

Adoption of Common format of Accounts by the Societies/Trusts/missions etc. under various Government Departments from Financial Year 2013-14.

**Government of Gujarat
Finance Department**

Circular No. MIS-10-2013-471874-GOC

Sachivalaya, Gandhinagar.

Date: 22th August, 2013.

CIRCULAR

Read: (1) Finance Department GR No. NKM-10-2013-797016-T Dated 21-04-2012.

(2) Accountant General (Civil Audit) DO. No. OAD-IV/CFA/OW-175 Dated 6-02-2013.

Government organization Cell is set up in the Finance Department vide resolution quoted at (1), monitoring the matters relating to Societies/Trusts/Missions etc. In this context, the matter to adopt uniform format of accounts for all autonomous bodies of the State was under consideration of Government. Accordingly, the uniform format of account have been circulated vide e-mail Dated. 7.5.2013 to all ACS/PS/Secretaries of all Departments for reference.


It has now been decided to adopt uniform format of accounts in order to ensure uniformity, transparency and comparability of accounts for all autonomous bodies of the State.

In view of the above, it is hereby directed to all the State Autonomous bodies (Societies/Trusts/Missions etc.) to ensure that the accounts for financial year 2013-14 and thereafter be prepared, finalized, audited and submitted to Government in the uniform format of accounts enclosed herewith.

All the administrative departments may ensure that sanctioning authorities enforce & ensure the conditionality of maintenance and submission of annual accounts by Autonomous bodies (Societies/Trusts/Missions etc.) in the uniform format, before releasing grant-in-aid to them.

A suitable amendment to Gujarat Financial Rules (GFR)1971 in Chapter-7 Grant in aid is being made by the Finance Department.

Encl:-Annexure-A (Common Format of Accounts)


(B.S.Mistry)
Section Officer
Finance Department

Copy to:-

- 1.P.P.S. to Chief Secretary, Gujarat, Gandhinagar.
- 2.P.P.S. to Principal Secretary, Finance Department, Gandhinagar.
3. P.S. to Principal Secretary(E.A.)Finance Department, Gandhinagar.
- 4.P.S. to Principal Secretary(Expd.),Finance Department, Gandhinagar.
- 5.All ACS/PS/Secretaries of All Departments (With a request to inform all Societies/Trusts/Missions etc. under their administrative control).
- 6.P.S.to Additional Secretary & Commissioner (BPE),Finance Department, Gandhinagar.
- 7.All HoDs of All departments.
- 8.The Accountant General(Civil Audit),Gujarat, Rajkot/Ahmedabad.
9. The Director of Accounts & Treasuries, Gandhinagar.
- 10.The Examiner, Local fund Audit, Gujarat, Gandhinagar.
- 11.All Joint Secretary/Deputy Secretaries, Finance Department.
12. All Under Secretaries, Finance Department, Gandhinagar.
- 13.Section Officer of All Branches, Finance Department, Gandhinagar.
- 14.Branch Select File.

Uniform Format of Accounts for the Central Autonomous Bodies

Session Overview

We have so far covered our discussion on legal mandate for taking up of audit of autonomous bodies; audit objective, audit scope and audit process involved in audit of financial statements of autonomous bodies and different and important Accounting Standards applicable to autonomous bodies while preparing or presenting their financial statements.

In this session we will discuss the format of accounts applicable to the Autonomous Bodies.

Companies Act, 1956 specifies the format in which companies registered under the Act are to prepare and present their financial statements. A uniform format has been prescribed in the Act for the companies so that persons interested in and users of information contained in the financial statements are in a position to appreciate and comprehend the data in the context in which the company has presented the data. Autonomous Bodies may or may not be registered under the Companies Act, 1956. If they are registered under the Companies Act, 1956 they have to follow the provisions of the Act (including format for financial statements) for preparing and presenting their financial statements. However, if they are not registered under the Companies Act, they need not follow the provisions of the Act for presenting their financial statements.

Autonomous Bodies are usually non-profit organizations engaged in different and diverse activities. They receive substantial amounts of grants and/or loans from the

Governments at Center and in the States. Till recently there was no set standard of form for preparation and presentation of accounts. It was also observed that the method of presentation of accounts by them was totally dismal and not keeping with the requirements of transparency and exposure of professional skill of these organizations. They did not give a lucid presentation of their accounts and large number of items of accounts in all such organizations generally remained incomplete, unscrutinized and in arrears for several years.

