



# ཀྲུལ་གཞུང་ཚུམ་ཞིབ་དབང་འཛིན།

Reporting on Economy, Efficiency & Effectiveness in the use of Public Resources

AIN: SCD-2024-496

**FINANCIAL AUDIT REPORT OF EU FUNDED PROJECT  
'SUPPORTING GOOD GOVERNANCE AND DIGITALISATION IN  
BHUTAN' IMPLEMENTED BY DEPARTMENT OF LOCAL  
GOVERNANCE AND DISASTER MANAGEMENT, MINISTRY OF  
HOME AFFAIRS, THIMPHU**

**PERIOD: 01/07/2023 TO 30/06/2024**

**DECEMBER 2024**



རྒྱལ་ཁབ་ལྷན་ཁྲིམས་ཞིབ་དབང་འཛིན་

ROYAL AUDIT AUTHORITY

Bhutan Integrity House

Reporting on Economy, Efficiency & Effectiveness in the use of Public Resources



RAA/DSA/SCD/05/2024-25/3434

Date: 23 December 2024

The Director  
Department of Local Governance and Disaster Management  
Ministry of Home Affairs  
Thimphu

**Subject: Financial Audit Report of the EU Funded Project ‘Supporting Good Governance and Digitalisation in Bhutan’ for the period 1 July 2023 to 30 June 2024.**

Sir,

Enclosed herewith, please find the audited financial statements and auditors’ report thereon in respect of the **EU Funded Project ‘Supporting Good Governance and Digitalisation in Bhutan’** implemented by **Department of Local Governance & Disaster Management, MoHA** for the financial year ended 30<sup>th</sup> June 2024. The audit was conducted as required under the Audit Act of Bhutan 2018, and in accordance with the International Standards of Supreme Audit Institutions (ISSAIs).

### Auditor’s Report on the Financial Statement

As may be noted from the auditors’ report, the financial statements are prepared by the project management, in all material respects, in accordance with Financial Rules and Regulations 2016. Accordingly, the RAA has expressed an unmodified (clean) opinion on the financial statements.

The Royal Audit Authority acknowledges the kind cooperation and assistance extended to the audit team by the officials of the project management which facilitated the timely completion of the audit.

Yours sincerely,

(Chhoden)

**Dy. Auditor General**  
**Department of Sectoral Audits**

### Copy to:

1. AAG, Policy and Planning Division, RAA, Thimphu;
2. AAG, Follow-Up and Legal Services Division, RAA, Thimphu;
3. Office copy.

*“Every individual must strive to be principled. And individuals in positions of responsibility must even strive harder.”*  
- His Majesty King Jigme Khesar Namgyel Wangchuck

**TITLE SHEET**

<b>1. Title</b>	:	Financial Audit Report of the EU Funded Project ‘Supporting Good Governance and Digitalisation in Bhutan’ implemented by Department of Local Governance and Disaster Management, MoHA
<b>2. AIN</b>	:	SCD-2024-496
<b>3. Head of the Agency</b>	:	Sonam Wangyel, Secretary EID No. 9308041 CID No. 10202001027 Email ID: swangyel@moha.gov.bt
<b>4. Drawing &amp; Disbursing Officer</b>	:	Pasang Dorji, DG, EID No. 9612011, CID No. 10202000316 <i>Email ID: <a href="mailto:pasang@moha.gov.bt">pasang@moha.gov.bt</a></i>
<b>5. Name of Finance Personnel</b>	:	Chening Peldon EID No. 9610067, CID No. 10905003453, Email ID: cpeldon@moha.gov.bt Pema Dorji, Accounts Assistant III, EID No. 200407067, CID No. 1191100690 Email ID: <a href="mailto:pemad@moha.gov.bt">pemad@moha.gov.bt</a>
<b>6. Period Audited</b>	:	01/07/2023 to 30/06/2024
<b>7. Schedule of Audit</b>	:	Start Date: 05/12/2024 End Date: 13/12/2024
<b>8. Composition of Audit Team</b>	:	<b>Team Leader:</b> 1. Tshewang Tandi, Sr. Auditor I CID No. 10502001364 & EID No. 9610089 <b>Team Members:</b> 1. Tashi Thinley, Sr. Auditor II CID No. 10704000238 & EID No. 200707038 2. Ugyen Phuntsho, Assistant Audit Officer CID No. 10101001900 & EID No. 202401925561
<b>9. Supervising Officer</b>	:	Tashi Lhamo, Assistant Auditor General EID No. 200601050
<b>10. Overall Supervising Officer</b>	:	Chhoden, Deputy Auditor General EID No. 200501091
<b>11. Audit Intimation Letter No.</b>	:	RAA/SCD/02/2024-25/3288 dated 25/11/2024
<b>12. Focal Person</b>	:	Ugyen Phuntsho
<b>13. Date of Audit Exit Meeting</b>	:	NA

