



பிரதம செயலாளர் செயலகம், வடக்கு மாகாண சபை
 ප්‍රධාන ලේකම් කාර්යාලය, උතුරු පළාත් සභාව
 Chief Secretary's Secretariat, Northern Provincial Council



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My No: NP/09/AP/CIR/2016

06 .01.2016

Provincial Finance Circular No: - PF/AP/01 /2016

Provincial Secretaries,
 Deputy Chief Secretaries,
 Heads of Departments
 Northern Province.

Appropriation Account - 2015

The Secretaries and Head of Departments are kindly informed to prepare and certify that the information included in their Annual Appropriation Account for the year 2015 are correct in terms of the PFR257.1 and forward it to the Auditor General in conformity with the instructions given below.

2. Language for the preparation of the Account

Appropriation Account for the year 2015 should be prepared in all three languages, Sinhala, Tamil and English separately on A4 sheets by using the formats introduced in the section 4 of this circular and compile them as one book.

3. Figures for the Preparation of the Accounts

Based on the figures appeared in the Final Accounting Statements for the year 2015 and the statements annexed thereto issued by the Office of the Deputy Chief Secretary- Finance as per the Para 4.6 of the Chief Secretary Circular No: PF/09/2015 of 24.11.2015, it is required to prepare the Appropriation Account in conformity with the following guidelines.

3.1 Accordingly, information regarding estimated provisions, total net provisions, total net expenditure and net effect (savings and excesses) appeared in the Final Accounting Statement for the year 2015 and the statements annexed thereto should be reconciled with the figures in the Appropriation Account for the year 2015 prepared with respect to each programme of the Head of the Ministry / Department.

3.2 In preparing the Appropriation Account, total expenditure, savings / excesses should be reported to the nearest Rupee.

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- 3.3 With regard to the P.F.R. 45 and 47 transfers, only the total figures are indicated in the Final Accounting Statement for the year 2015. A detailed Statement on P.F.R. 45 and 47 transfers pertaining to the aforementioned total figures is also sent with the statements above. Prior to the preparation of the Appropriation Account, the figures appeared thereof should be reconciled with the copy of the due transfer applications.
- 3.4 Preparation of Appropriation Account without using Accounting Statements certified by the of Deputy Chief Secretary-Finance, Final Accounts printouts related them to, being not reported the transactions to the nearest Rupee, delay in submission of Appropriation Account, submission of incomplete reports on liabilities, non reconciliation of values, pertaining to movable assets with capital objects under the year review and being not completed Board of Survey appropriately can be mentioned as common errors identified in examining the observations made by the Auditor General with regard to the Appropriation Account in the last years. Hence, you should take necessary action to avoid such shortcomings.

4. **Formats for the preparation of the Accounts**

The specimens of the following formats annexed hereto should be used in the preparation of the Appropriation Account.

DCSF 1	Appropriation Account – 2015
DCSF 2	Appropriation Account by programme - 2015 (Appropriation Account to be prepared for each programme)
DCSF 3	Recurrent Expenditure by project (to be prepared for each programme)
DCSF 4	Capital Expenditure by project (to be prepared for each programme)
DCSF 5	Summary of Financing Expenditure by programme (to be prepared by summary details of DCSF 5 (i))
DCSF 5(i)	Financing of Expenditure by project of each programme (to be prepared project wise for each programme)
DCSF 6	Explanation for the variations between total recurrent net provision and actual expenditure (to be prepared for each programme)
DCSF 6(i)	Explanation for the variations between total capital net provision and actual expenditure (to be prepared for each programme)
DCSF 7	Statement of Losses and Waivers (to be prepared for each programme)
DCSF 7(i)	Statement of Write Off from Books (to be prepared for each programme)

DCSF 8	Statement of Liabilities - (i) Excluding treasury approved provisions transferred to Deposit Account (to be prepared for each programme)
DCSF 8(i)	Statement of Liabilities - (ii) Provisions transferred to the Deposit Account with the approval of the Treasury in terms of P.F.R 162 (b) and (c). (to be prepared for each programme)
DCSF 8(ii)	Statement of Liabilities - (iii) Statement of Commitment in terms of P.F.R. 65(2) and 65(3)
DCSF 9	Statement of Claims under Reimbursable Foreign Aid (to be prepared for each programme)
DCSF 10	Statement of Missing Vouchers (to be prepared for each programme)
Note (i)	Report of the Movement of Non-Current Assets – 2015
Note (ii)	Summary of Control Accounts for Advance and Deposit Accounts - 2015
Note (iii)	Summary report on Imprest Accounts – 2015
Note (iv)	(a), (b) - The Status Reports on Bank Accounts
DCSF (Audit)	for the observation of the Auditor General pertaining to the Appropriation Account.

