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அரசு கணக்குகள் திணைக்களம்
Department of State Accounts

මගේ අංකය
எனது இல.
My No.

SA/AS/CMA3/Circular

ඔබේ අංකය
உமது இல.
Your No.

දිනය
திகதி
Date

2011-10-28

State Accounts Circular No 219/2011

TO: All Secretaries to the Ministries,
Heads of Departments and
District Secretaries

Closing of Accounts for the Financial Year – 2011

Books of accounts for the financial year 2011 have to be closed on 31st December 2011 in compliance with F.R 429. Accordingly, it is essential to forward the summary of Accounts, Transfer Orders and such other accounting reports respective to the year 2011 accurately and formally to the Department of State Accounts on or before the dates given below. Therefore, it is emphasized that the instructions issued in this circular have to be strictly followed and complied with by all Ministries, Departments and District Secretariats.

1. Closing of the Cash Book on 31st December 2011

Instructions issued by the Department of Treasury Operations should be followed in this regard.

2. Release of First Accounting Statement for December 2011

2.1 Consolidated Summaries of accounts for the month of December 2011 incorporating accounts of all sub offices and also all the correction of errors are required to be forwarded to the Department of State Accounts in accordance with the classification stated in the state Accounts circular no 215/2010 as follows.

- (i) Institutions stated in schedule 1 - before 11th January 2012
(ii) Institution stated in Schedule 2 - before 14th January 2012

- 2.2 The first Accounting Statement for the month of December 2011 incorporating all receipts and payments reported in the first summary of accounts for the month of December and the correction of errors reported will be released to the web site <http://www.treasury.gov.lk> of the Department of State Accounts before 18th January 2012.
- 2.3 If any debit had been made by you against the votes without enough provisions through the Monthly Summaries of Accounts, action has to be taken to check the relevant accounting statements and to correct such entries immediately.
- 2.4 Further, your kind attention is drawn to the National Budget circular NO 148 of 10.05.2010 issued with regard to the assignment of responsibilities and reconciliation of accounts in restructuring of ministries, State Accounts circular No 208/2010 dated 19.05.2011 and Extraordinary Gazette Notification dated 30.04.2010 and to ensure that actions were taken in conformity with the said instructions.
- 2.5 If you encounter any difficulty in downloading the said Accounting Statements through the web site in compliance with the instructions in this circular, it should be brought to the notice of any one of the officers whose names are given in paragraph 11 in this circular immediately.

3. Release of Second and Final Accounting Statement for December 2011

- 3.1 Second and Final Summary of Accounts inclusive of the correction of errors detected from the first accounting statements of all ministries, departments and district secretariats should be forwarded to the Department of State Accounts before 26th January 2012.

All errors arise in reconciliation with the Treasury figures should be corrected by the respective institution itself by making entries in the Second and Final Summary of Accounts.

As well as in making correction of errors when it is related with a vote of another Ministry/ Department, the prior approval of the said Ministry/ Department should be sought for that. Reference should be made to the Treasury only, where it is not practicable to make such entries from the Ministry/Department Summary. However, the Department of State Accounts will not be responsible for accuracy of any transfer order referred to this Department for the correction of errors.

- 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 26th January 2012. As these F.R. 69 applications are needed to be approved by the Secretary to the Treasury or Deputy Secretary to the Treasury, these applications should be forwarded to the Department of National Budget on or before 26th January 2012. The Department of state Accounts under no circumstances will entertain request for corrections, transfer orders or applications for F.R. 69 transfers after the said date of 26th January 2012. (Get the applications under F.R. 66 approved on or before 31st December 2011.) In transferring allocation from foreign projects, it should be ensured that there are sufficient provisions available in final disbursement for the year 2011.
- 3.3 Action will be taken to release the Final Accounting Statement for the month of December 2011, through the web site on or before 18th February 2012. 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 and as a photocopy will not be entertained.
- 4.2 Second and final Summary of Accounts submitted for unaccounted items and correction of errors after the main summary for December, should be submitted under the title of **"December 2011 Second and Final"**.
- 4.3 Ministries, Departments and District Secretariats, which forward their Summaries in floppy diskettes, should send their Second and final Summaries of Accounts also in floppy diskettes as marked **"December 2011 Second and Final"**. All corrections of errors and transfers should be incorporated in these floppy diskettes and Transfer Orders in hard copies will not be accepted.
- 4.4 Every Transfer Order furnished to the Department of State Accounts by "B" Class Departments should be marked **"Financial Year 2011 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.

