

PRASAR BHARATI
(India's Public Service Broadcaster)
Prasar Bharati Secretariat
(Budget & Accounts Section)
6th Floor, Prasar Bharati House,
Copernicus Marg, New Delhi-110001

No. ADG(B&A)/AI/ACS/2018-19(Pt)/649-69

Dated: 04.01.2019

Accounting Circular No. 11

Sub: Booking of Fixed Assets under Appropriate Account Heads- Reg.

Every organisation is estimating its incomes & expenditures and cash inflow & cash outflow for the forthcoming period, normally a year, in the form of budget to ensure that the organisation will always have enough money for smooth functioning and for its planned projects and activities. It also allows organisations to control the expenditures and enhance its revenues. Similarly, Prasar Bharati also prepares its budget to control the expenditures and increase its revenue.

Prasar Bharati Secretariat is releasing funds to field units against various budgetary allocations. The field units incur expenditures and report such expenditures against budgetary allocations for monitoring and controlling purposes and also in books of accounts (i.e. at present, Receipts and Payments Account) for the purpose of preparation of financial statements.

There may be cases where expenditure incurred against a particular budgetary allocation may be required to be reported under different account heads at the time of preparation of financial statements. Similarly, there may be cases where expenditure incurred under different budgetary allocations may be required to be reported under a single account head.


However, it has been observed that the field units are procuring Fixed Assets such as Computers, Furniture & Fixtures, Electrical Appliances, Air-Conditioners, Other Equipment, etc. from Revenue Budget allocations and the entries in Receipts and Payments Account are also made against the head pertaining to revenue nature expenditure, even though the expenditure is incurred on procuring fixed assets. This leads to wrong depiction of revenue expenditure and Fixed Assets in the books of Accounts of Prasar Bharati. This has also been pointed out by CAG in its Separate Audit Report (SAR) while auditing the annual accounts of Prasar Bharati for the year 2017-18.

In order to ensure true and fair view of fixed assets and revenue expenditure in books of account, any expenditure incurred during the year on purchase/ creation/ installation of Fixed Assets should be shown against appropriate account heads allotted for Fixed Assets and not against Revenue Expenditure Account heads.

The entries of such Fixed Assets should be entered in Fixed Asset Register and depreciation, at prescribed rates, should also be charged thereon.

Both the Directorates are, therefore, requested to ensure that current year capital nature expenditure should be booked under correct heads given in Annexure-IV of Receipts & Payments account. Further, these instructions should be widely circulated among all field units under their control and followed scrupulously.

This issues with the approval of Member (Fin.), Prasar Bharati.


04/01/2019
(Rajesh Kumar Ojha)
Dy. Director (AP & Tax)

1. DG:DD
2. DG:AIR
3. ADG (E&A)

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