## ACRONYMS

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AAG	:	Assistant Auditor General
AIN	:	Audit Identification Number
AR	:	Audit Report
CID	:	Citizenship Identity Card
DAG	:	Deputy Auditor General
DLGDM	:	Department of Local Governance and Disaster Management
EID	:	Employee Identity
EU	:	European Union
ISSAI	:	International Standards of Supreme Audit Institutions
MoHA	:	Ministry of Home Affairs
PLC	:	Project Letter of Credit
RAA	:	Royal Audit Authority
RGoB	:	Royal Government of Bhutan
SCD	:	Security Cluster Division

# Table of Contents

AUDITORS' REPORT ON THE FINANCIAL STATEMENTS OF EU FUNDED PROJECT 'SUPPORTING GOOD GOVERNANCE AND DIGITALISATION IN BHUTAN' IMPLEMENTED BY DEPARTMENT OF LOCAL GOVERNANCE AND DISASTER MANAGEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024.....	1
PROFILE .....	4

**AUDITORS' REPORT ON  
THE FINANCIAL STATEMENTS**



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ROYAL AUDIT AUTHORITY

Bhutan Integrity House

Reporting on Economy, Efficiency & Effectiveness in the use of Public Resources



## AUDITORS' REPORT ON THE FINANCIAL STATEMENTS OF EU FUNDED PROJECT 'SUPPORTING GOOD GOVERNANCE AND DIGITALISATION IN BHUTAN' IMPLEMENTED BY DEPARTMENT OF LOCAL GOVERNANCE AND DISASTER MANAGEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

### Opinion

We have audited the financial statements of the EU Funded Project 'Supporting Good Governance and Digitalisation in Bhutan' (PLC Account No. 215.01/2008, FIC No.4598 & 6045) implemented by Department of Local Governance and Disaster Management (DLGDM), Ministry of Home Affairs (MoHA), which comprise the Receipts and Payments Statement and schedules forming part of financial statements for the financial year ended 30 June 2024.

In our opinion, the financial statements are prepared, in all material respects, in accordance with the Financial Rules and Regulations 2016.

### Basis for Opinion

We conducted our audit in accordance with the International Standards of Supreme Audit Institutions. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Financial Statement section of our report. We are independent of the Project and we have fulfilled our responsibilities in accordance with the requirement outlined in RAA's *Oath of Good Conduct, Ethics and Secrecy of Auditors*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Project Management is responsible for the preparation of the financial statements in accordance with the Financial Rules and Regulations 2016 and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Those charged with governance are responsible for overseeing the project's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's

*"Every individual must strive to be principled. And individuals in positions of responsibility must even strive harder."*

- His Majesty King Jigme Khesar Namgyel Wangchuck

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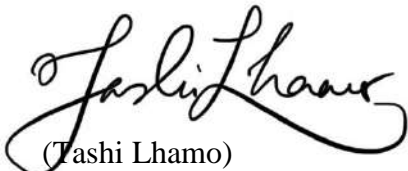
Website: [www.bhutanaudit.gov.bt](http://www.bhutanaudit.gov.bt) | Email: [info@bhutanaudit.gov.bt](mailto:info@bhutanaudit.gov.bt)

report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISSAIs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the project's internal control.

