

CHECK POINTS FOR PREPARATION OF ANNUAL ACCOUNTS 2018-19

1.	Accepted Closing balance 2017-18	Tallied with Opening Balance 2018-19.
2.	Closing Bank Balance	Tallied with Closing balances shown in the R&P Account, Schedule 7. The break-up should be given properly in Annexure G (Old Format)
3.	Under Sch. 4 Current Liabilities & Provision , all expenses payable during Current Financial Year, but not paid,	This should be accounted for as Current liability on the basis of accrual accounting.
4.	'Grants received and refunded' in Schedule 9A	Tallied with grants received and refunded shown in R&P Account.
5.	Figures of 'Work in Progress' in R&P Account (New Format)	Tallied with Work in Progress in Schedule 5.
6.	"SUM" figures of each schedule	Tallied with Income & Expenditure Account and Balance Sheet (Assets & Liabilities)
7.	Amount Utilized towards 'Capital Expenditure' in Schedule 9, 9A and 9B	Tallied with R&P Account (New Format) against the head – 'Expenditure on Fixed Assets and Capital Work-in-Progress'. The same amount should be capitalized in Schedule-I 'Capital Fund'.
8.	Likewise the 'Establishment, Administrative, Research and Miscellaneous expenditure' in R&P Accounts	Tallied with 'Revenue Expenditure' in Schedule 9A & 9B.
9.	The book value reduced from fixed assets	Equal to the cash realized on sale of assets plus/minus, Profit/loss on sale.
10.	Unutilized Govt. Grant, NAHEP and AP Cess fund in Schedule 9A.	Tallied with under 'Current Liabilities' in Schedule 4.
11.	In case of any negative balance under the head of Govt. Grant in Schedule 9A	This amount is to be added under "Claim Receivable" at Sch. 7 and not to be accounted for in Sch. 4 under "Unutilized grants from Govt. of India – to be refunded -Govt Grant".
12.	According to 7th CPC, the Scientific arrear payment for the year 2018-19, the break-up of funds received from Ministry of Finance (Govt. Grant)	To be shown in Sch. 9A and the remaining funds as allocated from "Additional amount provided by ICAR Hqrs. out of Council's share during 2018-19" to be shown in Sch. 9B.

13.	Annex. to Sch. 9A	<ul style="list-style-type: none"> • Scheme exp. +Institute Exp. From the Annex. to Sch. 9A to be tallied with Capital + Revenue Exp. In Sch. 9A of Annual Accounts. • It is mandatory to check that the Scheme Code & PFMS Code tally with the codes assigned by to respective Schemes by the Council. • Funds received from the outside sources/agencies are not to be included in the ICAR Schemes in Annex. to Sch. 9A.
14.	If the Grants under Govt. Grant, NAHEP and AP Cess fund are utilised in excess of remittance	The same may be shown under Current Assets (Claim Receivable) in Schedule 7B
15.	The recoverable amount of loan and advances in Schedule 7B	This should also be shown in Schedule 4 as the same is refundable to the Council.
16.	Recovery of accrued Interest on Loans and Advances, if any, will not be taken as Revenue in Income and Expenditure Account but will be reduced from accumulated accrued Interest figure of last year in Balance Sheet	The current year figure will be worked out by taking Opening Balance of accrued interest + accrued interest during the year – Recovery of accrued interest during the year. However, the interest recovered during current year pertaining to loans and advances disbursed during the year will be shown as interest on loans and advances directly in the income schedule of Income & Expenditure Account.
17.	The total of all Negative Closing balances of any Sponsored Projects/schemes as shown in Sub-Schedule to Schedule 4	The same should be taken to Schedule 7B "Claim Receivable" , whereas only sum of Positive Closing balances should be shown in Schedule 4, Current Liabilities & Provisions No. A.7(c). Netting off, of the negative and positive closing balances should not be carried out.
18.	Progeny of livestock will be valued for the expenditure for their upkeep & feed and are shown as asset.	This should be shown as ' Capital Expenditure ' in Capital Reserve in Schedule 2 and simultaneously in Schedule 5 of Balance Sheet.
19.	If there are outstanding expenses like outstanding salaries etc. related with the current financial year but not paid during the year.	The same may be added under the relevant schedule of expenditure in Income & Expenditure Account and the same will be shown as current liabilities in Schedule 4 of the Balance Sheet. Accordingly, past liabilities which have been liquidated in current year will get reduced from Schedule 4 and only unsettled liabilities will be carried forward in next year's accounts. Similarly, if there is accrued income like accrued interest on Loans & Advances, the same may be added under the relevant schedule of income in Income & Expenditure Account and the same would be shown in Current Assets in Schedule 7 of the Balance Sheet.

