1. **Closing of the Cash Book on 31st December 2008**

Instructions issued by the Department of Treasury Operations will apply for the matters in this regard.

2. **Release of First Accounting Statement for December 2008**

2.1. The Summary of Accounts for the month of December 2008 is required to be forwarded to the Department of State Accounts to be received on or before 12th January 2009 by incorporating all the receipts and payments available for reporting

2.2. Departments and District secretariats having sub-offices in the region / Districts should not delay the preparation and rendition of the first summary of accounts by waiting for the receipt of particulars of all receipts and payments from all the sub-offices. Such delayed receipts and payments could be incorporated in the Supplementary Summary.

- 2.3. First Supplementary Summary of Accounts prepared by incorporating receipts and payments, which could not be incorporated in the Main Summary, together with any other corrections to be made relating to errors detected in the course of reconciliation of accounts, should reach the Department of State Accounts on or before the 19th January, 2009. Accordingly all receipts and payments relevant for the year 2008 but not accounted for previously should be incorporated in the First Supplementary Summary of Accounts.
- 2.4. The first Accounting Statement of the Department of State Accounts for the month of December 2008, by incorporating all receipts and payments as reported in the Summaries of Account for the month of December and the correction of errors reported will be released through the web-site <http://www.sad.treasury.gov.lk> on or before 26th January 2009.
- 2.5. If any debit entry had been made against a vote without enough provision to accommodate such debit through the Summary of Accounts, action has to be taken to correct such entries immediately after checking with the said accounting Statement.
- 2.6. In this connection, your kind attention is drawn to paragraph 2 of the National Budget Circular No. 137 of 31.12.2007; Treasury Accounting Statement (Table 33) includes only estimated provision before freezing of provision. Hence, provision in the revised Estimate prepared by you subsequent to freezing of provision according to prescribed percentages and the amount frozen should be clearly indicated in the Appropriation (Vote) Ledger. When Appropriation Account is prepared, these information should be presented in the relevant format.
- 2.7. If you encounter any difficulty in downloading the said Accounting Statement on due dates, it should be brought to the notice of any one of the officers whose names are given in paragraph 9 below, immediately. —

3. Release of Second and Final Accounting Statement for December 2008

- 3.1. After the release of the First Accounting Statements to all Ministries, Departments and District secretariats, time will be given up to 9th February 2009 to incorporate corrections on any errors detected in the first Accounting Statement. The Second Supplementary Summary for correction of errors providing the details relating to corrections to be effected by the Department of State Accounts should be forwarded to this Department to be received on or before the 9th February 2009.
- 3.2. Applications for F.R. 69 transfers that have to be incorporated in the second and Final Accounting Statement should reach this Department on or before the said date of 9th February 2009. As these F.R. 69 applications are needed to be approved by the Secretary to the Treasury or Deputy Secretary to the Treasury, they should be forwarded to the Department of National Budget on or before 29th January 2009. The Department of state Accounts under no circumstances will entertain request for corrections.

Transfer Notes or applications for F.R. 69 transfer after the said date of 9th February 2009.

- 3.3. Action will be taken to release the Final Accounting Statement for the month of December 2008, through the web site on or before 16th February 2009. Simultaneously, these Accounting Statements in the form of a hard copy will be kept in the Accounting Services Division of this Department for collection by respective Ministries, Departments and District Secretariats by following the procedure mentioned in paragraph 7 below.

4. General Instructions


- 4.1. Summaries of Accounts/Transfer orders sent by fax will not be entertained.
- 4.2. Ministries, Departments in "A" class and District Secretariat should use supplementary summaries of accounts for correction of errors.
- 4.3. Supplementary Summary of Accounts submitted to account for unaccounted items and correction of errors after the main summary for December, should be under the title of "December 2008 Supplementary".
- 4.4. Ministries, Departments and District Secretariats, which forward their Summaries in floppy diskettes, should send their Supplementary Summaries of Accounts also in floppy diskettes as marked "December 2008 Supplementary". All corrections of errors and transfers should be incorporated in these floppy diskettes and Transfer Orders in hard copies will not be accepted.
- 4.5. Every Transfer Order furnished to the Department of State Accounts by "B" Class Departments should be marked "Financial year 2008 original" on the top left hand corner of the Transfer order. Extra copies should not be forwarded. Department of State Accounts is not responsible for any double accounting taken place as a result of extra copies being sent and processed.
- 4.6. Ministries, Departments and District secretariats in placing orders for obtaining services from other Ministries, Departments and District Secretariats should take necessary actions to call for relevant bills and account them before 31st December 2008.
- 4.7. Details regarding debits or credits raised against other Heads of expenditure should be promptly intimated to the relevant Ministries, Departments and District Secretariats to facilitate proper closing of accounts.