In view of this problem, Parliamentary Committee on Papers in its 60th Report laid on the table of Rajya Sabha on 27th March 1998 felt that there is an urgent need of reviewing the method of presentation of accounts by the Central Autonomous Organizations and impressed upon the Government to set up a Committee of Experts to work out a format prescribing a standard norms of accounts to bring similarity and transparency in the presentation of their accounts.

The Ministry of Finance accordingly constituted a Committee of Experts on 26th May 1999 (committee reconstituted on 9th February 2000) to give their recommendation on different matters relating to accounts. The committee submitted its report to the Government on 15th November 2000. The report also contained a uniform form of Financial Statements for the Central Autonomous Bodies.

In this session we will discuss the recommendations of the Committee of Experts and also the recommended uniform form of financial statements applicable to central autonomous bodies.

Indian Audit and Accounts Department

Courseware on Financial Audit of Autonomous Bodies

Session: 9 – Uniform Format of Accounts for Central Autonomous Bodies

Learning Objective

At the end of the session, the learner will be able to state the different recommendations of the Committee of Experts set up by Government of India on the recommendations of the Parliamentary Committee on Papers and also the uniform form of Financial Statements applicable to Central Autonomous Bodies, to the extent that he or she will be able to apply these recommendations and uniform format while preparing the financial statements of Central Autonomous Bodies.

Terms of Reference of the Committee of Experts

The terms of reference of the Committee of Experts constituted by the Government of India were as follows:

- i. To prescribe a standard or model format of accounts and accounting reports which Central Autonomous Organizations could adopt.
- ii. To suggest measures to enable clarity, transparency and simplicity in the presentation of accounts of such organizations.
- iii. To suggest measures to enable evaluation through the accounts to the extent of achievement of socio-economic objectives of the organization, especially with regard to grants released by the Government.
- iv. Any other matters, which would enhance analytical and effective presentation of accounts of autonomous organizations.

Major issues/deviations noticed by the Committee in preparation and presentation of financial statements by some autonomous organizations

The Committee of Experts examined the recent financial statements of most of the autonomous organizations, obtained their comments and observed that (only major issues are indicated here):

1. *In most of the cases accounts are maintained on cash basis and not on accrual basis.*

The committee had observed that most of the organizations prepared their accounts on cash basis, the major disadvantage being that it does not provide adequate distinction between capital and revenue and its recoding of assets and liabilities remains incomplete. Besides, some of the organizations were maintaining accounts on a combination of cash systems and accrual system of accounting and, thus, making a comparative study of accounts of various autonomous bodies impossible. Also in this way, uniformity, comparability and transparency are missing in the accounting information system

2. *Fixed assets are not depreciated in case of some entities.*

In accrual accounting, Fixed Assets are to be shown net of depreciation, such depreciation being spread over their useful life, and the annual amount of depreciation is added to the operative cost as cost for that year. Without the provision for depreciation, the 'True and Fair View' of financial position of the organization cannot be established.

3. *For income-tax exemptions, certain accounting treatments will be required.*

In order to avail income tax exemptions, the NGOs are to keep investible funds in the prescribed mode and they are refrained from lending money to other bodies. The Income Tax Act also provides provision

for depreciation to be made by following 'written down value' method.

Recommendations of the Committee of Experts

The Committee of Experts appointed by the Government of India (on 26th May 1999/9th February 200) submitted their recommendation to the Government on 15th November 2000. The Committee made the following recommendation:

1. ***All the autonomous organizations should follow one common format for its accounting and presentation of accounting information.***

The Committee recommended a uniform format of 'Financial Statements for the Central Autonomous Bodies (Non-profit organizations and similar institutions)'. The Committee recommended a standard format for the 'Balance Sheet', for the 'Income and Expenditure Account', for the schedules to the above financial statements, and a standard format for the 'Statement of Receipts and Payments'. Since the autonomous bodies are run as non-profit organizations, the preparation and presentation of information in the 'Profit and Loss Account' was not considered necessary. The recommended uniform format of accounts will be discussed in detail later in this session.

2. ***Within the common format of accounts, further additional information may be given as is prescribed for the Central Universities and other Educational Institutions and for the District Rural Development Agencies.***

Autonomous bodies work in diverse fields. In order to enable the Central Universities and other educational institutions and

District Rural Development Agencies to present complete information in their financial statements, the Committee recommended that these organizations may provide additional information within the recommended format of accounts or they may be asked (by Ministries, etc.) to provide additional information.

