

3<sup>rd</sup> June 2005


Secretaries to Ministries,  
Secretaries of Provincial Councils,  
Heads of Departments,  
District Secretaries.

**Grant of Property Loans Through Banks – Guidelines on Accounting**

Reference Budget Circular No. 122 of 26.04.2005 issued by the Department of National Budget of General Treasury, on the above subject.

Para 6.4 of the above Circular is hereby substituted as follows:

7. Interest expenditure in respect of Provincial Council Officers to be borne by the government.
- 7.1 All accounting instructions contained in this circular should be invariably followed by the Provincial Councils as well. The necessary instructions on accounting of interest expenditure borne by the government and the required provision for this purpose for year 2005 should be made available to provincial ministries and provincial departments.
- 7.2 The interest expenditure to be paid by the government for 2005, in respect of the loans obtained by the provincial council officers, under this loan scheme should be borne by the Provincial Council Fund. Treasury will take action to reimburse the Provincial Council Fund with the actual amount so incurred on monthly basis.
- 7.3 Relevant information as per attached form (Annexure 05) should be furnished to the Department of National Budget to enable the Treasury to reimburse the monthly interest.

  
H.L.A. de Silva  
Director General Budget.

Sgd. S.B. Divaratne  
Deputy Secretary to the Treasury.

CC: 1. Secretary, Ministry of Public administration & Home Affairs  
2. Director General, Dept. of Treasury Operations  
3. Director General, Dept. of State Accounts  
4. Secretary, Finance Commission  
5. Auditor General

Year :  
Month :  
Provincial Council :

**Reimbursement of Government Interest Expenditure to Provincial Council**

|            | <b>Ministry/Department</b> | <b>Number of<br/>Employees<br/>Obtained loans</b> | <b>Interest expenditure<br/>borne on behalf of the<br/>government</b> |
|------------|----------------------------|---|---|
| 01         |                            |   |   |
| 02         |                            |   |   |
| 03         |                            |   |   |
| 04         |                            |   |   |
| 05         |                            |   |   |
| <b>Rs.</b> |                            |   |   |