

APS RTC

No W1/52(2)/96-AD

To
All the Executive Engineers
A P S R T C

O/o the VC & MD Finance Wing
Mushirabad Hyderabad
Dated 15 Jun 96

Sub Capitalisation of Expenditure on works Put into use without completion
Report Reg

Hitherto the procedure that is being followed by in CED is to Capitalise the works only after completion of all the items of work provided in the estimates of a particular Admn Sanction and also after issuing completion report The works that are partially completed and put into use are not being capitalised with the reason that the entire work is not completed

The A G while auditing the Annual Accounts has commented for non capitalisation of works that are partially completed and put into use

Therefore it is hereby instructed to capitalise the works that are partly completed and put into use with the expenditure incurred on such works till the date they are put to use so that depreciation can be claimed on such assets Such expenditure be booked to the newly prescribed AH No 1628 Buildings partially completed but brought into use till such time the entire project is completed in all respects After issue of completion report the entire amount be capitalised and booked to the respective capital asset Head duly with drawing the amount booked to AH No 1628 Buildings partially completed but brought into use

All the EEs are advised to follow the above instructions scrupulously

Sd/- (G Somasekhara Rao)
FINANCIAL ADVISER