We communicate with the management, among others, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.



(Tashi Lhamo)

**Assistant Auditor General**

**Date: 20 December 2024**

# **FINANCIAL STATEMENTS**

Financial statement of DLGDM for PLC A/C 215.01/2008  
 Period from July 2023 to June 2024, for FIC 4598 and 6045

Receipts			Payment		
SI.NO	Particular		SI.NO	Particular	
1	Fund received from DPA	35,218,554.00	1	Expenditure	31,890,271.28
2	Previous year adjustment	80,198.00	2	Advance	130,000.00
				Closing Balance	
			1	cash	0
			2	Bank	3278480.72
		35,298,752.00			35,298,752.00



**Chief Finance Officer**  
 Ministry of Home Affairs  
 Tashichho Dzong Thimphu



Pem Dorji  
 Asst



(Passang Wangchuk)  
 EM A/C 1

Expenditure statement of EU FIC 4598 and FIC 6045 for FY 2023-2024

Sl.No	BudgetLine	Revised Amount	Expenditure	Advance	Balance
1	215.01/05/00/034/001/002/04/6045 [ENHANCEMENT OF LG PERFORMANCE THROUGH CRITICAL LEADERSHIP AND MANAGEMENT CAPACITY PROGRAMS ][CAP]	7,000,000.00	5,581,741.00	130,000.00	1,288,259.00
2	215.01/05/00/034/001/002/05/6045 [SUPPORT TO AREA BASED DEVELOPMENT PROGRAMS ][CAP]	3,300,000.00	2,882,180.00		417,820.00
3	215.01/05/00/034/001/002/06/6045 [FARMING SOCIAL ACCOUNTABILITY MECHANISM ][CAP]	1,280,000.00	335,796.00		944,204.00
4	215.01/05/00/034/001/002/07/6045 [VISITING GECDP MAINSTREAMING STRATEGY][CAP]	2,000,000.00	1,559,289.80		440,710.20
5	215.01/05/00/034/001/002/26/4598 [PERFORMANCE BASED MECHANISM FOR GOOD LOCAL GOVERNANCE DEVELOPED AND IMPLEMENTED][CAP]		80,198.00		previous yr adjustment
6	215.01/05/00/034/001/003/03/2737 [PROJECT MANAGEMENT SERVICES AND MONITORING ][CAP]				0.00
7	215.01/05/00/034/001/004/01/4598 [PROFESSIONALS DEVELOPMENT CONDUCT FOR LG FUNCTIONARIES AND IMPLEMENT THE CAPACITY DENELOPMENT STRATEGY FOR LOCAL GOVERNANCE][CAP]	998,652.00	998,651.20		0.80
8	215.01/05/00/034/001/005/01/4598 [SUPPORT TO COMMUNITY ENGAGEMENT PROGRAMME IN RURAL COMMUNITY LEVEL][CAP]	2,882,180.00	2,882,180.00		0.00

