



பிரதம செயலாளர் செயலகம், வடக்கு மாகாண சபை

ප්‍රධාන ලේකම් කාර්යාලය, උතුරු පළාත් සභාව

Chief Secretary's Secretariat, Northern Provincial Council



மாகாணசபை வளாகம், A9 வீதி, கைதடி
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My No: - NP/09/A&P/04/12/CIR/2019

23.10.2019

PROVINCIAL FINANCE CIRCULAR NO: - PF/AP/01/2019

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

CLOSING OF ACCOUNTS FOR THE FINANCIAL YEAR – 2019

As per Section 15 of the National Audit Act No. 19 of 2018, Financial Statements of the Republic should be submitted to the Auditor General for auditing not later than three months after the close of each financial year of the Government. The Auditor General audits the financial statements of the Government by verifying the details of the financial statement prepared for each Expenditure Head. For this purpose, all the expenditure heads for which funds are being allocated by the Annual Appropriation Act shall require to submit their Annual Financial Statements including Annual Appropriation Account, the Revenue Accounts and the Accounts relating to Advance Account Activities to the Auditor General giving appropriate period of time for auditing. Therefore, the following procedure is implemented to closure of accounts for the financial year 2019 enabling to present the Annual Financial Statements of all Provincial Expenditure Heads for the year 2019 by 28th February 2020 to the Auditor General.

Further, the required instructions and specimen formats therein will be issued by the Provincial Treasury in due course with respect to the set of Financial Statements to be prepared by the Government entities which incur their expenses out of the Consolidated Fund, in compliance with the FR 150, covering the requirements of such FR as well.

In compliance with P.F.R 254 the Books of accounts for the financial year 2019 have to be closed on 31st December 2019. Accordingly your summary of accounts, transfer order and other relevant accounting documents pertaining to this year should be accurately prepared and forwarded to the Provincial Treasury, within the prescribed dates mentioned in this circular. It should also be noted that the instructions issued in this circular regarding closing of accounts for 2019 should be strictly followed and complied by the Provincial Ministries and the Departments.

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DEPUTY CHIEF SECRETARY

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ප්‍රධාන අභ්‍යන්තර ලේකම
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1. Closing of the Cash Book on 31st December 2019

The cash book for the Year 2019 should be closed at the end of 31st Dec. 2019 in the following manner:-

- 1.1 The Secretaries of the Provincial Ministries and Heads of the Departments should delegate authority to a responsible staff officer by name to close the cash books in their offices and sub offices and a copy of the delegation of authority should be furnished to the Auditor General. The financial transactions for the year 2019 should be finalized as at 31st December 2019 by the authorized officer and no any financial transaction should be made thereafter. In the offices where cash books are further utilized in line with the CIGAS programme, the authorized officer should close the cash books for 2019 and place a note of his/ her name, designation, date and time having drawn a red line below the last entry of each cash books in order to prevent any entry of financial transaction after 31st December 2019 being included in the cash book relevant to the year 2019.
- 1.2 Provincial Secretaries and Heads of Departments should write a cheque in favor of the **“Chief Secretary, Northern Province”** for the entire balance in the cashbook as at 31.12.2019 should be forwarded to the Provincial Treasury, Northern Province, Provincial Council Complex, A9 Road, Kaithady on 1st Jan.2020.

2. Settlement of Imprest Accounts

- 2.1 The Ministries and Departments should complete the Form in the **annexure I** confirming the cash book balance as at 31st December 2019 should promptly be submitted to the Provincial Treasury on 1st of January 2020.
- 2.2 Any Ministry or Department should not withhold any part of the imprest since an initial imprest will be released to Ministries and Departments on the first working day of the year 2020. Even if there is no cash book balance at the end of the year, “NIL” report should be sent directly to the Provincial Treasury.
- 2.3 Please also note that subsequent releases other than the initial imprest for the year 2020 will be released by the Provincial Treasury to Ministries and Departments only after requirements laid down in Para 2.1, 2.2 above are fulfilled.
- 2.4 Pre-arrangements required to facilitate settlement of sub imprest issued to sub offices and officers should be made, in order to remit the balances of imprest to the Provincial Treasury on 1st January 2020. It is presumed that you would discuss with your sub offices and adopt a convenient method similar to 2.1 when you collect such cash balances from sub offices as at 30th December 2019.

