

C I R C U L A R No. 105

Subject :-Moveable of value-showing them in accounts
after re-valuations.

It is noticed that Moveables of value like ornaments, gold and silver utensils, bullion and other valuable articles owned by religious trusts are being shown in the accounts at very old rates and such book values fail to reflect the current position in respect of these valuables.

2. Since the market value of these articles is not required to be shown in the prescribed forms of accounting returns, as it is the case of investments, it is not possible to know the real value of these articles, unless the trustees are specifically directed to show their market value each year. It is, however, not feasible for the trustees to get ornaments, etc., valued every year and to show the same at revised figures in the accounts to be submitted each year.

3. It is, therefore, considered essential that such articles should be got valued or revalued by experts at least once after the coming into operation of the Bombay Public Trusts Act, 1950, and thereafter every ten years and the revised value, giving the date of revaluation, shown by way of a foot-note below the Balance Sheet (Schedule –VIII) filled in the Public Trusts Registration Officers. It should be sufficient if necessary directions are issued to public trusts having a gross annual income of Rs. 10,000 and more. The Regional Officers are accordingly requested to direct the trustees and the auditors of such trusts to get all ornaments, gold and silver utensils, bullion

and other valuable articles freshly valued at Market rates in case the same have not been valued after the Bombay Public Trusts Act, 1950, came into effect, and to show the revised value in the Balance Sheet (Schedule –VIII) in the manner aforesaid.

4. Instructions in this behalf should be issued early so that the trustees and the trust auditors can carry out the directions in the current accounting year and the figure of revised valuation may be reflected in the Public Trusts Registration Officers next year. Regional Officers may at their discretion allow time to certain trusts to carry out the revaluation of the moveables. But this discretion should be used very sparingly and only for special reasons to be recorded by the trustees.

5. Instructions contained in this Circular will apply to religious trusts only; and moveables of value referred to herein include ornaments (not trinkets received in offering) gold and silver utensils, bullion and other valuable articles but does not include shares, securities and other moveables, representing trust investments meant purely for return of dividend, interest, etc.

Sumant C. Bhat.
Charity Commissioner, Bombay.

Dated :1st October, 1958.