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அரசு கணக்குகள் திணைக்களம்
Department of State Accounts

SA/AS/AA/Circular

12 .07.2013

All Secretaries to Ministries
Heads of Departments and
District Secretaries

Dear Sir / Madam,

Introduction of Code Numbers to Report Fixed and Current Assets in Accrual Based Accounting

This is further to the letter no. GFS/02 and dated 24.06.2013 with regard to accounting of fixed and current assets on Accrual Basis.

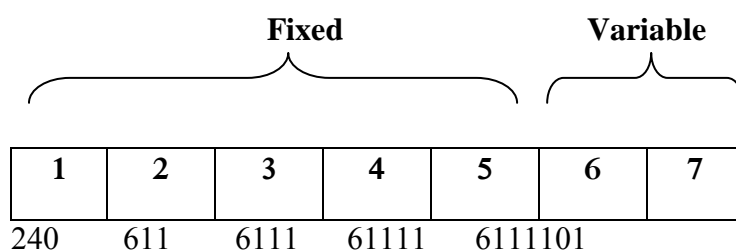
2. Accordingly, steps should be taken to include the value of fixed assets of each Ministry and Department i.e. Vehicles (2101), Furniture and Office Equipment (2102), Plant, Machinery and Equipment (2103), Buildings and Structures (2104) and Lands and Land Improvements (2105) in the books, as it has been planned to prepare accounts on Accrual Basis from the year 2013 as a pilot project. For this purpose, the Department of valuation has already initiated valuation of Buildings and Structures (2104) and Lands and Land Improvements (2105). Therefore, you are kindly informed to complete the valuation of respective Buildings and Lands with the assistance of the Departments of valuation within this year, if the said activity has not yet been completed.

2.1 Ministries and Departments should set up Independent Valuation Boards at their level and carry out valuation activities of other fixed assets except Lands and Buildings belong to the said institutions. Accordingly, action should be taken to include the cost of asset in the accounts, when the cost of asset could be identified, or include assessed value when the cost could not be identified.

2.2 At present, only the details regarding Vehicles, Furniture and Office Equipment and Plant, Machinery and Equipment in relation to the object codes 2101, 2102 and 2103 respectively are included in the Note (i), “Report of the Movement of Non-Current Assets” in preparation of Appropriation Account. However, details regarding Buildings and Structures (2104), Lands and Land Improvements (2105) should also be included in preparation of Appropriation Account in the year 2013. In addition, the amount indicated under additions of non-current assets during the year should be included as cash purchases and value assigned by other institutions separately together with the above information in preparation of Appropriation Account 2013. A format of Note (i) of the revised Appropriation Account is herewith submitted as Annexure I.

2.3 A coding system which could be implemented with the asset codes included in Government Finance Statistics (GFS) Manual 2001 is introduced in order to maintain the same method in accounting of fixed assets by all Ministries and Departments and to report the said assets through a computerized system and also to make the analysis of information on assets more convenient. The details in this regard are included in Annexure II. Accordingly, fixed and current assets belong to your institution should be classified according to code numbers and included in the assets register. Accounting activities of your institution would easily be carried out by using the new software developed for accounting of assets which has been included in new Computerized Integrated Government Accounting Programme (CIGAS).

2.4 The coding system is consistent with 7 main components as follows.



1 – Head No. of the Ministry / Department

2 – Main asset type

- I. fixed assets (611)
- II. stock (612)
- III. valuables (613)
- IV. non produced assets (614)

3 – Sub main assets under main asset type

Eg: Building and Structures under fixed assets (6111)

4 – Assets included in sub main assets type

Eg. Houses used as residences (61111)

5 – Other sub asset types included in “4” above.

Eg. Boathouses (6111101), Hotels and Restaurants (6111106)

In this manner, above mentioned codes of no.1 to 5 are fixed and no. 6 and 7 have been introduced in order to obtain information on assets of the respective institution conveniently as per their requirement. Fixed information on assets is used by the General Treasury to collect centralized data on assets and to prepare Account of the Republic at the end of the year.

2.5 In accordance with this new system of coding, new code no. 61121 for Vehicles (2101), code no. 61122 for Furniture and Office Equipment (2102) and Plant, Machinery and Equipment (2103), code no. 61112 for Buildings and Structures (2104) and code no. 614 for Lands and land Improvements (2105) have been introduced for Budget Estimates.

3. This circular letter is issued in order to introduce the new coding system in relation to fixed assets and thereby ensure the use of aforesaid code numbers for Buildings and Lands valued by the Department of valuation. Further, the asset management software has been introduced under New CIGAS programme. Therefore, you are kindly requested to forward any clarifications and suggestions in this regard to the Director of Accounting Services through the contact no. 011-2484753 or via E-mail arunak@treasury.gov.lk.