To avoid any rigidity in approach to the preparation of financial statements the Committee has taken care in prescribing that the suggested formats shall be adhered to subject to any special features applicable in certain cases and specialized entities, and the statements can be prepared in the formats, or as near thereto as possible. The formats need not, therefore, be viewed as rigid in that there is some degree of flexibility in their adoption. This format does intend to give an overall structure in which the autonomous organizations are expected to generate necessary information for the management, the Government and other users of financial information.

3. ***The Financial Statements and its schedules will provide full disclosure of the organization and all its accounting information.***

The recommended formats of financial statements and the recommended schedules have been so designed by the Committee of Experts that they will provide full disclosure of the organization and all the accounting information. Otherwise also the recommendation makes it mandatory for the organizations to provide complete information about the organization and the accounting information, should it be not provided in the recommended uniform formats.

4. *The Accounting will be based on the principle of 'Accrual System of Accounting' and the concept of 'Going Concern' will have to be maintained.*

These two principles stated by the Committee of Experts are the underlying assumptions while preparing or while presenting financial statements. Under the 'Accrual System of Accounting' the effects of transactions and other events are recognized when they occur (and not as cash or cash equivalent is paid or received) and they are recorded in the accounting records and reported in the financial statements of the periods to which they relate. The concept of 'Going concern' recognizes the fact that the organization is a going concern and will continue in operation for the foreseeable future.

5. *Provision for Depreciation on Fixed Assets is to be made applicable in respect of all the autonomous Organizations.*

This recommendation is in line with the earlier recommendation on 'Accrual Basis of Accounting' in as much as the use of fixed assets in operations and working of an organization should be recognized in the period in which the assets is used and over the useful life of an asset.

6. *The committee recommends that the Financial Statements for the Central Autonomous Organizations be prepared and presented in the formats recommended. The formats should be made applicable for all accounting years commencing on or after 1.4.2001. Earlier application is encouraged.*

This recommendation is in sequel to the recommendation No. 1. The recommended

format of accounts will be discussed at length later in this session.

Use of common format for financial statements

Central Autonomous Bodies are required to compile their accounts henceforth (from the accounting year 2001-02) in the common format. However, in case of autonomous bodies governed by separate Acts where the Comptroller and Auditor General of India is the sole auditor, format of accounts earlier received from the Government and duly approved may remain unchanged.

Recommended format for financial statements

The Committee recommended that the financial statements for the Central Autonomous Organizations be prepared and presented in the formats and in the manner given hereunder:

- i) Balance Sheet
- ii) Income and Expenditure Account
- iii) Schedules to the above Financial Statements
- iv) Disclosure of 'significant Accounting Policies'
- v) Disclosure of further information through 'Note on Accounts'
- vi) Statement of Receipts and Payments

Each component of Financial Statements is to contain financial information for the current year with comparative figures for the previous year. The financial figures are to be expressed and stated in whole rupees.

1. Balance Sheet

The format of the balance sheet has been suggested as under:

Form of Financial Statements (Non-profit organizations)

Name of Entity _____

BALANCE SHEET AS AT _____

(Amount – Rs)			
	Schedule	Current Year	Previous Year
CORPUS/ CAPITAL FUND AND LIABILITIES			
Corpus/Capital Fund	1		
Reserves and Surplus	2		
Endowment Funds	3		
Secured Loans and Borrowings	4		
Unsecured Loans and Borrowings	5		
Deferred credit Liabilities	6		
Current Liabilities and Provisions	7		
Total			
ASSETS			
Fixed assets	8		
Investments -earmarked/endowment funds	9		
Investment -others	10		
Current Assets, Loans and Advances, etc.	11		
Miscellaneous expenditure (to the extent not written off or adjusted)			
Total			
Significant accounting policies	24		
Contingent liabilities and Notes on Accounts	25		

From the format for Balance Sheet it is observed that the Autonomous Bodies are to present their information about all the Assets and Liabilities, and the information in it is to be explained in the schedules.

