



தலைமைச் செயலாளர் செயலகம், கிழக்கு மாகாணம்  
ප්‍රධාන ලේකම් කාර්යාලය, නැගෙනහිර පළාත  
Secretariat of the Chief Secretary, Eastern Province

Web Site : www.ep.gov.lk

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මගේ අංකය  
எனது இல  
My No } EP/09/AP/01/Appro/2015

ඔබේ අංකය  
உமது இல  
Your No }

දිනය  
திகதி  
Date } 18.01.2016

Provincial Treasury Circular No: - PT/03/2016

All Secretaries,  
Deputy Chief Secretaries,  
Heads of Departments,  
Eastern Province.

**APPROPRIATION ACCOUNT – 2015**

The Secretaries & Heads of Departments are required to prepare and sign their Annual Appropriation Accounts pertaining to their Heads of Expenditure in terms of Provincial Financial Regulation 93 & 94 and render to the Auditor General through the Provincial Treasury.

**2. Language for the preparation of the Account**

Appropriation Account for the year 2015 should be prepared in all three languages i.e Sinhala, Tamil, and English separately in formats introduced for this purpose.

**3. Appropriation Account**

Appropriation Account for the year 2015 should be prepared in the forms numbered DCSF-1 to DCSF-10 and notes (i) to (iv) (a&b) (total pages 21) attached hereto based on final figures appearing in the Final Computer Printouts in accordance with the following guideline.

3:1 The Final Computer Print Out for 2015 and summaries contain provisions made in the Annual Estimates, total net provisions, total expenditure and the net effect Savings or Excesses. This information should be reconciled with your books of accounts.

3:2 In preparing the Appropriation Account, total expenditure and savings / excesses should be reported to the nearest Rupee.

3:3 With regard to the FR 66 and Fr.69 transfer, only the total figures will be indicated in the above statement for 2015. However, another statement (computer printout) giving detailed FR.66 and transfer individually will also be sent with the above summaries and figures appear in it also should be reconciled with your transfer application before the compilation of the Appropriation Account.

#### **4. Formats for the preparation of the Accounts**

The specimens of the following formats herewith annexed should be used in the preparation of the Appropriation Account.

- DCSF 1 - Appropriation Account- 2015
- DCSF 2 - Appropriation Account by programme – 2015  
(Appropriation Account to be prepared for each programme)
  
- DCSF 3 - Recurrent Expenditure by project  
(to be prepared for each programme)
  
- DCSF 4 - Capital Expenditure by project  
(to be prepared for each programme)
  
- DCSF 5 - Summary of Financing Expenditure by project.  
(to be prepared by summary details of DCSF 5(i))
  
- DCSF 5(i) - Financing of Expenditure by project each programme  
(to be prepared Project wise for each programme)
  
- DCSF 6 - Explanations for the Variations between total recurrent net  
provision and actual recurrent expenditure.  
(to be prepared for each programme)
  
- DCSF 6(i) - Explanations for the Variations between total capital net  
Provision and actual capital expenditure.  
(to be prepared for each programme)
  
- DCSF 7 - Statement of Losses and waivers.  
(to be prepared for each programme)
  
- DCSF 7(i) - Statement of write off from books.  
(to be prepared for each programme)

- DCSF 8 - Statement of Liabilities – (i)  
Excluding Treasury approved provisions transferred to Deposit Account. (to be prepared for each programme)
- DCSF 8(i) - Statement of Liabilities –(ii)  
Provision transferred to the Deposit Account with the approval of the Treasury in terms of PER 215 (3),(b)&(c).  
(to be prepared for each programme)
- DCSF 8(ii) - Statement of Liabilities –(iii)  
Statement of Commitment in terms of F.R.94(2)and(3).
- DCSF 9 - Statement of Claims under Reimbursable Foreign Aid.  
(to be prepared for each programme)
- DSCF 10 - Statement of missing Vouchers.  
(to be prepared for each programme)
- Note (i) - Report of the Movement of Non-Current Assets- 2015
- Note (ii) - Summary of control Accounts for Advance and Deposit Accounts- 2015
- Note (iii) - Summary Report on Imprest Accounts – 2015
- Note (iv)(a)&(b) - the Status Report on Reconciliation of Bank Accounts.
- DCSF (Audit) - For the Observation of the Auditor General pertaining to the Appropriation Account.

##### **5. Explanations for Variations of total Expenditure**

Variation between total net provision and actual expenditure of each and every expenditure item and reasons for variation should be furnished in DCSF 6 & b 6(i). However, Explanations for Variations between total net provision and total actual expenditure need not be furnished if the savings is less than 5% of the total net provision under each object code or Rs.10,000/= whichever is higher. Reasons given in explanation for variations should be concise and informative and should be consistent with replies already given for Audit Queries, if any.

## 6. Presentation of the Appropriation Account

Appropriation Account of each Ministry / Department is required to be presented as a bound volume at least cost, containing the following:

6.1 Appropriation Account should be prepared in the DCSF-1 format and duly certified. In view of the heavy volume of information to be presented in the Account, Appropriation Account could be presented with supporting programme Appropriation Account prepared to provide information in detailed manner along with further details by Projects with classifications under Recurrent and Capital Expenditure separately in the formats given as "DCSF-2 DCSF-10".

