**INDIAN COUNCIL OF AGRICULTURAL RESEARCH**

**NEW DELHI-110001**

**CHECK POINTS FOR PREPARATION OF ANNUAL ACCOUNTS 2015-16**

1. All accepted closing balance of previous year should be tallied with the Opening balances of current year, wherever applicable.
2. Closing Bank Balances should tally with closing balances shown in the R&P Account,schedule 7. The break-up of such closing balance should be given properly in Annexure G(Old format).
3. Grants received and refunded as shown in Schedule 9A should tally with grants received and refunded shown in R&P Account.

4. Figures of Work in Progress as given in R&P Account new format should tally with figures in Schedule 5 Work in Progress during the year.

5. It may be ensured that the sum figures of each schedule matches with the ones shown inIncome and Expenditure account and the balance sheet - Assets and Liabilities.

6. The amount utilized towards Capital Expenditure as shown in Sch. 9, 9A and 9B should matchwith the ones shown in R&P A/c (New format) against the head – “Expenditure on FixedAssets and Capital Work-in-Progress”. Further, the same amount should be capitalized inSchedule I – Capital Fund.

7. Likewise the Establishment, Administrative and Research and Miscellaneous expenditure in Receipt & Payments Account should also tally with Revenue Expenditure as shown inSchedule 9A & 9B.

8. The book value reduced from fixed assets should be equal to the cash realized on sale of assetsplus/minus, loss/profit on sale.

9. Unutilized Plan, Non Plan, AP Cess fund in Sch. 9-A should tally with Sch. 4 under currentliabilities. On the contrary if the grants under Plan, Non-Plan, A.P.Cess fund are utilized inexcess of remittance, the same may be shown in Sch.7-B under current assets (claim receivable).

10. The recoverable amount of loan and advances as shown in Schedule 7 B should also be shownin Schedule 4 as the same is refundable to the Council.

11. Recovery of accrued Interest on Loans and Advances, if any, will not be taken as Revenue inIncome and Expenditure Account but will be reduced from accumulated accrued Interestfigure of last year in Balance Sheet. The current year figure will be worked out by takingopening balance of accrued interest + accrued interest during the year -Recovery of accruedinterest during the year. However, the interest recovered during current year pertaining toloans and advances disbursed during the year will be shown as interest on loans and advancesdirectly in the income schedule of Income & Exp. Account.

12. Progeny of livestock will be valued for the expenditure for their upkeep & feed and are shownas asset. It should be shown as Capital Expenditure in Capital Reserve in Sch.2 and simultaneously in Sch.5 of Balance Sheet.

13. If there are outstanding expenses like outstanding salaries etc. related with the currentfinancial year but not paid during the year, the same may be added under the relevant scheduleof expenditure in Income & Expenditure Account and the same will be shown as currentliabilities in Sch.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 Sch. 7of the Balance Sheet.

14. The funds utilized towards Loans & Advances must be shown in Schedule 9B.

15. The expenditure out of Internal Resources Generation and ICAR Hqr’s share should be clubbed and shown in Schedule 16, 17, 18 and 20 of Income & Expenditure Account.

16. The advances given for purchases/works, T.A./L.T.C. etc. should be deducted from therelevant head of expenditure schedule under Income & Expenditure Account and the same figure should be shown in Sch.7 under Current Assets. Accordingly, the past advances which have been adjusted in the current year will get reduced from Schedule 7 and only unsettled advances will be carried forward in next year accounts.

17. Prepaid expenses should be deducted from the relevant head of expenditure under Income &Exp. Account and the same figure should be shown in Sch. 7 under Current Assets.

18. Detailed break up of Institute Plan and Plan Scheme expenditure and releases made out of Plan Schemes to ICAR Units/SAUs may be attached in prescribed format (Annexure to Sch.9(A-1).

19. Detailed break up of Institute Non-Plan and Non Plan Scheme expenditure may be attachedin prescribed format (Annexure to Sch.9 (A-2).

20. Status of Advances given out of Government Grant during 2015-16 and which are unsettledtill 31.3.2015 may be furnished in Annexure to Schedule 7. It may be noted that ONLYadvances given out of GOVERNMENT GRANTS alone during 2015-16 and the ones remaining unsettled out of such advances should be included in this annexure. THIS FIGURE WOULD NOT TALLY WITH THE ONES SHOWN IN SCHEDULE 7B unless yourinstitute was established during 2015-16.

21. Schedule 22 and Schedule 23 related to Significant Accounting Policy and Notes to Accountsmust invariably be attached with the Annual Accounts.

**22. Adjustment from Capital Fund:**

**1. 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’].**

**2.** The assets acquired/donated out of Sponsored Projects fund has been discontinuedtherefore closing balances for the year 2013-14 of Capital Reserve in Schedule 2 would beshown as additions to the Capital Fund in Schedule 1. Details of such adjustments would havebe 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.***

23. In Schedule 23, Notes to Accounts full disclosures relating to Capital Contracts remaining tobe 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, disputeddemands of statutory dues etc disclosed in Notes to Accounts and appended with AnnualAccounts.

24. The funds being capitalized out of funds received from externally funded / SponsoredProjects/ Schemes i.e. Funds utilized for Capital Expenditure may be shown in Capital Fundfor which a new line has been added in Schedule 1. However, the closing balance 2013-14 ofSchedule 2-Capital Reserve being transferred to Schedule i-Capital Fund should be shownagainst the head 'Less/Add: Adjustments to/from Capital Fund'.

25. From financial year 2015-16, the units of ICAR would now shift the balances pertaining tosponsored projects/schemes from Schedule 3 to Schedule 4-Current Liabilities & Provisions-A. Current Liabilities-7. Other Schedule 3 Current Liabilities-(C) Receipts against ongoingsponsored/ consultancy/ projects (Net) from the financial year 2015-16 onwards. The unitswill also require to support this figure with a Sub-schedule giving details of such sponsoredprojects/schemes, i.e.sub-Schedule-4. With this modification, Schedule-3 would contain onlyEarmarked and Endowment Funds for which the details of such funds will be provided byunits in Sub-Schedule-3.

26. A sub-schedule to Schedule 3 introduced earlier has been modified for providing details aboutEarmarked and Endowment funds exclusively in each category. *(Pls refer instruction for preparation of AA 2015-16 -Annexure-II)*

27. A sub-schedule to Schedule 4 has been introduced for providing details about SponsoredProjects (R-Deposit schemes). This should match with the balances shown in Annexure-G(Deposit Schemes). (*(Pls refer instruction for preparation of AA 2015-16 -*Annexure-III)

28. The closing balance of Sponsored Projects are to be shown as described in Para 30 above.

29. Interest on FDR/TDR may be accounted for on accrual basis. However, interest on SavingsBank Account may be accounted for on cash basis, wherever the banker is unable to providesuch details of accrued interest.

30. Since, Schedule 2 has been merged with Schedule-l, entire depreciation reflected in Schedule5 would be charged to Income & Expenditure Account.

31. Please 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 Sch.19. Annual Accounts must invariably carry the information sought in thetable 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 andGrant in aid General* ***MUST*** *be indicated in the Annexure-19 as desired by Financial Advisor,ICAR)*

32. **A copy of BRS for the month of March 2016 of all bank accounts operational in the unit mustbe attached along with Annual Account 2015-16.**