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*[Signature]*

*[Signature]*

9	215.01/05/00/034/001/006/01/4598 [PERFORMANCE BASED GRANT MECHANISM FOR GOOD LOCAL GOVERNANCE AND MAINSTREAMING OF GECDP DEVELOPED AND IMPLEMENTED][CAP]	2,762,656.00	2,762,655.60		0.40
10	215.01/05/00/034/001/006/02/4598 [GECDP MAINSTREAMING MECHANISM INITIATED AND INSTITUTIONALIZED AT THE LOCAL LEVEL ][CAP]	1,000,000.00	825,864.48		174,135.52
11	215.01/05/00/034/001/006/03/4598 [SUPPORT TO LG ON IMPLEMENTATION OF THE PBGCRG][CAP]	11,000,000.00	11,000,000.00		0.00
12	215.01/05/00/034/001/007/01/4598 [PROFESSIONAL DEVELOPMENT CONDUCTED FOR THE ELECTED AND ASPIRING FEMALE LG FUNCTIONARIES ON LEADERSHIP AND MANAGEMENT][CAP]	2,995,066.00	2,981,715.20		13,350.80
13	215.01/05/00/034/001/015/01/6024 [INSTITUTE COMMUNITY ENGAGEMENT PLATFORM MECHANISM IN THE LOCAL GOVERNMENTS][CAP]				0.00
14	215.01/05/00/034/001/015/02/6024 [CARRY OUT M E ON FUNCTIONING OF CEP AND CCA AND GENDER MAINSTREAMING IN LG PLANTS PROGRAMMED AND ACTIVITIES][CAP]				0.00
	Total Release	35,218,554.00	31,890,271.28	130,000.00	3,278,480.72

  
**Chief Finance Officer**  
 Ministry of Home Affairs  
 Tashichho Dzong Thimphu

  
 Aect

  
 (Passang Wangchuk)  
 EU focal

MINISTRY OF HOME AFFAIRS  
For A/C No. : 215.01/2008 - PLC

For the Period : 01/07/2023 - 30/06/2024

Sl.No	BudgetLine	Release Amount
1	215.01/05/00/034/001/002/02/6045 [TRANSFORMATION COORDINATION PROGRAMS ][CAP]	0.00
2	215.01/05/00/034/001/002/04/6045 [ENHANCEMENT OF LG PERFORMANCE THROUGH CRITICAL LEADERSHIP AND MANAGEMENT CAPACITY PROGRAMS ][CAP]	7,000,000.00
3	215.01/05/00/034/001/002/05/6045 [SUPPORT TO AREA BASED DEVELOPMENT PROGRAMS ][CAP]	3,300,000.00
4	215.01/05/00/034/001/002/06/6045 [FARMING SOCIAL ACCOUNTABILITY MECHANISM ][CAP]	1,280,000.00
5	215.01/05/00/034/001/002/07/6045 [VISITING GECDP MAINSTREAMING STRATEGY][CAP]	2,000,000.00
6	215.01/05/00/034/001/002/26/4598 [PERFORMANCE BASED MECHANISIM FOR GOOD LOCAL GOVERNANCE DEVELOPED AND IMPLEMENTED][CAP]	
7	215.01/05/00/034/001/004/01/4598 [PROFESSIONALS DEVELOPMENT CONDUCT FOR LG FUNCTIONARIES AND IMPLEMENT THE CAPACITY DEVELOPMENT STRATEGY FOR LOCAL GOVERNANCE][CAP]	998,652.00
8	215.01/05/00/034/001/005/01/4598 [SUPPORT TO COMMUNITY ENGAGEMENT PROGRAMME IN RURAL COMMUNITY LEVEL][CAP]	2,882,180.00

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9	215.01/05/00/034/001/006/01/4598 [PERFORMANCE BASED GRANT MECHANISM FOR GOOD LOCAL GOVERNANCE AND MAINSTREAMING OF GECDP DEVELOPED AND IMPLEMENTED][CAP]	2,762,656.00
10	215.01/05/00/034/001/006/02/4598 [GECDP MAINSTREAMING MECHANISM INITIATED AND INSTITUTIONALIZED AT THE LOCAL LEVEL ][CAP]	1,000,000.00
11	215.01/05/00/034/001/006/03/4598 [SUPPORT TO LG ON IMPLEMENTATION OF THE PBGCRG][CAP]	11,000,000.00
12	215.01/05/00/034/001/007/01/4598 [PROFESSIONAL DEVELOPMENT CONDUCTED FOR THE ELECTED AND ASPIRING FEMALE LG FUNCTIONARIES ON LEADERSHIP AND MANAGEMENT][CAP]	2,995,066.00
13	215.01/05/00/034/001/014/01/4598 [IDENTIFY POTENTIAL LGS FOR THE IMPLEMENTATION OF AREA BASE DEVELOPMENT PROGRAMS AND ENSURE PILOTING THE PROGRAM IN 2 LGS][CAP]	0.00
Total Release		35,218,554.00

