

CHAPTER X

Autonomous and Independent Agencies

The Royal Audit Authority had conducted the audit of the following Autonomous Agencies during the year 2000:

1. National Assembly Secretariat (NAS), Thimphu;
2. Cabinet Secretariat, Tashichhoe Dzong;
3. National Commission for Cultural Affairs;
4. Royal Civil Service Commission, Thimphu;
5. National Women's Association of Bhutan;
6. National Museum, Paro; and
7. The Institute for Zorigchusum, Kawajangsa.

Table 1.38 : Showing the audit observations by different categories

Nature of Observation	Number	%	Amount (Nu. in million)	%
Excess payment	3	12	0.277	2
Tendering and procurement lapses/irregular purchases	6	24		
Outstanding advance	8	32	13.053	91
Outstanding revenue	8	32	1.32	7
Total	25	100	14.650	100

1. Excess payment

a) National Assembly Secretariat

Audit observed that full DSA was entertained by the National Assembly Secretariat to the members of the delegation attending the third conference of the Association of SAARC Speakers and Parliamentarians held in

Dhaka instead of 20% DSA when provided with free lodge and boarding. This has resulted to an excess payment of Nu. 0.11 million.

b) National Commission for Cultural Affairs

National Commission for Cultural Affairs had made an excess payment of Nu. 0.167 million for deviations from the estimate for the Parquet flooring of National Library.

2. Outstanding advance

As the table below shows, an amount of Nu. 13.05 million remained outstanding from the employees, suppliers, and contractors in the books of accounts of the autonomous and independent agencies audited during the year 2000. Some of these outstanding advances pertain to the post financial years, which were not liquidated until date of audit.

Table 1.39 : Showing the outstanding advances by amount and status

Agency	Amount (Nu. in million)	Remarks
National Women Association of Bhutan	0.700	Advance against employees and suppliers.
National Museum, Paro	0.324	Advance against employees and suppliers.
National Commission for Cultural Affairs	11.771	Advances against employees, suppliers, contractors, and RAPA officials.
RCSC	0.148	Advances against employees
Institute of Zorigchusum	0.110	Advances against officials.
Total	13.053	

3. Outstanding revenue

a) National Women's Association of Bhutan

It was observed that sale proceeds of yarn amounting to about Nu. 0.96

million remained unrealized by the NWAB from the various Dzongkhags. Similarly proceeds worth over Nu. 4 million for the sale of finished goods by the NHDP, Khaling remained uncollected.

Chances of debts becoming bad and therefore unrealizable was warned by the Royal Audit Authority.

b) National Commission for Cultural Affairs

Audit had detected that the National Commission for Cultural Affairs did not realize about Nu. 0.26 million being the sale proceeds of Bum and Diaries to the Dzonkhags and private individuals. Audit recommended early recovery of such dues to enhance the revenue growth of the government.

4. Irregular purchases

Order for four numbers of Acer computers and its accessories including the printers for Nu. 0.611 million were placed to M/s Dhendrup Informatics, Thimphu by the National Commission for Cultural Affairs. On physical verification, it was found that the computers and its accessories were of Hewlett Packard, which was completely different from the specified brand but the payment made was of Acer computers.

The Royal Audit Authority

The NAG & ASSOCIATES, Chartered Accountants from India audited the books of Accounts and other related areas of the Royal Audit Authority for the Financial year 1999 – 2000. The audit opinion on the accounts are reproduced below:

1. The annexed Receipts & Payments Account of Royal Audit Authority's Budgetary operations for the year ended 30th June, 2000 together with Trial Balance as on that date drawn on cash basis, were in agreement with the books of accounts maintained as per provisions of Financial Manual 1988.

2. The Receipts & Payments account and related Trial Balance have been prepared on the basis of budget allocations by DBA of Royal Government of Bhutan.
3. Statutory deductions of Salary Tax, Health Contribution, GPF and GIS have been made as per the prescribed rates of RGOB.
4. It was observed that at Head Quarter of RAA there is an abnormal closing balance of (-) Nu. 0.50 as on 30th June 2000.
5. Fixed Asset Register was found not maintained in prescribed form.
6. We report that:-
 - I. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - II. Subject to our remarks in paragraph 5 above, proper books of account have been maintained by the RAA so far as appears from our examinations of the books.
 - III. In our opinion and to the best of our information and according to the explanations given to us, the Receipts & Payments Account for the year ended 30th June, 2000 and the trial Balance as on that date gives true and fair view of the budgetary fund received and expenditure incurred there from.