

National Budget Circular No. 124

Mv No: BDA/965/1/430  
Department of National Budget  
General Treasury  
Colombo 01.

14.12.2005

All Secretaries to Ministries,  
Heads of Departments, Chief Secretaries of Provincial Councils.

**CONSTITUTION OF NEW CABINET OF MINISTERS AND  
RE-ASSIGNMENT OF DEPARTMENTS, SUBJECTS AND FUNCTIONS  
TO MINISTRIES – FINANCIAL PROVISION AND  
ACCOUNTING PROCEDURES**

As per the Gazette Extraordinary Notifications No: 1422/22 of 08.12.2005 issued by H.E. the President, the new Cabinet of Ministers has been constituted. Therefore, provision for services for the financial year 2005 approved by Parliament by Appropriation Act No: 15 of 2004 has to be re-allocated in terms of the above Gazette Notification. The re-allocation of Heads for new Ministries is given in the attached Schedule I, and you are requested to follow the instructions given below.

- a) Column 1 and 2 of the Schedule I show the Head Nos. and the previous Ministries as per the Appropriation Act No. 15 of 2004 approved by the Parliament and the Gazette Extraordinary Notification No.1422/22 of 2005.
- b) Column 3 of the Schedule I shows the Head Nos. that will be assigned to the new Ministries and the Column 4 shows the name of new Ministries as per the Gazette Extraordinary Notification 1422/22 of 08.12.2005.
- c) Column 5 shows provision which is not relevant to respective new Ministries. Such provision should be granted in terms of FR 208, to the relevant Ministry as per column 6 by the Ministry referred to in column 4 of the Schedule. The procedure laid down in FR 208 and 449 should be followed in these cases.

**1. Accounting Procedure :**

Accounting of expenditure should be made as per the re-allocated Heads shown in Column 3. If two or more Heads are assigned to one (new) Ministry, accounting should be continued as per the Head Numbers allocated to the new Ministries treating these as separate Heads. Like-wise, Appropriation Accounts should be prepared for each Head separately.

**2. Advance Accounts:**

The same Advance Accounts appearing in the budget estimates under each Head which are assigned as shown in Schedule II to new Ministries should be maintained as per instructions given in the Accounting Procedure. As per Schedule II, if new Ministries

are not assigned Advance Accounts Numbers, the officers of those Ministries should obtain/settle their loan advances to the previous Ministries Advance Accounts which are already assigned to new Ministries as per Schedule II. Loan balances as at 31.12.2005 of officers who have been attached to the new Ministries should be settled on 01.01.2006 as per Budget Circular 118.

**3. Ministries which were not assigned Expenditure Heads:**

Secretaries to the Ministries which have not been assigned expenditure heads, should be consult the General Treasury regarding the incurring of expenditure in respect of programmes/projects/activities which now come under their purview.

**4. Departments:**

Where an existing Department has been transferred from one Ministry to another, all expenditure in respect of such Department should continue to be brought to account under the Head number already assigned to it. The Chief Accounting Officer of such a Department will be the Secretary of the Ministry under which the Department has now been placed.

**5. Cadre of the Ministries:**

The serving personnel should be re-deployed amongst the Ministries in keeping with the re-allocation of subjects and functions amongst the Ministries. Any redundant staff should be identified and transferred to the Ministry of Public Administration for re-deployment.

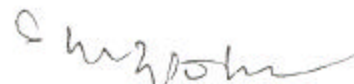
**6. General:**

If any Chief Accounting Officer comes across instances where projects/activities that do not come under a particular Ministry have not been identified for re-allocation in the attached schedule, such Chief Accounting Officers are requested to allocate budgetary provision for such activities and projects to the relevant Ministry in terms of FR 208, with intimation to me.

Further, it is informed that as far as possible, steps should be taken to obtain necessary funds, for the rest of the year to meet the expenditure required outside the vote particulars given in this Circular from the balance provisions of the Ministries to which these subjects and functions were assigned previously.

**7. Clarifications:**

If you need any clarification, you may please contact officials of the Department of National Budget dealing with your Ministry/Department/Statutory Board. Similarly, clarifications can be made from the Department of State Accounts in respect of Schedules II.



S.B. Divaratne  
Deputy Secretary to the Treasury