

P/ling drungkhag accountant accused of allegedly embezzling about Nu 6.9M

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The Royal Audit Authority's (RAA) office of the assistant auditor general in Phuentsholing region had detected misappropriation of funds and embezzlement of about Nu 6.9 million (M) by the Phuentsholing drungkhag accountant in 2015-2017.

The accountant, Chhimi Dorji, is alleged of misappropriating and embezzling more than Nu 4.9M in 2016-2017 and more than Nu 2M in 2015-2016.

Initial audit findings indicate that in the 2016-2017 financial year, the accountant had misappropriated more than Nu 630,329 from pay and allowances of civil servants in the drungkhag, who were either on extraordinary leave, transferred or retired from service.

It was found that the accountant had deposited the money into his personal accounts and not into the employees' when the audit team verified with the bank.

It is alleged that the modus operandi used by the accountant is that he transferred the money by impersonating as a teacher of Darla Middle Secondary School and transferred some money into his daughter's account.

"He also forged signatures of principals in advance application form and adjusted it with their travel and daily allowances," the report stated.

In case of some teachers, the accountant deposited salary beyond their net pay reflected in pay bill but recovered it from transfer grant or leave encashment.

The accountant is alleged of adjusting Nu 360,000 from rural life insurance claims through illegal means by adjusting it in the system to liquidate the advance for personal financial benefits.

It was also observed that the accountant intentionally booked double salary amounting to Nu 198,231 against various teachers of the drungkhag administration. "The teachers were just paid the actual entitlement of the salary but the double payment was deposited in the accountant's personal account or his relatives' and daughter's accounts," the report stated.

The audit team found irregular payment amounting to Nu 308,964 to the accountant by inflating the rural insurance claim and making false security deposits of a contractor.

The accountant was also alleged of retaining Nu 462,601 in his personal account. The money was salary and allowances of a principal. "He also misappropriated Nu 351,600, which was the salary for resungpas (voluntary forest vigilantes)," the report stated.

It also stated that the accountant transferred Nu 314,682 into his personal account illegally when an accountant in Wangduephodrang asked for fund transfer of two teachers, who were transferred from Rangaytung to Wangduephodrang.

It was found that Nu 214,682 was transferred into the personal account of an officiating account officer in Wangduephodrang, Yeshey Tshering, and Nu 100,000 to a personal saving account of Sonam Tshering, who did not have any links to the teachers and Wangduephodrang dzongkhag.

It was alleged that there was a clear indication of collusion between the two accountants and deliberate misappropriation, as the review of cashbook for Wangduephodrang dzongkhag revealed that the amount was not reflected in the cashbook despite producing other vouchers and non-revenue receipts.

It was found that the accountant made statutory deductions such as salary tax, health contributions, house rent and group insurance scheme amounting to more than Nu 1.2M in his own cheque. "He remitted the deductions from object code, which doesn't require remittances into Department of Revenue and Customs (DRC).

The report also stated that he made cash payments without acknowledgement receipts, booked advances as expenditure and adjusted without supporting documents. "The accountant made excess payment of salary and allowances due to wrong pay fixation of Nu 403,860 by entering the amount in the PEMS system by dealing accounts personnel. It shows weak internal control system."

Auditors observed that the accountant has misappropriated more than Nu 2M in the 2015-2016 financial year through a similar modus operandi.

He is alleged of misappropriating Nu 490,722 from pay and allowances of civil servants who have superannuated, resigned, are terminated, are on extraordinary leave and transferred, intentionally double booking salary of Nu 208,929, Nu 350,100 from resungpas' salary and Nu 148,724 from rural life insurance claims.

He is also alleged of misappropriating Nu 269,198 cash payment, Nu 126,972 from encashment of remittances through self-cheque, irregular payment, excess and inadmissible payment, booking of advance as expenditure and adjustments without supporting documents.

It was learnt that RAA has alerted the finance ministry and the Anti-Corruption Commission (ACC) about the misappropriation since the accountant served in Phuentsholing for more than nine years but the audit was only conducted for two years.

"The plan was to audit only for one financial year but after finding the irregularities, we conducted for two years to ascertain the findings," an official from RAA said.

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