  
 Chief Finance Officer  
 Ministry of Home Affairs  
 Tashichho Dzong Thimphu

  
 Accountant

  
 (Passang Wangchuk)  
 EU focal

**FINANCIAL INFORMATION ON EXTERNAL PROJECTS INCLUDING OUTSTANDING ADVANCES**  
FOR THE FISCAL YEAR 2010-2011 TO 2024-2025

FICCODE FROM - 4598 FICCODE TO- 4598 / DONOR - ALL

(Amount in Nu.)

FY/AU	FIC	ADMINISTRATIVE UNIT/PROJECT NAME	CASH RECEIPT	RELEASE	EXP-INCASH	OUTSTANDING ADVANCE	REFUND	CASH WITH GOVT.
2023-2024	215.01	MINISTRY OF HOME AFFAIRS						
		Balance from Previous years:						0.00
	4598	Capacity Development for Local Governmnet and Fiscal Decentralization in Bhutan	0.00			-80,198.00		
		Balance carried forward from Pems						0.00
		215.01/02/00/031/001/005.01/4598[PROCUREMENT OF OFFICE EQUIPEMENT]		1,500,000.00	1,497,275.00			
		215.01/04/02/032/001/002.01/4598[OFFICE EQUIPMENT AND COMPUTER]		400,000.00	400,000.00			
		215.01/04/03/032/001/001.02/4598[OPERATION AND MANAGEMENT SERVICES]		500,000.00	498,582.00			
		215.01/04/04/032/001/002.01/4598[OFFICE FURNITURE AND EQUIPMENT]		200,000.00	193,796.00			
		215.01/04/05/032/001/002.01/4598[OFFICE FURNITURE AND EQUIPMENT]		460,000.00	459,250.00			
		215.01/05/00/034/001/002.26/4598[PERFORMANCE BASED MECHANISIM FOR GOOD LOCAL GOVERNANCE DEVELOPED AND IMPLEMENTED]			80,198.00			
		215.01/05/00/034/001/004.01/4598[PROFESSIONALS DEVELOPMENT CONDUCT FOR LG FUNCTIONARIES AND IMPLEMENT THE CAPACITY DENELOPMENT STRATEGY FOR LOCAL GOVERNANCE]		998,652.00	998,651.20			

Printed Date:06/12/2024

**FINANCIAL INFORMATION ON EXTERNAL PROJECTS INCLUDING OUTSTANDING ADVANCES**

FOR THE FISCAL YEAR 2010-2011 TO 2024-2025

FICCODE FROM - 4598 FICCODE TO- 4598 / DONOR - ALL

(Amount in Nu.)