20.	Land Status (Schedule 5)	<ul style="list-style-type: none"> - The value of land has to be mandatorily shown in Sch-5, Fixed Asset by all units as provided in the format under the "Freehold" or "Leasehold" category as applicable. Further in case of leasehold land, where the value has become Zero/Nil after amortization or is categorized as "gifted land" the same should be shown at a Nominal value of Rs. 1/- in the annual accounts and details of the same may be brought in Notes to Accounts in such cases. It may be ensured that no annual account is submitted with 'Nil' balance showing under Land in Schedule-5 by any unit, if it possesses Land. If not, suitable disclosure in notes to accounts would be necessary. - Details of all the assets added/ acquired/ capitalized during the Current Financial Year in Schedule-5, under "Others" should be disclosed in Notes to Accounts. As far as possible, assets should be classified under different Sub-heads and use of "Others" should be minimized.
21.	The funds received and utilized towards "Loans & Advances"	This must be shown in Schedule 9B only .
22.	The expenditure out of Internal Resources Generation and ICAR Hqrs' share	These should be clubbed and shown in Schedule 16, 17, 18 and 20 of Income & Expenditure Account .
23.	The advances given for purchases/works, T.A. / L.T.C. etc.	This should be deducted from the relevant head of expenditure schedule under Income & Expenditure Account and the same figure should be shown in Schedule 7 under Current Assets . Accordingly, the past advances which have been adjusted in the current year will be carried forward in next year accounts .
24.	Prepaid expenses	Prepaid expenses on the basis of Accrual Accounting. This should be deducted from the relevant head of expenditure under Income & Expenditure Account and the same figure should be shown in Schedule 7 under Current Assets .
25.	Detailed break up of Institute Scheme expenditure and releases made out of Schemes to ICAR Units/SAUs	This may be attached in prescribed format (Annexure to Schedule 9(A-1)).

26.	Status of Advances given out of Government Grant during 2017-18 and which are unsettled till 31.03.2018	This may be furnished in Annexure to Schedule 7 . 'It may be noted that ONLY advances given out of Government Grants alone during 2018-19 and the ones remaining unsettled till 31.03.2019 out of such advances should be included in this annexure'. THIS FIGURE WOULD NOT TALLY WITH THE ONES SHOWN IN SCHEDULE 7B unless your institute was established during 2018-19.
27.	Scheduled 22 and Schedule 23 related to Significant Accounting Policy and Notes to Accounts	This must invariably be attached with the Annual Accounts .
28.	Adjustment from Capital Fund: Schedule – 1: Schedule – 2:	<p>The adjustment Permitted from Capital Fund from the Council is to the extent of ('Revenue Resource Generated at Unit' (-) 'Revenue utilized towards Revenue Expenditure' (-) 'Recovery of Loans & advances')</p> <p>The assets acquired/donated out of Sponsored Projects fund has been discontinued therefore closing balances for the year 2016-17 of Capital Reserve in Schedule-2 would be shown as additions to the Capital Fund in Schedule-1. Details of such adjustments would have to be disclosed in Schedule-23 Notes to Accounts. Any other adjustment made out of Capital Fund may be explicitly disclosed in Schedule-23 Notes to Accounts. "It may be noted that no balancing figure adjustment would be permitted in Capital Fund".</p>
29.	In Schedule 23, Notes to Accounts	<ul style="list-style-type: none"> • Full disclosures relating to "Capital contracts remaining to be executed, Contingent Liabilities i.e. Claims against the entity not acknowledged as debts, court cases/disputed liabilities which have not been admitted and being contested, Outstanding Letter of Credit opened by the bank on behalf of ICAR and pending, disputed demands of statutory dues" etc. to be disclosed in 'Notes to Accounts and appended with Annual Accounts'. • The depreciation charged for Assets shown under "Others" in Sch.5 is to be maintained at 10% per annum. The same will also be reflected in the Notes to Accounts. Assets booked under 'Others' may be shown item wise in the Notes to Accounts. The sub-head "Others" should be used sparingly. As far as possible, Assets should be classified under the various sub-heads.

		<ul style="list-style-type: none"> The reference of GPF Accounts which is maintained separately in the unit has to be included in the 'Notes to Accounts'. The replies to Audit Observations of the Separate Audit Report 2017-18 need to be mentioned in Notes to Accounts (Sch. 23) mandatorily.
30.	Schedule 5A	The opening balance to Schedule 5A is to be taken from "Annexure to Schedule 5A".
31.	Interest on FDR/TDR	This may be accounted for on accrual basis. However, interest on Savings Bank Account may be accounted for on cash basis, wherever the banker is unable to provide such details of accrued interest.
32.	Furnish project/scheme wise list of funds released to State Agricultural Universities/ other agencies outside ICAR and status of provisional UCs in the prescribed format, i.e. Annexure to Schedule-19	<ul style="list-style-type: none"> Annual Accounts must invariably carry the information sought in the table below Schedule-19 and also in Annexure-19. (Break-up of releases made in 3 heads i.e. 'Grant in Aid Capital', 'Grant in Aid Salaries' and 'Grant in Aid General' MUST be indicated in the Annexure-19 as desired by Financial Advisor, ICAR) Details of Grants given under the head of G-I-A Capital, Salaries and Revenue to be tallied with the summary of Detailed Expenditure (Annexure to Sch. 19).
33.	Swachh Bharat Mission	The expenditure of Up-keeping of office and residential campus, Up-keeping and cleanliness of Institute farm, Housekeeping of Institute Guest House and other such activities, Recycling of waste material towards reducing garbage and Expenditure related to any other activities taken towards cleanliness is to be depicted separately in Swachh Bharat Mission at the Bottom of 'Annexure B'.
34.	Bank Reconciliation Statement	A copy of BRS for the month of March 2018 of all bank accounts operational in the unit must be attached along with the Annual Account 2017-18. This should match with closing balance shown in R&P and Schedule 7 Current Asset.