Yours faithfully,



N.G.Dayaratne

Director General

Department of State Accounts

Copies:

1. Auditor General
2. Director General – Department of Public Finance

Report of the Movement of Non-Current Assets - 2013

Note (i)

Expenditure Head No :

Name of Ministry / Department / District Secretariat :

Object Code & Assets Category		Asset Code & Name	Opening Balance as at 01/01/2013	Additions during the year		Disposals during the year *	Balance as at 31/12/2013
				By Purchasing **	By Transferring from Other Institutions		
					Rs.		
2101	Vehicles	* * *					
2102	Furniture and Office Equipments	* * *					
2103	Plant, Machinery & Equipments	* * *					
2104	Buildings and Structures	* * *					
2105	Land and land Improvements	* * *					
Grand Total							

(* Only in respect of assets acquired after 01/01/2004.)

(** Total value of this column should tally with the figures shown in annexure DGSA 4 of the Appropriation Account.

I hereby certify that the balance appearing as at 31.12.2013 is the balance of the assets acquired during the the year 2004-2013 after deducting the value of disposed items of assets if any and that those balances are tallying with values in the Fixed Asset register and that annual verifications of stores carried out in respect of the years have witnessed their physical existence.

Chief Accountant/Director(Finance)/ Commissioner(Finance)

Date :

Classification of Assets

Non Financial Assets	61
(1) Property Plant & Equipment	611
Building and Structures	6111
Dwellings	61111
House Boats	6111101
Garages	6111102
Mobile Homes	6111103
Housing Schemes/Flats	6111104
Rest Houses	6111105
Hotels and Restaurants	6111106
Quarters	6111107
Circuit Bungalows	6111108
Non Residential Building	61112
Office Building	6111201
Schools	6111202
Hospitals	6111203
Building for Public Entertainment	6111204
Warehouse	6111205
Airport	6111206
Crematorium	6111207
Markets	6111208
Laboratories and/Research Stations	6111209
Factories	6111210
Other Structures	61113
Highways, Streets, Road	6111301
Bridges	6111302
Tunnel	6111303
Railways,Subways	6111304
Air Field Runways	6111305
Harbors, Dams and Other Water Works	6111306
Structures Associated with Mining Subsoil Assets	6111307
Communication, Line, Power line and Pipelines	6111308
Outdoor Sport and Recreation Facilities	6111309
Sewerage Treatment Complex	6111310
Pumping Station	6111311
Farms and Agriculture related Assets	6111312
Machinery and Equipment	6112
Transport Equipment	61121
Passenger Vehicles	6112101
Cargo Vehicles	6112102
Agricultural Vehicles	6112103
Industrial Vehicles	6112104
Ambulance	6112105
Ships	6112106
Railway locomotives	6112107
Aircraft	6112108
Motor Cycles	6112109

Other Machinery and Equipment	61122
Office Equipment	6112201
Computer Equipment	6112202
Electrical Equipment	6112203
Communication Equipment	6112204
Furniture	6112205
Musical Instruments	6112206
Medical Equipment	6112207
Sports Equipment	6112208
Paintings, Sculptures and Other Antiques	6112209
Books, Periodicals and Journals	6112210
Laboratory Instruments	6112211
Industrial and Manufacturing Equipment	6112212
Construction Equipment	6112213
Broadcasting Equipment	6112214
Defence Equipment	6112215
Agricultural and Dairy Farm Equipment	6112216
Fire Protection Equipment	6112217
Other Non Financial Assets	6113
Work in Progress	61131
Biological Assets	61132
Intangible Assets	61133
Computer Software	6113301
Licenses	6113302
Patents & Copyrights	6113303
Trade Marks	6113304
Broadcast Rights	6113305
Service Contracts	6113306
(2) Inventories	612
Strategic Stock	6121
Other Inventories	6122
Raw Materials	61221
Work in Progress	61222
Finish Goods	61223
Goods for Resale	61224
(3) Valuables	613
(4) Non produced Assets	614
Land	6141
Urban or Built-Up Land	61411
Commercial and Services	6141101
Industrial	6141102
Transportation, Communication and Utilities	6141103
Mixed Urban	6141104
Agricultural	61412
Orchards	6141201
Vineyards	6141202
Ornamental Horticultural	6141203

Forest Land	61413
Deciduous Forest Land	6141301
Evergreen Forest Land	6141302
Mixed Forest Land	6141303
Water	61414
Streams and Canals	6141401
Lakes	6141402
Reservoirs	6141403
Bays and Estuaries	6141404
Wet Land	61415
Forested Wet Land	6141501
Non forested Wet Land	6141502
Barren Land	61416
Dry Salt Flats	6141601
Beaches	6141602
Sandy Areas Other than Beaches	6141603
Bare Exposed Rock	6141604
Strip Mines Quarries	6141605
Gravel Pits	
Subsoil Assets	6142
Other Naturally Occurring Assets	6143