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Income and Expenditure Account

The prescribed format of the Income and Expenditure Account is as under:

Name of Entity _____

INCOME AND EXPENDITURE ACCOUNT FOR THE PERIOD/YEAR ENDED -----

	Schedule	(Amount – Rs)	
		Current Year	Previous Year
INCOME			
Income from Sale / Services	12		
Grants/ Subsidies	13		
Fees/ Subscriptions	14		
Income from Investments (Income on Invest. from earmarked/endow. Funds transferred to Funds)	15		
Income from Royalty, publication etc.	16		
Interest Earned	17		
Other Income	18		
Increase/ (decrease) in stock of Finished goods and works-in-progress	19		
TOTAL (A)			
EXPENDITURE			
Establishment Expenses	20		
Other Administrative Expenses etc.	21		
Expenditure on Grants, Subsidies etc.	22		
Interest	23		
Depreciation (Net total at the year-end-corresponding to Schedule 8)			
TOTAL (B)			
Balance being excess of Income over Expenditure (A-B)			
Transfer to Special Reserve (Specify each)			
Transfer to / from General Reserve			
BALANCES BEING SURPLUS/ (DEFICIT) CARRIED TO CORPUS/CAPTIAL FUND			
SIGNIFICANT ACCOUNTING POLICIES	24		
CONTINGENT LIABILITIES AND NOTES ON ACCOUNTS	25		

From the format for Income and Expenditure Account it is observed that the Autonomous Bodies are to present their information about all the sources of income and expenditure pertaining to the period, and the information in it is to be explained in the schedules.

2.Receipts and Payments Account

The prescribed format of the Receipt and payment account is as under:

FORM OF FINANCIAL STATEMENTS (Non – PROFIT ORGANISATIONS)

Name of Entity _____

RECEIPTS AND PAYMENTS FOR THE PERIOD /YEAR ENDED _____

(Amount –Rs)

RECEIPTS	CURRENT YEAR	PREVIOUS YEAR	PAYMENTS	CURRENT YEAR
<u>I. Opening Balances</u> a) Cash in hand b) Bank Balances i) In current accounts ii) In deposit accounts iii) Savings accounts <u>II. Grants Received</u> a) From Government of India b) From State Government c) From other sources (details) (Grants for capital & revenue exp. To be shown separately). <u>III. Income on Investments from</u> a) Earmarked/Endow. Funds b) Own Funds (Other Investment) <u>IV. Interest Received</u> a) On Bank deposits b) Loans, Advances etc. <u>V. OTHER INCOME (SPECIFY)</u> <u>VI. Amount Borrowed</u> <u>VII. Any other receipts (give details)</u>			<u>I. Expenses</u> a) Establishment Expenses (corresponding to Schedule 20) b) Administrative Expenses (corresponding to Schedule 21) <u>II. Payments made against funds for various projects</u> (Name of the fund or project should be shown along with the particulars of payments made for each project) <u>III. Investments and deposits made</u> a) Out of Earmarked/Endowment funds b) Out of Own Funds (Investments-Others) <u>IV. Expenditure on Fixed Assets & Capital Work-in-Progress</u> a) Purchase of Fixed Assets b) Expenditure on Capital Work-in-progress <u>V. Refund of Surplus money/Loans</u> a) To the Government of India b) To the state Government c) To other providers of Funds <u>VI. Finance Charges (Interest)</u> <u>VII. Other Payments (Specify)</u> <u>VIII. Closing Balances</u> a) Cash in hand. b) Bank Balances. i) In current accounts ii) In deposit accounts iii) Savings accounts.	
TOTAL			TOTAL	

Form of Financial Statements (Non-profit organizations)

Name of Entity

BALANCE SHEET AS AT

	Schedule	(Amount – Rs)	
		Current Year	Previous Year
CORPUS/ CAPITAL FUND AND LIABILITIES			
CORPUS/ CAPITAL FUND	1		
RESERVES AND SURPLUS	2		
EARMARKED/ ENDOWMENT FUNDS	3		
SECURED LOANS AND BORROWINGS	4		
UNSECURED LOANS AND BORROWINGS	5		
DEFERRED CREDIT LIABILITIES	6		
CURRENT LIABILITIES AND PROVISIONS	7		
TOTAL			
ASSETS			
FIXED ASSETS			
INVESTMENTS – FORM EARMARKED/ENDOWMENT FUNDS	8		
INVESTMENTS – OTHERS	9		
CURRENT ASSETS, LOANS, ADVANCES ETC.	10		
MISCELLANEOUS EXPENDITURE	11		
(to the extent not written off or adjusted)			
TOTAL			
SIGNIFICANT ACCOUNTING POLICIES			
CONTINGENT LIABILITIES AND NOTES ON ACCOUNTS	24		
	25		

(1)

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FORM OF FINANCIAL STATEMENTS (NON – PROFIT ORGANISATIONS)

