



རྒྱལ་ཁབ་ལྷན་ཁྲིམ་ཞིབ་དབང་འཛིན།  
ROYAL AUDIT AUTHORITY

Bhutan Integrity House

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



RAA/AG-SP/03/2023-24/067

Date: 01/04/2024

The Hon'ble Speaker  
National Assembly of Bhutan  
Thimphu

**Subject: Review Report of Annual Audit Report 2020-2021**

Your Excellency,

Pursuant to Section 42(b) of the Rules of Procedures of the Public Accounts Committee, 2017, the Royal Audit Authority, (RAA) has the honor to submit the Review Report of Annual Audit Report 2020-2021.

The report has been finalized based on the actions taken by the agencies as of 29 February 2024 and follow-ups carried out by the Royal Audit Authority.

Out of the total unresolved irregularities of Nu. 4,002.46 million reported in the Annual Audit Report 2020-2021. The irregularities aggregating to Nu. 2997.36 were reported as resolved as on 7th Session of the Third Parliament in April 2023, leaving a balance irregularities of Nu. 1005.105 million as on 29 February 2024 which are as summarized below:

Sl. No	Agencies	Irregularities reported in AAR (Nu.in million)	Total irregularities resolved as of 29 Feb. 2024 (Nu .M)	Irregularities resolved during the period 31/03/2023-29/02/2024	Balance irregularities as on 29/02/2024	Percentage of irregularities resolved as on 29/02/2024
1	Ministries	215.12	178.81	38.454	36.31	83.121
2	Dzongkhag Administration	160.03	142.631	32.977	17.399	89.12
3	Dungkhag Administration	28.53	12.78	11.89	15.75	44.79
4	Gewog Administration	41.95	37.813	13.287	4.137	90.13
5	Autonomous agencies	204.26	169.059	55.172	35.201	82.76
6	Corporations	1,172.72	1066.774	238.24	105.946	90.96
7	NGOs	49.16	21.559	18.419	27.601	43.85
8	Hydro Power	2,130.69	1367.92	23.024	762.761	64.201
<b>Total</b>		<b>4,002.46</b>	<b>2997.346</b>	<b>431.463</b>	<b>1005.105</b>	<b>73.616</b>

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



རྒྱལ་ཁབ་ལྷན་ཁྲིམས་ཞིབ་དབང་འཛིན།  
ROYAL AUDIT AUTHORITY

Bhutan Integrity House

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



The AAR 2020-2021 contains five recommendations offered by the RAA based on the issues observed while auditing during the year.

Regarding the follow-up status of recommendations of the AAR, the RAA is not able to update its implementation status as RAA is yet to be communicated of who are authorities or agencies identified as responsible for implementation based on the deliberation in the Parliament.

Therefore, the RAA would like to request the Public Accounts Committee to kindly guide RAA in tracking the implementation of recommendations contained in the AARs. The following recommendations were offered by the RAA in AAR 2020-2021:

Sl. No.	Brief Recommendation
1	Government should reinforce the system of accountability and sanctions for public agencies and individuals to drive ethical behaviors and performance.
2	Government should review the need for a policy to bring consultants under the ambit of public accountability.
3	Government should reinforce quality management system in construction projects undertaken by agencies.
4	Government should review community contract protocol.
5	Government should exercise caution in regulating its current expenditure, sustaining growth of internal revenues and in exercising prudence in raising debts.

Looking forward to Your Excellency's continued support and cooperation.

Yours respectfully,

(Tashi)  
Auditor General

Copy to:

1. The Hon'ble Prime Minister of Bhutan, Gyalyong Tshogkhag, Thimphu;
2. The Hon'ble Chairperson, National Council of Bhutan, Thimphu;
3. The Hon'ble Opposition Leader, Gyalyong Tshogkhag, Thimphu;
4. The Hon'ble Chairperson, Public Accounts Committee, Gyalyong Tshogkhag, and
5. The Hon'ble Members, Public Accounts Committee, Gyalyong Tshogkhag, Thimphu.

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