3. General Instructions

- 3.1 Details of monthly accounts with regard to the expenditure head of your Ministry/ Department need to be checked with computer print issued by the Provincial Treasury and the debits made against the votes without adequate provisions should be corrected immediately.
- 3.2 The prior approval of the respective Ministry/ Department should be obtained in making entries in the accounts of another Ministry/ Department through supplementary summary of accounts.
- 3.3 The application for correction of any erroneous accounting must be forwarded to the Provincial Treasury only in the event where it is impracticable to make such entries in the summary of accounts using CIGAS Programme of the respective Ministry/ Department. The relevant Ministry/ Department is responsible for the accuracy of the information given in the transfer order forwarded to this office for making errors correction.
- 3.4 The certified Final Accounting Statement of the year 2019 of the respective Ministry/ Departments will be released in the form of computer print of the Provincial Treasury. It is required to send an officer to this office to collect the documents and this office to be informed the absence of such arrangements in advance, and accordingly action will be taken to send the respective accounting statement to such institutions by post. It should be noted particularly that the appropriation account 2019 should only be prepared as per the information in the certified Final Accounting Statement.
- 3.5 If any Ministry/ department procured goods or services from another state or private institution during the year 2019, action to be taken to account the relevant bills on or before 31st December 2019.
- 3.6 In terms of PFR 162 transfer of provisions remained in your heads at the end of the year to Deposit Accounts would be permitted only, where the approval of the Chief Secretary has been granted in that respect. As the Provincial Treasury allocates a new deposit account number under 6000 to the respective institutions for the year 2019 in order to transfer the remaining provisions so approved; under any circumstances, transfer of budgetary provisions in the year 2019 should not be made to the deposit accounts that are currently operated for the previous years or general deposit accounts. In making these requests, it should be ensured that the adequate provisions are available in the particular vote.
- 3.7 It is also required to ensure that there are no discrepancies in the accounts, after reconciliation of all the accounts shown in the books of the Ministry/ department with the accounting information available in the Final Accounting Statement 2019 prior to the closing of accounts.

3.8. As the Provincial Treasury will issue the Treasury Accounting Statements according to the time frames mentioned under paragraph 04, it is the responsibility of the relevant Ministry/ Department to present Final Monthly Summary and Supplementary Summaries within the prescribed time frames. Expenses of the institutions that are not presented the accounting report on due dates will not be shown in the Provincial Treasury Accounting Statements. Therefore, in order to avoid the queries to be raised by the Auditor General with regard to non-revealing the correct financial status of the Expenditure Head through the Provincial Treasury Accounting Statements, a proper plan should be made available to report all the expenses of the respective head within the prescribed time periods.

4. The programme inclusive of the tasks related to the closing of accounts in the financial year 2019 and the final date

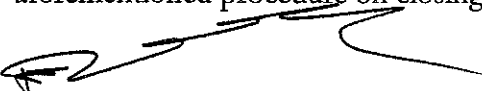
No	Task	Explanation related to the task	Scheduled due date for the task
4.1	Closing of Cash Book in the year 2019 respective Ministries & Departments	Should be performed according to this instructions	31 st December 2019
4.2	Settlement of cash book balance	Settlement should be made to Provincial Treasury as per this circular	1 st January 2020
4.3	Submission of the first summary of accounts including transactions in December 2019.	This summary of accounts should be submitted as per this instructions	Before 5 th January 2020
4.4	Issue of the First Accounting Statement	The First Accounting Statement including the transactions of the first Summary of Accounts in December 2019 is released through computer print.	Before 10 th January 2020
4.5	Submission of the Supplementary Summary of Accounts	The supplementary summary of Accounts, including only the transactions which could not be included in the first summary of Accounts in December 2019 should be submitted. The supplementary summary of accounts should be submitted only after running the month end process for December 2019 in the CIGAS program.	Before 17 th January 2020
4.6	Issue of the First Accounting Statement including the Supplementary Summary of Accounts	The Supplementary Summary Accounts including all receipt and Payments, and correction of errors reported by the first Summary of Accounts in December 2019.	Before 21 st January 2020