Name of Entity _____

INCOME AND EXPENDITURE ACCOUNT FOR THE PERIOD / YEAR ENDED _____ (Amount – Rs)

	Schedule	Current Year	Previous Year
INCOME			
Income from Sale / Services	12		
Grants/ Subsidies	13		
Fees/ Subscriptions	14		
Income from Investments (Income on Invest. from earmarked/endow.	15		
Funds transferred to Funds)	16		
Income from Royalty, publication etc.	17		
Interest Earned	18		
Other Income	19		
Increase/ (decrease) in stock of Finished goods and works-in-progress			
TOTAL (A)	20		
EXPENDITURE	21		
Establishment Expenses	22		
Other Administrative Expenses etc.	23		
Expenditure on Grants, Subsidies etc.			
Interest			
Depreciation (Net Total authorities the year-end- corresponding to			
Schedule 8)			
TOTAL (B)			
Balance being excess of Income over Expenditure (A-B)			
Transfer to Special Reserve (Specify each)			
Transfer to / from General Reserve			
BALANCES BEING SURPLUS/ (DEFICIT) CARRIED TO			
CORPUS/CAPITAL FUND	24		
SIGNIFICANT ACCOUNTING POLICIES	25		
CONTINGENT LIABILITIES AND NOTES ON ACCOUNTS			

Name of Entity _____

SCHEDULES FORMING PART OF BALANCE SHEET AS AT _____

	(AMOUNT – RS)	
	Current Year	Previous Year
SCHEDULE 1- CORPUS/CAPTIAL FUND:		
Balance as at the beginning of the year		
Add: Contributions towards Corpus/Capital Fund		
Add/(Deduct): Balance of net income/ expenditure transferred from the Income and Expenditure Account		
BALANCE AS THE YEAR –END		

	(AMOUNT – RS)	
	Current Year	Previous Year
SCHEDULE 2-RESERVES AND SURPLUS:		
1. Capital Reserve:		
As per last Account		
Addition during the year		
Less: Deductions during the year		
2. Revaluation Reserve:		
As per last Account		
Addition during the year		
Less: Deductions during the year		
3. Special Reserves:		
As per last Account		
Addition during the year		
Less: Deductions during the year		
3. General Reserve:		
As per last Account		
Addition during the year		
Less: Deductions during the year		
TOTAL		

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FORM OF FINANCIAL STATEMENTS (NON – PROFIT ORGANISATIONS)

SCHEDULES FORMING PART OF BALANCE SHEET AS AT	FUND – WISE BREAK UP				(AMOUNT – RS)	
	Name of Entity				TOTALS	
	Fund WW	Fund XX	Fund YY	Fund ZZ	Current Year	Previous Year
SCHEDULE 3-EARMARKED/ENDOWMENT						
FUNDS						
a) <u>Opening balance of the funds</u>						
b) <u>Additions to the Funds:</u>						
i. Donations/grants						
ii. Income from investments made on account of funds						
iii. Other additions (specify nature)						
TOTAL (a+b)						
c) <u>Utilization/Expenditure towards objectives</u>						
<u>of funds</u>						
i. <u>Capital Expenditure</u>						
- Fixed Assets						
- Others						
ii. <u>Revenue Expenditure</u>						
- Salaries, Wages and allowances etc.						
- Rent						
- Other Administrative expenses						
Total						
TOTAL (C)						
NET BALANCE AS THE YEAR –END (a+b-c)						
Notes: Disclosures shall be made under relevant heads based on conditions attaching to the grant, Plan Funds received from the Central/State Governments are to be shown as separate Funds and not to be mixed up with any other Funds.						

FORM OF FINANCIAL STATEMENTS (NON – PROFIT ORGANISATIONS)
Name of Entity

SCHEDULES FORMING PART OF BALANCE SHEET AS AT

	(AMOUNT – RS)	
	Current Year	Previous Year
SCHEDULE 4 – SECURED LOANS AND BORROWINGS:		
1. Central Government		
2. State Government (Specify)		
3. Financial Institutions		
a) Term Loans		
b) Interest accrued and due		
4. Banks:		
a) Term Loans		
Interest accrued and due		
b) Other Loans (specify)		
Interest accrued and due		
5. Other Institutions and Agencies		
6. Debentures and Bonds		
7. Others (Specify)		
TOTAL		
Note: Amount due within one year		

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(AMOUNT – RS)

