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MINISTRY OF FINANCE, ECONOMY AND POLICY DEVELOPMENT

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எனது இல } BD/CBP/01/01/03 -2019  
My No }

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Your No }

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திகதி } 18.12.2019  
Date }

## Budget Circular No. 08/2019

All Secretaries to Ministries  
Chief Secretaries of Provincial Councils  
Department Heads  
Chairmen of Corporations and Statuary Boards

### Preparation of Financial Statements for the year 2019

#### 1. Background

The composition of the Ministries mentioned in the Appropriation Act No.06 of 2019 was changed significantly by the Extraordinary Gazette Notification no 2153/12 dated 10.12.2019. Accordingly, the subjects, functions, Departments and Public Institutions structured under 31 Cabinet Ministries and 06 Non Cabinet Ministries have been restructured under 29 Ministries in terms of the said gazette notification.

In consequence of the aforementioned revision, certain expenditure heads, which remained under the Appropriation Act No.06 of 2019, have been completely abolished and the relevant functions have been vested with one or several other expenditure heads. In addition, several elements of the functions of certain expenditure heads have been assigned to some other expenditure heads while new elements have been added.

There is no time in this year to revise the Appropriation Act No.06 of 2019 in line with the aforementioned changes. Therefore, the financial statements for 2019 have to be prepared upon the expenditure heads mentioned in the Appropriation Act No.06 of 2019.

The objective of issuing this circular is to explain the procedure which you should follow in preparing the financial statements in the above context.

## 2. Responsibility of Preparation and Presentation of Financial Statements

### 2.1 Ministries

The manner in which the expenditure heads are allocated to the new Ministries in terms of Appropriation Act no. 06 of 2019 is shown in the schedule attached herewith. Considering the manner in which the subjects related to the expenditure heads were assigned in terms of the Budget estimate of 2019, the responsibility of preparation and presentation of the financial statements for 2019 is assigned by the General Treasury as follows. Accordingly, the responsibility of the preparation and presentation of financial statements for 2019 to the Auditor General pertaining to the previous Ministries in 2019, depicted in column (2) of the Schedule, is assigned to the Secretary to the new Ministry, depicted in column (1).

It is the responsibility of the Chief Financial Officer/Chief Accountant of the previous Ministry to which relevant subject is assigned to prepare Annual financial statements for previous expenditure heads following the instructions of this circular and State Accounts Circular No: 271/2019 dated 03.12.2019 and submit to the Secretary to the Ministry in order to submit same to the Auditor General.

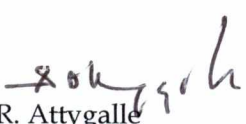
### 2.2 Departments

Even if the Ministry, to which a Department had been assigned, is changed, accounting works related to the Department should be done according to the same expenditure head number since expenditure heads and functions of Departments remain unchanged. Nonetheless, the Chief Accounting Officer related to the Department is the Secretary to the new Ministry.

### 2.3 Advance Accounts

Allocation of Advance Accounts included in the Appropriation Act No. 06 of 2019 to the new Ministries are illustrated in column (3) of the schedule. Accordingly, it is also the responsibility of the Chief Financial Officer/Chief Accountant of previous Ministry to prepare the reconciliation statements of 2019 related to Advance Accounts. Submitting of those statements to Auditor General is the responsibility of the Chief Accounting Officers and Chief Financial Officers of the new Ministries.

Your Co-operation in this regard is highly appreciated.

  
S.R. Attygalle

Secretary to the Treasury

Copies:

1. Secretary to HE the President
2. Secretary to the Prime Minister
3. Secretary to the Cabinet of Ministers
4. Auditor General



