

## न्यम्याञ्चेत्राध्याप्ता न्यम्याञ्चेत्राध्याप्ता

# DEPARTMENT OF PUBLIC ACCOUNTS MINISTRY OF FINANCE



DPA/AD/2014-2015/3933

June 22, 2015

## **CIRCULAR**

In supersession to Circular issued vide **DPA(AD)-Circular/2009-10/7579 dated April 6, 2010** all the Budgetary Bodies are hereby notified to follow the accounting treatment of closing balances at the end of the fiscal year as prescribed below:

### I. Closing Cash Balance.

- i. In keeping with clause 5.1.3.2. {1.a (c)} of the Finance and Accounting Manual (FAM), the cash balance at the end of a fiscal year (as on 30<sup>th</sup> June) shall be brought forward as the opening cash balance in the month of July of the next fiscal year and the same shall be remitted to the DPA within July itself in the form of cash warrant/demand draft. While surrendering the closing cash balance, budgetary bodies should provide LC/PLC account number and FIC (FICwise breakdown, if more than one FIC is involved) in the forwarding letter.
- ii. Bank charges for preparing Cash Warrant/Demand Draft of the closing cash balance shall be charged to relevant Object Code and shall not be deducted from the closing cash balance.
- iii. The closing cash balances of the Embassies, Missions and Consulates abroad at the end of a fiscal year shall be brought forward in the next year but these balances need not be remitted to the DPA. Budgetary releases for the next fiscal year to such agencies shall be made in full without adjusting the closing cash balances but the Missions, Embassies and Consulates abroad shall surrender the closing cash balances to DPA through a Direct Transaction (DT) from their LC accounts held in BoBL, Thimphu within July upon receipt of first quarter fund release as follows:

MRP: Payments to DPA (OBC 89.13) Dr.

To Bank Cr.

### II. Closing Bank Balance.

i. For externally funded projects, any fund release balance at the end of fiscal year need not be surrendered to DPA. Instead it should be allowed to lapse and DPA shall add the same amount to the external fund balances upon receipt of FIC-wise details (FIC and amount) of lapsed fund for individual LC/PLC account from the Budgetary Bodies.

(Choiten Wangchuk)
DIRECTOR GENERAL

Copy to: 1. The Hon'ble Secretary, Ministry of Finance, Thimphu.

- 2. The Hon'ble Auditor General, Royal Audit Authority, Thimphu.
- 3. All Heads of Budgetary Bodies for compliance with immediate effect.