No	Task	Explanation related to the task	Scheduled due date for the task
4.7	Issue of Final Accounting Statement	Issue of the Final Accounting Statement after inclusion of correction of errors in supplementary summary of Accounts.	Before 24 th January 2020
4.8	Rendition of Deposit Reconciliation Statement (4 copies)	Submitted to the Provincial Treasury	Before 31 st January 2020
4.9	Fixed Assets Schedule (annexure IV)	For the purpose of preparation of accounts on Accrual Basic, a schedule including fixed assets as per Annexure IV of SA/AS/AA/Circular dated 24.01.2013 need to be submitted to the Provincial Treasury and the total value of this schedule shall be equal to the sum of Main Ledger Accounts balances of 611, 612,613,614 , In addition to the hard copy of this Schedule, a soft copy should be sent via dcsfnp09@gmail.com	Before 3 rd February 2020
4.10	Submission of details on commitments and liabilities as per the form in the annexure II & III	Submission of details on commitments and liabilities (in term of P.F.R 65(2) P.F.R 65(3)) to be settled at the end of the year 2019. Any liabilities or commitments which will not be mentioned in this annexure II & III , should not be settled in the year 2020	Before 05 th February 2020
4.11 4.11.1 4.11.2	Advance Accounts Rendition of Public Officers Account Reconciliation Statement (2 copies) Rendition of Final Accounts of Advance Account Activities (2 copies)	The originals of all the advance accounts should be forwarded to the Provincial Treasury	Before 07 th February 2020
4.12	Rendition of Annual Financial Statements and Revenue Account(4 copies)	Submitted to the Provincial Treasury	Before 07 th February 2020

For further clarification with regard to this circular, the following officer in the Provincial Treasury could be contacted.

Chief Accountant – Accounts & Payments, N.P	-	021 222 0852
Chief Accountant – Budget, N.P	-	021 222 0851
Chief Accountant – Revenue, N.P	-	021 221 3550

All the Secretaries and Head of the Departments are kindly requested to cooperate in achieving the financial accountability in preparation of the Accounts in year 2019 in complying with the aforementioned procedure on closing of Accounts.


A. Pathinathan,
Chief Secretary
Northern Province

A. Pathinathan
Chief Secretary
Northern Province

Copies to –

- | | | |
|---|---|-----------------------------|
| 1. Secretary to the Hon. Governor, NP | - | Inform to the Hon. Governor |
| 2. Secretary, M/PC & LG, Colombo - 01 | } | for your information please |
| 3. Secretary, Finance Commission , Rajagiriya | | |
| 4. Asst. Auditor General, N.P | | |
| 5. Chief Internal Auditor, NP | | |
| | | |

My No: -

Date: -

Deputy Chief Secretary – Finance,
 Provincial Treasury,
 Northern Province,
 Provincial Council Complex,
 A9 Road,
 Kaithady.

**Closing of Cash Book as at 31.12.2019 & Remittance of Cash Balance
 to the Provincial Treasury**

Ministry / Department:

I hereby certify that the Cash Book balance as at 31st December, 2019 of the Ministry / Department is Rs..... for which a cheque bearing No. dated is enclosed herewith. I further certify that there is no **Cash balance to remit to the Provincial Treasury**, other than the amount settled by the above cheque. After the remittance of the above amount the imprest balance tallies / does not tally due to the following reasons :- (Reasons are given as detail)

S. No.	Reason	Amount
	<i>Total</i>	

Forwarding Cash book balance details

S. No.	Reason	Amount
	Block Grant	
	CBG	
	PSDG	
	HSDP	
	PSSP	
	APO	
	Deposit	
	CSR	
	<i>Total</i>	

.....
**Chief Accountant / Accountant /
 Head of the Department**

Date:-

Statement of Liabilities and Commitments

Name of Special Expenditure Unit/Ministry/Department:
 Expenditure Head No:
 Programme No. & Title:

Name of the Person/Institution	Commitment No	Month	Date	Head	Programme	Project	Sub Project	Object Code	Finance Code	Details of Item	Commitment Balance	Liability Date	Liability Amount	Revised Liability	Paid Liability	Liability Balance
1. Ministries/Government Department Total																
2. State Corporations/Statutory Boards Total																
3. Others (Private Parties) Total																
Grand Total																

Nature of payments/Liabilities should be recognized separately as follows.

1. Ministries/Government Departments
2. State Corporations/Statutory Boards
3. Private Parties

Liabilities are transactions of which payments have not been made to the relevant parties, although goods, services or assets and services pertaining to construction contracts have been received during the respective accounting year.

Commitments are contracts or written agreements which have been entered in to with the external parties in order to obtain goods and services during the respective accounting year, although the relevant assets or services have not been received.

Chief Accountant/Accountant

Date :

Statement of Liabilities - (i)

Statement of Commitments in terms of PFR 65 (2) and 65(3)

Name of Ministry / Department :

Expenditure Head No. :

Programme No. & Title :

Name of the Person/Institution	Description of Commitments	Project	Sub Project	Object Code	Financing Code	Maximum Commitment ceiling in terms of PFR 65(2) Provision (Rs.)	Total Cost Estimate in terms of PFR 65(3) (Rs.)	Commitment & Liability Amount (Rs.)
1. Ministries/Government Department Total								XX XX
2. State Corporations/Statutory Boards Total								XX XX
3. Others (Private Parties) Total								XX XX
Grand Total								

.....
Chief Accountant/Accountant

Date :

Statement of Non Financial Assets - 2019

Rs.