- 4.5 If any Ministry, Department or District Secretariat has obtained goods and services from another such institution in year 2011, necessary steps should be taken to account the respective bills on or before 31st December 2011.
- 4.6 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.
- 4.7 Since the Sub-imprest issued to officers should be completely settled by 31st December 2011, it is the responsibility of Heads of Departments to issue sub imprest during last two weeks for only urgent needs.

5. Deposit Accounts

- 5.1 Transfer of budgetary provisions remained at the end of the year to deposit accounts will be approved only in terms of F.R. 215(3) (c). All requests for such transfers to deposit accounts should be sent to Department of Treasury Operations through the relevant Chief Accounting Officer. After obtaining the approval of the Secretary to the Treasury such request will be reported to the Department of State Accounts by the Department of Treasury Operations. Then the account number under 6000/0/0/11 will be allocated by the Department of State Accounts. Relevant institutions will be intimated with regard to granting of approval or rejection by the Department of Treasury Operations.

It is the responsibility of Chief Accounting Officers to forward all such requests to the Department of Treasury Operations on or before 20th January 2012. As well as these financial provisions should not be transferred to the Miscellaneous Deposit Accounts maintained in the Ministries, Departments and District Secretariats at present.

- 5.2 In accordance with the State Accounts Circular No:209/2010 dated 12.07.2010, extracts of individual balances in the General Deposit Account should be made immediately after closing books of accounts to prepare the final reconciliation statement of General Deposit Accounts as at 31.12.2011. Hence such Reconciliation Statements should be sent to the Department of State Accounts before the due date. You are requested to send a copy of the said Reconciliation Statement to the Auditor General.

6. Advance Account

Since exceeding limit of advance accounts could be identified only after making adjustments under F.R. 503 (1) to the actual debit and credit of the advance accounts, such as commercial stores and public officers, the Department of State Accounts has no possibility of identifying such exceeding limits. Therefore, as soon as the respective institution finds the actual amount for September 2011, steps should be taken to establish required internal controls to revise the limits immediately through a formal approval, after considering expected transactions (receipts and payments) for the next quarter, where necessary and not to exceed the limits in the future.

7. Final Accounting Statement

The department of State Accounts issues the final accounting statement on or before 18th February 2012 considering the correction of errors in the second and final summary of accounts and all Ministries, Departments, and District Secretariats are requested to send an officer with an authorized letter 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, further requested to ensure that there are no discrepancies in the closing balances of the Deposits and Advance accounts being operated by the respective institution shown in Treasury Books, with balances appearing in the Books of the institution before completion of the process of closing accounts.
9. 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.
10. It is the responsibility of the Chief Accounting Officer/ Accounting Officer to ensure that closing of accounts procedures are followed as detailed above for smooth implementation of the process.

11. For further clarification on closing of accounts, the following officers of the Department of State Accounts may be contacted.

Director (Accounting Services)	-2484753
Deputy Director (Information Processing)	-2484735
Deputy Director (Data Validation)	-2484736
Deputy Director (Accounting Services)	-2484737



N.G. Dayarathna
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 2011

- | | |
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| ❖ Closing of Cash Book | On 31 st December 2011 |
| ❖ Submission of First Summary of Accounts including transactions in December 2011 | (i) Institutions stated in Schedule 1 before 11 th January 2012
(ii) Institutions stated in Schedule 2 before 14 th January 2012 |
| ❖ Submission of the First Accounting Statement including Summary of Accounts related to Transactions in December 2011 | On or before 18 th January 2012 |
| ❖ Transfer of allocation to Deposit Account | On or before 20 th January 2012 |
| ❖ Submission of F.R.69 applications to the Dept. of National Budget, which are needed to be incorporated in Second and Final Accounting Statements. | On or before 26 th January 2012 |
| ❖ Submission of approved F.R 69 application and second and final summary of Accounts incorporating correction of errors to the Department of State Accounts. | On or before 26 th January 2012 |
| ❖ Issue of Final Accounting Statements incorporating correction of errors as per second and final Summary of Accounts. | On or before 18 th February 2012 |