## Schedule

Name of the New Ministry as per Extraordinary Gazette No. 2153/12 dated 10.12.2019 (1)	Expenditure Heads assigned for the preparation of Annual Financial Statements for the year 2019. (As per the Appropriation Act No. 06 of 2019) (2)	Advance Account Item No. (3)
Ministry of Buddhasana Cultural and Religious Affairs	101 Ministry of Buddhasana & Wayamba Development	10101
Ministry of Finance, Economic and Policy Development	102 Ministry of Finance 104 Ministry of National Policies, Economic Affairs, Resettlement & Rehabilitation, Northern Province Development, Vocational Training & Skills Development and Youth Affairs 53 Non Cabinet Ministry of Economic Reforms and Public Distribution 56 Non Cabinet Ministry of Special Areas Development	10201 10401 05301 05601
Ministry of Defence	103 Ministry of Defence	10301
Ministry of Justice, Human Rights & Law Reforms	110 Ministry of Justice & Prison Reforms 157 Ministry of National Integration, Official Languages, Social Progress and Hindu Religious Affairs	11001 15701
Ministry of Healthcare & Indigenous Medical Services	111 Ministry of Health, Nutrition & Indigenous Medicine	11101
Ministry of Foreign Relations	112 Ministry of Foreign Affairs	11201
Ministry of Transport Services Management	114 Ministry of Transport & Civil Aviation	11401
Ministry of Roads & Highways	117 Ministry of Highways & Road Development and Petroleum Resources Development	11701
Ministry of Mahaweli, Agriculture, Irrigation & Rural Development	118 Ministry of Agriculture, Rural Economic Affairs, Livestock Development, Irrigation and Fisheries & Aquatic Resources Development	11801
Ministry of Power and Energy	119 Ministry of Power, Energy and Business Development	11901
Ministry of Women & Child Affairs and Social Security	120 Ministry of Women & Child Affairs and Dry Zone Development 124 Ministry of Primary Industries and Social Empowerment	12001 12401
Ministry of Land & Land Development	122 Ministry of Lands and Parliamentary Reforms	12201
Ministry of Education	126 Ministry of Education	12601
Ministry of Public Administration, Home Affairs, Provincial Councils & Local Government	130 Ministry of Public Administration and Disaster Management 155 Ministry of Internal and Home Affairs and Provincial Councils & Local Government	13001 15501
Ministry of Plantation Industries & Export Agriculture	135 Ministry of Plantation Industries	13501
Ministry of Community Empowerment and Estate Infrastructure Development	140 Ministry of Hill Country New Villages, Infrastructure and Community Development	14001
Ministry of Industries and Supply Chain Management	149 Ministry of Industry and Commerce, Resettlement of Protracted Displaced Persons and Co-operative Development	14901
Ministry of Small & Medium Business and Enterprise Development	158 Ministry of Public Enterprise, Kandian Heritage and Kandy Development	15801
Ministry of Tourism & Civil Aviation	159 Ministry of Tourism Development, Wildlife and Christian Religious Affairs	15901
Ministry of Environment and Wildlife Resources	160 Ministry of Mahaweli Development and Environment	16001
Ministry of Urban Development, Water Supply and Housing Facilities	162 Ministry of Megapolis and Western Development 123 Ministry of Housing, Construction and Cultural Affairs	16201 12301
Ministry of Higher Education, Technology and Innovations	166 Ministry of City Planning, Water Supply and Higher Education 52 Non Cabinet Ministry of Science, Technology & Research	16601 05201

Name of the New Ministry as per Extraordinary Gazette No. 2153/12 dated 10.12.2019	Expenditure Heads assigned for the preparation of Annual Financial Statements for the year 2019. (As per the Appropriation Act No. 06 of 2019)	Advance Account Item No.
Ministry of Ports & Shipping	176 Ministry of Ports & Shipping and Southern Development	17601
Ministry of Sports and Youth Affairs	194 Ministry of Telecommunications, Foreign Employment and Sports	19401
Ministry of Industrial Export and Investment Promotion	195 Ministry of Development Strategies and International Trade	19501
Ministry of Information and Communication Technology	108 Ministry of Postal Services & Muslim Religious Affairs	10801
	51 Non Cabinet Ministry of Digital Infrastructure and Information Technology	05101
	55 Non Cabinet Ministry of Mass Media	05501
Ministry of Skills Development, Employment and Labour Relations	54 Non Cabinet Ministry of Labour & Trade Union Relations	05401