

ANDHRA PRADESH STATE ROAD TRANSPORT CORPORATION

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No MA1/4(1)/2001 02/AD

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Dated 22 03 02

ACCOUNTS CIRCULAR NO 7 / 2002

Sub ACCOUNTS - Common Errors while closing Mar accounts - Reg

As you are aware the AG conducts audit of Annual Accounts every year at the Consolidation Centres After taking into consideration Replies furnished locally and at Corporate level the AG issues Final Audit Report which will be placed before the Legislative Assembly

While finalising Replies to the Draft Audit Report on the Annual Accounts for 2000 01 it is observed that there is scope to avoid some Omissions and Commissions if only we put in more efforts Hence all the concerned Accounting Unit Officers and Consolidation Centres are requested to take note of the following and strive to avoid such mistakes while closing Mar 02 Accounts on hand

01 R & M - BUILDINGS

Provisions for Outstanding Expenses were not made in few CED Offices towards Civil Engineering Works completed or measured upto 31st Mar on the plea that Budget for R & M for the year has already exceeded Taking such stand is not correct As per fundamental principles of accounting provisions should be booked for all Outstanding Expenses irrespective of whether incurrence of expenditure is within or outside the Budget limit Expenditure should not be incurred at all beyond budget provision especially in view of critical financial position we are presently in In exceptional cases where incurrence of expenditure beyond budgetary provision is imminent the concerned Officer should justify his action to the appropriate authorities but not resort to avoiding incorporation of required Provisions into accounts

02 WORKS COMPLETED

Instructions were issued in Cir Lr No W1/52(2)/96 AD dt 15th Jun 96 (printed at Page 112) regarding capitalisation of CED works completed and put to use Although circular instructions were issued about five years ago still instances of non compliance are reported So the Dy CAOs of all Zonal Offices are advised to pay special attention to this aspect before closing Mar accounts every year

03 COLUMNAR LEDGERS

The AG has been regularly commenting that balances in the accounts of Units could not be traced in the Regional Consolidated Accounts in the absence of maintenance of Control Ledger Cards There is already provision in the existing Software to print Control Ledger Cards All the Consolidation Centres are therefore advised to print Reports once in every quarter and use for review purposes Also produce the Reports to the AG Audit at the time of next Annual Accounts Audit

04 POLICE WARRANTS

In cases where payments for Police or Excise etc Warrants are not forthcoming on the ground of fake Warrants Regional Offices should transfer the amounts involved from AH 2341 to AH 2809 for correct disclosure Such transfer is however only for a temporary period and all out efforts should be made for clearance by recovery or write off

05 INTERNAL AUDIT

There is heavy pendency in Internal Audit with regard to physical verification of Stores Tools & Plant Land & Buildings HSD Oil etc and also post of Paid Vouchers Hence step up efforts in clearing the backlog It has also to be noted that with passage of time Points raised on Irregularities etc become irrelevant

Sd/ (K V Subba Rao)
CHIEF ACCOUNTS OFFICER

To
All the Dy Chief Accounts Officers
All the Executive Engineers
All the Accounts Officers

Copies to the FA CA and CE (C) I and CE (C) II

