



Mr Pike  
Mr Innes.  
Mr Thomas O/r  
Mr Butler  
~~Mr Eggleston~~  
Mr Kennedy  
Dr Coleman  
Mr Mower

Mr Cook  
£16.425

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QUEEN ANNE'S GATE LONDON SW1H 9AT

16 April 1985

Stuart,

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BBC ACCOUNTS.

Thank you for your letter of 4 April about the treatment of capital expenditure in your published accounts.

It is not really clear to me what your approach to Professor Liekerman is designed to achieve. Your officials have of course urged on mine their interpretation of Professor Liekerman's views. I took this into account, as well as the strongly contrasting views of the Head of the Government's Accountancy Service and a range of prominent academics in reaching my decision to ask you to revise your accountancy practice. I hope that you will accept that that decision was not taken lightly. The issue, after all, has been with us for a long time.

It therefore remains and will remain my policy that your accounts should reflect the depreciation of fixed assets, according to normal commercial practice, and that I should like to see this change embodied in your accounts for 1984/85. If Professor Liekerman's advice to you were to assist you in meeting these objectives, that would of course be useful.

Stuart

Stuart Young, Esq.