5. **Explanation for Variation of Total Net Provisions and Total Expenditure.**

Variation between total net provisions and actual expenditure of each and every expenditure item and explanations for variation to be furnished in DCSF 6 and 6(i). Explanation for variations between total net provision and total actual expenditure need not be furnished if the savings is less than 5% of the total net provision under each object code or Rs. 10,000/- whichever is higher. Explanations for variations should be concise and justified with reasonable facts. Further, the aforementioned reasons should consist of replies already given for Audit Queries, if any.

6. **Presentation of the Appropriation Account.**

Appropriation Account of each Provincial Ministry / Department is required to be presented as a bound volume at least cost, containing the following.

- 6.1 Appropriation Account should be prepared in the DCSF - 1 format and duly certified. All comprehensive information to be presented in the account should be prepared separately as recurrent and capital expenditure in the formats from DCSF 2 to DCSF 10 along with the required classifications. As all such accounting statements are considered as integral

parts of the Appropriation Account, the Chief Accounting Officers / Accounting Officers of each Ministry / Department are requested to take necessary measures to prepare Appropriation Account 2014 providing accurate information and adequate explanations as stipulated in P.F.R. 257.

- 6.2 In addition to the formats from DCSF - 2 to DCSF -10, information from Note (i) to Note (iv) should also be included in the Appropriation Account. Figures included in the Note (i) (ii) and (iii) should be with the figures appeared in the Office of Deputy Chief Secretary-Finance Final Accounting Statements. All such formats should be duly completed and submitted after certifying for the accuracy by the Chief Accountant / Director (Finance) / Commissioner (Finance) and if there is nothing to be reported in the relevant formats, A certified "Nil" report should be submitted.
- 6.3 Appropriation Account should be prepared in the order of the formats mentioned above, and outer cover and the Index has to be given. In addition to that DCSF (Audit) format has to be added at the end of the volume for the observations of the Auditor General.
- 6.4 Only the information presented in DCSF 1 format of the Appropriation Account should be certified by the Chief Accounting officer and Accounting Officer.

7. Formats of the Appropriation Account.

Formats of DCSF -1 to 10 and Note (i) to (iv) is available in the Office of Deputy Chief Secretary-Finance and if required, it could be obtained from the Chief Accountant, Accounts & Payments of the Office of the Deputy Chief Secretary-Finance.

8. Forwarding the Account to the Auditor General.

- I After due certification, the original copy of the Appropriation Account should be forwarded to the Auditor General, along with two copies.
- II The Audited Appropriation Account shall be distributed by Auditor General in the following manner.
 - (a) Original to the Office of Deputy Chief Secretary-Finance
 - (b) 2nd copy To the Ministry/Department in charge of the Head of Expenditure
 - (c) 3rd copy To be retained in the Auditor General's Department

9. Due Date for Forwarding the Account

The Secretaries and Heads of Departments should ensure that the names with initials and designations should be clearly stated on the Appropriation Account and sending three sets of accounts to Office of the Deputy Chief Secretary- Finance on or before 20th February 2016.

10. Accrual Basis Account

Revenue and Expenditure Account, Financial Position Report and Cash Flow Statement prepared on accrual basis using the data referred to in the Appropriation Account and Revenue Account of the year 2015 should also be forwarded along with the Appropriation Account in accordance with the instructions issued by the Chief Secretary letter No: PF/CL/08/2013 dated 16.09.2013.

11. Annual Performance Report

In terms of PFR 257.2, all Ministries and Departments are required to take necessary steps to prepare an Annual Performance Report on their activities in the year 2015.

12. Further Clarification

For any further clarification needed in this regard, the Chief Accountant - Accounts & Payments of the Office of the Deputy Chief Secretary-Finance may be contacted at telephone number 021-2220852.



A. Pathinathan
Chief Secretary

Copies to:

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|--|---|----------------------------------|
| 1. Secretary to the Hon. Governor, NP | } | - to inform to the Hon. Governor |
| 2. Secretary, M/Provincial Councils & Local Government | | for your information Please |
| 3. Asst. Auditor General, NP | | |
| 4. Chief Internal Auditor, NP | | |

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