All these detailed accounting statements are considered as an integral part of the Appropriation Account. Accordingly, it is the responsibility of the preparation and orderly presentation of the Account providing accurate information and adequate explanation as stipulated in PFR 93 & 94.

6.2 In addition to the format of DCSF-2 to DCSF-10, Appropriation Account should be completed with the following notes.

- Note (i) - Report of the movement of Non-Current Assets as at 31<sup>st</sup> December 2015
- Note (ii) - Summary of Control Accounts for Advances Accounts and Deposit Accounts -2015
- Note (iii) - Summary of Report on imprest Accounts – 2015
- Note (iv) - The Status Report on Reconciliation on Bank Accounts (a) & (b) - 2015

All the required formats for these notes are to be duly completed & presented along with a certificate given by the Chief Accountant / Head of Finance Division and if there is nothing to be reported in a particular format it should be presented by completing it as a "NIL" report.

6.3 Appropriation Account should be presented as a bound volume in the following manner.

- i. Outer cover of the Bound Volume as suitably designed.

- ii. First page for "index" giving relevant page number (at bottom) of each supporting accounting statement and note.
- iii. Appropriation Account – DCSF-1
- iv. Programme wise Appropriation Accounts, presenting each programme in DCSF-2 along with details in DCSF-3 to 10, in the ascending order of the Programme numbers.
- v. Note (i) Report of the movement of Non-Current Assets.
- vi. Note (ii) Summary of control Accounts for Advance and Deposit Accounts.
- vii. Note (iii) Summary of Report on imprest Accounts.
- viii. Note (iv) (a & b) the Status Report on Bank Accounts.
- ix. Two blank pages for the use of the Auditor Generals Department – DCSF - (Audit).

6.4 The Accounts should be prepared by using **A-4 papers in size.**

## **7. Certification of the Appropriation Account**

7.1 As all the detailed accounting statements presented in the DCSF formats No.2 to No.10 and notes i to iv (a) & (b) are considered as an integral part of the Appropriation Account in conformity with the accepted practice. Certification should be made by the Secretaries and Heads of Departments only on the main Appropriation Account presented in the format of DCSF-1, as specified. Therefore, signatories are responsible for all the information given in detailed statements.

Name with initials and designation should be clearly stated on the Account in respect of all signatories to the Account.

## **8. Rendition of Accounts to the Auditor General**

It is required to take the following steps when the Appropriation Account is forwarded to the Auditor general.

- i After due certification, the original and other 3 copies of Appropriation Account should be forwarded to the provincial Treasury to enable to check the correctness and forward it to the Auditor General in two copies.

ii The audited Appropriation Account shall be distributed by Auditor General in the following manner.

- (i) Original - To the provincial Treasury, EP
- (ii) Copy -1 - To the Ministry / Department in charge of Expenditure Head.
- (iii) Copy -2 - To be retained in the Auditor General's Department.

### **9. Formats of the Appropriation Account**

The file in electronic form, containing formats of DCSF -1 to 10 and (i) to (iv) (a)&(b) in three languages are available in the Provincial Treasury and if required, it could be obtained from the Chief Accountant – Accounts & payments of the Provincial Treasury, Eastern Province.

The Specimens formats annexed here to should be used in the preparation of the Appropriation Account. These formats also could be down loaded from Eastern Provincial Council website. ([www.ep.gov.lk](http://www.ep.gov.lk))

### **10. Due date for forwarding the Account to the Auditor General**

10.1 The Chief Accounting Officers and Accounting Officers are hereby requested to prepare their Appropriation Accounts for the year 2015, certify them forward to this Provincial Treasury on or before **16<sup>th</sup> of March, 2016** to enable this Treasury to check the correctness and forward them to Auditor General with the Chief Secretary's certification on or before 21st March 2016.

10.2 Please also note two separate sets of printed copies of DCSF 8 and 8(i), 8(ii) (macro & Accrual Accounts) should be sent with set of copies of Notes (i) to (iv) DCSF 7 and 7(i). 8 to Provincial Treasury. When the Appropriation Account is forwarded.

10.3 As per instructions given by the State Accounts Circular No.SA/AS/AA/Circular dated 24.01.2013 to prepare Accrual Accounts on pilot basis, it is expected that the Revenue and Expenditure Account, Financial Position Report and Cash Flow Statement are prepared on accrual basis using the information of the Appropriation Account and the Revenue Account for 2015 are submitted on pilot basis along with the Appropriation Account to the Department of State Accounts.

**11. Further clarification**

Any further clarification needed in this regard, the Chief Accountant (Accounts & Payments) and Chief Accountant (Budget) of the Provincial Treasury may be contacted at telephone Number 026-2222678 & 2224866.

*Sgd*

**S.Kumarakuru,**

Deputy Chief Secretary- Finance,  
Eastern Province.

**Sgd.D.M.Sarath Abayagunawardena,**

Chief Secretary,  
Eastern Province.

- Copy to: 1. Secretary to the Hon Governor, EP.  
2. Secretary to the Chief Minister-EP  
3. Secretary Finance Commission, Colombo.  
4. Secretary, Ministry of Provincial Council and Local Government, Colombo.  
5. Asst. Auditor General, Auditor General's Department, EP  
6. Chief Internal Auditor-EP

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