5. Transfer of budgetary provisions to deposit accounts will not be allowed. However, if necessary arises under exceptional circumstances to transfer the financial provisions to deposit accounts, Chief Accounting Officers should comply with the requirements under F.R. 215. All requests for such transfers to deposit accounts should be sent to

this Department through the Department of Treasury Operations and such requests will be strictly scrutinized by the Treasury and deposit account number will be allocated for approved transfers only by the Department of State Accounts. Granting of Approval or Rejection will be intimated in writing. It is the responsibility of Chief Accounting Officers to forward all such requests to the Treasury on or before 12th January 2009. Requests made after 12th January will not be entertained under any circumstances. It should also be noted that Ministries, Departments and District Secretariats have no authority to transfer financial provisions to the Miscellaneous Deposit Accounts maintained at their offices without the approval of the Treasury.

6. It should be noted that every possible attempt should be made to incorporate entries relating to all rectification of errors in the 2nd supplementary summary to be submitted on or before 9th February 2009 and Transfer Orders for corrections of errors will not be entertained to account for by this department thereafter.
7. In order to avoid misplacement of the duly signed Final Accounting Statements, all Ministries, departments, and District Secretariats are requested to send an authorized officer along with a letter to that effect to the Department of State accounts to collect the documents. If any Institution finds it difficult to send an officer to this department, action could be taken to mail it, if informed accordingly.
8. It is the responsibility of the officer appointed by the chief Accounting Officer/Accounting officer to ensure that Closing of accounts Procedures are followed as detailed above for smooth implementation of the process.
9. For further clarification on closing of accounts, the following officers of the Department of State Accounts may be contacted.

Director (Accounting Services)	-	2484733
Deputy Director (Information Processing)	-	2484751
Deputy Director (Accounting Services)	-	2484756
Deputy Director (Data Validation)	-	2484736
Assistant Director (Accounting Services)	-	2484737
10. It is further requested to ensure that there are no discrepancies in the closing balances of the Deposit and Advance accounts being operated by the respective departments, shown Treasury Books, with balances appearing in Departmental Books before completion of the process of Closing of Accounts.
11. Your kind co-operation is highly appreciated, as it is very much needed to accomplish the tasks on or before the target dates given in the annexed time table.


Dayananda Widanagamachchi
Director General of State Accounts
for Deputy Secretary to the Treasury

- Copies:-
1. Auditor General
 2. Director General - Dept. of Treasury Operations
 3. Director General - Dept. of National Budget
 4. Director - Economic Research Department,
Central Bank of Sri Lanka.

**Scheduled Due Dates for Various Tasks Relevant to
Closing of Accounts for the Financial Year 2008**

- ❖ Closing of cash Book - On 31st December 2008
- ❖ Request made for transferring allocation to Deposit Account - On or before 12th January 2009
- ❖ Submission of main Summary of Accounts for December 2008 - On or before 12th January 2009
- ❖ Submission of the first Supplementary Summary of Accounts related to Transactions in December 2008 (If it is necessary only) - On or before 19th January 2009
- ❖ Release of first Accounting Statement incorporating Summaries of Account for December 2008 - On or before 26th January 2009
- ❖ Submission of F.R.69 applications to the Dept. of National Budget, which are needed to be incorporated in Final Accounting Statements. - On or before 29th January 2009
- ❖ Submission of 2nd Supplementary Summary of Accounts for corrections of errors which were found in the 1st Accounting Statements. - On or before 9th February 2009
- ❖ Rendition of approval F.R.69 applications to the Department of State Accounts. - On or before 9th February 2009
- ❖ Issue of Final Accounting Statements. - On or before 16th February 2009