FY/AU	FIC	ADMINISTRATIVE UNIT/PROJECT NAME	CASH RECEIPT	RELEASE	EXP-INCASH	OUTSTANDING ADVANCE	REFUND	CASH WITH GOVT.
		215.01/05/00/034/001/005.01/4598[SUPPORT TO COMMUNITY ENGAGEMENT PROGRAMME IN RURAL COMMUNITY LEVEL]		2,882,180.00	2,882,180.00			
		215.01/05/00/034/001/006.01/4598[PERFORMANCE BASED GRANT MECHANISM FOR GOOD LOCAL GOVERNANCE AND MAINSTREAMING OF GECDP DEVELOPED AND IMPLEMENTED]		2,762,656.00	2,762,655.60			
		215.01/05/00/034/001/006.02/4598[GECDP MAINSTREAMING MECHANISM INITIATED AND INSTITUTIONALIZED AT THE LOCAL LEVEL ]			825,864.48			
		215.01/05/00/034/001/006.02/4598[GECDP MAINSTREAMING MECHANISM INITIATED AND INSTITUTIONALIZED AT THE LOCAL LEVEL]		1,000,000.00				
		215.01/05/00/034/001/006.03/4598[SUPPORT TO LG ON IMPLEMENTATION OF THE PBGCRG]		11,000,000.00	11,000,000.00			
		215.01/05/00/034/001/007.01/4598[PROFESSIONAL DEVELOPMENT CONDUCTED FOR THE ELECTED AND ASPIRING FEMALE LG FUNCTIONARIES ON LEADERSHIP AND MANAGEMENT]		2,995,066.00	2,981,715.20			
		<b>TOTAL 4598:</b>	0.00	24,698,554.00	24,580,167.48	-80,198.00	0.00	-24,499,969.48
		<b>TOTAL 215.01:</b>	0.00	24,698,554.00	24,580,167.48	-80,198.00	0.00	-24,499,969.48
		<b>TOTAL 2023-2024:</b>	0.00	24,698,554.00	24,580,167.48	-80,198.00	0.00	-24,499,969.48

Printed Date:06/12/2024

**FINANCIAL INFORMATION ON EXTERNAL PROJECTS INCLUDING OUTSTANDING ADVANCES**  
FOR THE FISCAL YEAR 2010-2011 TO 2024-2025

FICCODE FROM - 4598 FICCODE TO- 4598 / DONOR - ALL

(Amount in Nu.)

FY/AU	FIC	ADMINISTRATIVE UNIT/PROJECT NAME	CASH RECEIPT	RELEASE	EXP-INCASH	OUTSTANDING ADVANCE	REFUND	CASH WITH GOVT.
		GRAND TOTAL:	0.00	24,698,554.00	24,580,167.48	-80,198.00	0.00	-24,499,969.48

**Formula for Cash With Government**

**Current FY:**

Cash with Government= (Prev FY Bal + Curr FY Cash Receipt) - (Curr FY RELEASE + Curr FY REFUND)

**Previous FY:**

Cash with Government= (Prev FY Bal + Curr FY Cash Receipt) - (Curr FY EXPENDITURE + OutStandingADV + Curr FY

Printed Date:06/12/2024

FINANCIAL INFORMATION ON EXTERNAL PROJECTS INCLUDING OUTSTANDING ADVANCES

FOR THE FISCAL YEAR 2010-2011 TO 2024-2025

FICCODE FROM - 6045 FICCODE TO- 6045 / DONOR - ALL

(Amount in Nu.)

FY/AU	FIC	ADMINISTRATIVE UNIT/PROJECT NAME	CASH RECEIPT	RELEASE	EXP-INCASH	OUTSTANDING ADVANCE	REFUND	CASH WITH GOVT.
2023-2024	215.01	MINISTRY OF HOME AFFAIRS						
		Balance from Previous years:						0.00
	6045	Strengthening Good Governance and Digitalisation.	181,840,000.00			130,000.00		
		Balance carried forward from Pems						0.00
		215.01/05/00/034/001/002.04/6045[ENHANCEMENT OF LG PERFORMANCE THROUGH CRITICAL LEADERSHIP AND MANAGEMENT CAPACITY PROGRAMS ]			5,581,741.00			
		215.01/05/00/034/001/002.04/6045[ENHANCEMENT OF LG PERFORMANCE THROUGH CRITICAL LEADERSHIP AND MANAGEMENT CAPACITY PROGRAMS]		7,000,000.00				
		215.01/05/00/034/001/002.05/6045[SUPPORT TO AREA BASED DEVELOPMENT PROGRAMS ]			2,406,582.00			
		215.01/05/00/034/001/002.05/6045[SUPPORT TO AREA BASED DEVELOPMENT PROGRAMS]		3,300,000.00				
		215.01/05/00/034/001/002.06/6045[FARMING SOCIAL ACCOUNTABILITY MECHANISM ]			335,796.00			
		215.01/05/00/034/001/002.06/6045[FARMING SOCIAL ACCOUNTABILITY MECHANISM]		1,280,000.00				
		215.01/05/00/034/001/002.07/6045[VISITING GECDP MAINSTREAMING STRATEGY]		2,000,000.00	1,559,289.80			