Expenditure Head No : Ministry / Department :

Non Current Asset	Code	(1) Balance as at 01.01.....	(2) Transactions				(3) Changes		Balance as at 31.12.....
			2(1) Acquisition	2(2) Disposal	2(3) Net Transactions	Holding Gain / Loss	Changes in Volume + / (-)	Balance	
			Purchases	Sale	Transfers		(-) / + 3(2)	3(3) = 3(1) +/- 3(2)	4 = 1 + 2(3) + 3(3)
I Fixed Assets	611	xxx				xxx			xxx
Building and Structures	6111	xxx				xxx			xxx
Dwellings	61111	xxx				xxx			xxx
House Boats	6111101	xxx				xxx			
Garages	6111102	xxx				xxx			
Mobile Homes	6111103	xxx				xxx			
Housing Schemes/Flats	6111104	xxx				xxx			
Rest Houses	6111105	xxx				xxx			
Hotels and Restaurants	6111106	xxx				xxx			
Quarters	6111107	xxx				xxx			
Circuits Bungalows	6111108	xxx				xxx			
	Sub Total	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx
Non Residential Building	61112	xxx				xxx			xxx
Office Building	6111201	xxx				xxx			
Schools	6111202	xxx				xxx			
Hospitals	6111203	xxx				xxx			
Building for Public Entertainment	6111204	xxx				xxx			
Warehouse	6111205	xxx				xxx			
Air port	6111206	xxx				xxx			
Crematorium	6111207	xxx				xxx			
Markets	6111208	xxx				xxx			
Laboratories and/Research Stations	6111209	xxx				xxx			
Factories	6111210	xxx				xxx			
	Sub Total	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx
Other Structures	61113	xxx				xxx			xxx
Highways, Streets, Road	6111301	xxx				xxx			
Bridges	6111302	xxx				xxx			
Tunnel	6111303	xxx				xxx			
Railways, Subways	6111304	xxx				xxx			
Air Field Runways	6111305	xxx				xxx			
Harbours, Dams and Other Water Works	6111306	xxx				xxx			

Statement of Non Financial Assets - 2019

Rs.

Expenditure Head No : Ministry / Department :

Non Current Asset	Code	(1)				(2)				(3)			Balance as at 31.12.....	
		Balance as at 01.01.....				Transactions				Changes				
		Purchases				Acquisition		Disposal		2(3) Net Transactions	Holding Gain / Loss	Changes in Volume +/-		Balance
Intangible Assets	61133	xxx											xxx	
Computer Software	6113301	xxx											xxx	
Licenses	6113302	xxx											xxx	
Patents & Copyrights	6113303	xxx											xxx	
Trade Marks	6113304	xxx											xxx	
Broadcast Rights	6113305	xxx											xxx	
Service Contracts	6113306	xxx											xxx	
Sub Total	612	xxx				xxx		xxx		xxx	xxx	xxx	xxx	xxx
2 Inventories	612	xxx											xxx	
Strategic Stock	6121	xxx											xxx	
Other Inventories	6122	xxx											xxx	
Raw Materials	61221	xxx											xxx	
Work in Progress	61222	xxx											xxx	
Finish Goods	61223	xxx											xxx	
Goods for Resale	61224	xxx											xxx	
Sub Total	613	xxx				xxx		xxx		xxx	xxx	xxx	xxx	xxx
3 Valuables	614	xxx											xxx	
Non produced Assets	614	xxx											xxx	
Land	6141	xxx											xxx	
Urban or Built-Up Land	61411	xxx											xxx	
Commercial and Services	6141101	xxx											xxx	
Industrial	6141102	xxx											xxx	
Transportation, Communication and Utilities	6141103	xxx											xxx	
Mixed Urban	6141104	xxx											xxx	
Sub Total	61412	xxx				xxx		xxx		xxx	xxx	xxx	xxx	xxx
Agricultural	61412	xxx											xxx	
Orchards	6141201	xxx											xxx	
Vineyards	6141202	xxx											xxx	
Ornamental Horticultural	6141203	xxx											xxx	
Sub Total	61413	xxx				xxx		xxx		xxx	xxx	xxx	xxx	xxx
Forest Land	61413	xxx											xxx	
Deciduous Forest Land	6141301	xxx											xxx	
Evergreen Forest Land	6141302	xxx											xxx	