**FINANCIAL INFORMATION ON EXTERNAL PROJECTS INCLUDING OUTSTANDING ADVANCES**  
FOR THE FISCAL YEAR 2010-2011 TO 2024-2025

FICCODE FROM - 6045 FICCODE TO- 6045 / DONOR - ALL

(Amount in Nu.)

FY/IAU	FIC	ADMINISTRATIVE UNIT/PROJECT NAME	CASH RECEIPT	RELEASE	EXP-INCASH	OUTSTANDING ADVANCE	REFUND	CASH WITH GOVT.
		TOTAL 6045:	181,840,000.00	13,580,000.00	9,883,408.80	130,000.00	0.00	171,826,591.20
		TOTAL 215.01:	181,840,000.00	13,580,000.00	9,883,408.80	130,000.00	0.00	171,826,591.20
		TOTAL 2023-2024:	181,840,000.00	13,580,000.00	9,883,408.80	130,000.00	0.00	171,826,591.20
2024-2025	215.01	<b>MINISTRY OF HOME AFFAIRS</b>						
		Balance from Previous years:				130,000.00		171,826,591.20
	6045	Strengthening Good Governance and Digitalisation.	0.00			2,470,020.00		
		Balance carried forward from Pems						0.00
		215.01/05/00/213/378/004.04/6045[PROMOTE ENGAGEMENT OF CITIZENS IN LOCAL DEVELOPMENT PLANNING THROUGH INTRODUCTION AND IMPLEMENTATION OF CITIZENS ENGAGEMENT TOOLS SUCH AS COMMUNITY ENGAGEMENT PLATFORM AND OTHER RELEVANT TOOLS ]			3,000.00			
		215.01/05/00/213/378/005.05/6045[ENHANCE INCLUSIVE GOVERNANCE AND GREEN BUSINESS PROGRAMS IN LGS]		2,000,000.00	408,645.00			
		215.01/05/00/213/378/006.06/6045[ENHANCE CAPACITY OF LG FUNCTIONARIES FOR BETTER LOCAL GOVERNANCE AND PUBLIC SERVICE DELIVERY ]			1,896,697.00			
		215.01/05/00/213/378/006.06/6045[ENHANCE CAPACITY OF LG FUNCTIONARIES FOR BETTER LOCAL GOVERNANCE AND PUBLIC SERVICE DELIVERY ]		3,000,000.00				
		215.01/05/00/213/378/007.07/6045[INSTITUTE SOCIAL ACCOUNTABILITY MECHANISMS TO MAIN STREAM AND FORMALLY INSTITUTE THE PILOT PROGRAMME BY CREATING USER FRIENDLY ENVIRONMENT ]			2,246,404.40			

Printed Date:06/12/2024

**FINANCIAL INFORMATION ON EXTERNAL PROJECTS INCLUDING OUTSTANDING ADVANCES**  
FOR THE FISCAL YEAR 2010-2011 TO 2024-2025

FICCODE FROM - 6045 FICCODE TO- 6045 / DONOR - ALL

(Amount in Nu.)

FY/AU	FIC	ADMINISTRATIVE UNIT/PROJECT NAME	CASH RECEIPT	RELEASE	EXP-INCASH	OUTSTANDING ADVANCE	REFUND	CASH WITH GOVT.
		215.01/05/00/213/378/007.07/6045[INSTITUTE SOCIAL ACCOUNTABILITY MECHANISMS TO MAIN STREAM AND FORMALLY INSTITUTE THE PILOT PROGRAMME BY CREATING USER FRIENDLY ENVIRONMENT]		3,000,000.00				
		215.01/05/00/213/378/013.13/6045[PROMOTE AND STRENGTHEN CENTRAL LOCAL CONNECT AND COLLABORATION FOR EFFICIENT AND EFFECTIVE PUBLIC SERVICE DELIVERY]		6,000,000.00				
		215.01/05/00/213/378/015.15/6045[STRENGTHEN THE MAINSTREAMING OF GECDP IN LEADERSHIP AND GOVERNANCE AT THE LG LEVEL]		3,000,000.00				
		215.01/05/00/213/378/017.17/6045[DESIGNING AND IMPLEMENTATION OF PERFORMANCE BASED CLIMATE CHANGE ADAPTATION GRANT PROJECT]		4,000,000.00	3,575,701.64			
		215.01/05/00/213/378/024.01/6045[WORKSHOP ON THE 13FYP WITH LGS]		6,000,000.00	4,840,083.00			
		<b>TOTAL 6045:</b>	0.00	27,000,000.00	12,970,531.04	2,600,020.00	0.00	144,826,591.20
		<b>TOTAL 215.01:</b>	0.00	27,000,000.00	12,970,531.04	2,600,020.00	0.00	144,826,591.20
		<b>TOTAL 2024-2025:</b>	0.00	27,000,000.00	12,970,531.04	2,600,020.00	0.00	144,826,591.20
		<b>GRAND TOTAL:</b>	181,840,000.00	40,580,000.00	22,853,939.84	2,600,020.00	0.00	144,826,591.20

**Formula for Cash With Government**

**Current FY:**

Cash with Government= (Prev FY Bal + Curr FY Cash Receipt) - (Curr FY RELEASE + Curr FY REFUND)

**Previous FY:**

Cash with Government= (Prev FY Bal + Curr FY Cash Receipt) - (Curr FY EXPENDITURE + OutStandingADV + Curr FY

## PROFILE

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### Background

The EU funded Local Government Sustainable Development Programme is aligned with Bhutan's 12<sup>th</sup> Five Year Plan. It is aimed to enhance local governance, gender equality, and digital transformation, with EUR 9.3 million in funding. It addresses challenges like limited capacity, rural revenue mobilization, and women's representation, aiming to improve service delivery, decentralization, and digitalized public services, particularly education. The program promotes inclusivity through Bhutan's National Gender Equality Policy and ICT in schools, while supporting climate resilience, disaster risk reduction, and sustainable development. It contributes to SDGs on poverty, education, gender equality, reduced inequalities, and good governance, fostering resilience and inclusivity for sustainable local development.

**Project Title:** Supporting Good Governance and Digitalisation in Bhutan (NDICI-ASIA/2022/ACT60987)

**Donor:** European Union (EU)

**Total Fund:** The program is allocated EUR 9.3 million (EUR 7 million towards Budget Support and EUR 2.3 million as complementary support).

**FIC Code:** 4598 & 6045

**Project Duration:** 2021-2027

**Lead Agency:** Department of Local Governance & Disaster Management, MoHA

### Objective of the Project

The Overall Objective of the program is to reduce poverty in Bhutan by strengthening local governance and decentralization; strengthening gender mainstreaming at local level; and strengthening digitalisation of public services, especially education. The expected direct outputs are:

- Increased fiscal space and predictability of funds to support LGs service delivery.
- Improved strategic policy dialogue and coordination
- Improved LG performance assessment and monitoring
- Strengthened capacity for enhanced policy implementation

### Budget v/s Expenditure

Financial Year	Approved Budget (Nu.)	Expenditure (Nu.)	Balance (Nu.)
	Capital	Capital	Capital
2023-2024	35,218,554.00	31,890,271.28	-
Past year Advance adjustment	-	80,198.00	-
	<b>35,218,554.00</b>	<b>31,970,469.28</b>	<b>3,248,084.72</b>

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