Name of Entity _____
SCHEDULES FORMING PART OF BALANCE SHEET AS AT _____

SCHEDULES 5-UNSECURED LOANS AND BORROWINGS		Current Year	Previous Year
1. Central Government			
2. State Government (Specify)			
3. Financial Institutions			
4. Banks:			
a) Term Loans			
b) Other Loans (specify)			
5. Other Institutions and Agencies			
6. Debentures and Bonds			
7. Fixed Deposits			
8. Other (Specify)			
TOTAL			

TOTAL

Note: Amounts due within one year

SCHEDULE 6- DEFERRED CREDIT LIABILITIES:	Current Year	Previous Year
a) Acceptances secured by hypothecation of capital equipment and other assets		
b) Others		
TOTAL		
Note: Amounts due within one year		

FORM OF FINANCIAL STATEMENTS (NON – PROFIT ORGANISATIONS)

Name of Entity

SCHEDULES FORMING PART OF BALANCE SHEET AS AT

SCHEDULES 7-CURRENT LIABILITIES AND PROVISIONS

(AMOUNT – RS)

		Current Year	Previous Year
A. CURRENT LIABILITIES			
1.	Acceptances		
2.	Sundry Creditors:		
	a) For Goods		
	b) Others		
3.	Advances Received		
4.	Interest accrued but not due on:		
	a) Secured Loans/borrowings		
	b) Unsecured Loans/borrowings		
5.	Statutory Liabilities:		
	a) Overdue		
	b) Others		
6.	Other current Liabilities		
TOTAL (A)			
B. PROVISIONS			
1.	For Taxation		
2.	Gratuity		
3.	Superannuating/Pension		
4.	Accumulated Leave Encashment		
5.	Trade Warranties/Claims		
6.	Others (specify)		
TOTAL (B)			
TOTAL (A+B)			

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FORM OF FINANCIAL STATEMENTS (NON – PROFIT ORGANISATIONS) Name of Entity _____ SCHEDULES FORMING PART OF BALANCE SHEET AS AT _____ (AMOUNT – RS)

SCHEDULE 8 - FIXED ASSETS										
Description	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	Cost/ valuation as at the beginning of the year	Additions during the year	Deductions during the year	Cost/ Valuation at the year end	As at the beginning of the year	On Additions during the year	On deductions during the year	Total up to the year-end	As at the current year-end	As at the previous year-end
1. Land										
a) Freehold										
b) Leasehold										
2. Buildings:										
a) On Freehold Land										
b) On leasehold land										
c) Ownership flats/premises										
d) Superstructures on land not belonging to the entity										
3. Plant, machinery and equipment										
4. Vehicles										
5. Furniture and fixtures										
a. Office equipment										
b. Computer peripherals										
c. Electric installations										
d. Library books										
e. Tube wells and water supply										
6. Other fixed assets										
Total of current year										
Previous year										
B. Capital works in progress										
Total										
(Note to be given as to cost of assets on hire purchase basis included above)										

Participant Note No. 9

Courseware prepared and designed by: Regional Training Institute, Jammu

FORM OF FINANCIAL STATEMENTS (NON – PROFIT ORGANISATIONS)
Name of Entity _____

SCHEDULES FORMING PART OF BALANCE SHEET AS AT _____
(AMOUNT – RS)

SCHEDULE 9- INVESTMENTS FROM EARMARKED/ENDOWMENT FUNDS		
	Current Year	Previous Year
9. In Government Securities		
10. Other approved Securities		
11. Shares		
12. Debentures and Bonds		
13. Subsidiaries and joint Ventures		
14. Others (to be specified)		
<u>TOTAL</u>		

SCHEDULE 10- INVESTMENTS - OTHERS		
	Current Year	Previous Year
1. In Government Securities		
2. Other approved Securities		
3. Shares		
4. Debentures and Bonds		
5. Subsidiaries and Joint Ventures		
6. Others (to be specified)		
<u>TOTAL</u>		

FORM OF FINANCIAL STATEMENTS (NON-PROFIT ORGANISATION)

Name of Entity _____

SCHEDULES FORMING PART OF BALANCE SHEET AS AT _____

(AMOUNT – RS)

Schedule II- CURRENT ASSETS, LOANS, and ADVANCES ETC.	Current Year	Previous Year
<p>A. CURRENT ASSETS:</p> <p><u>1. Inventories:</u></p> <p>a) Stores and Spares</p> <p>b) Loose Tools</p> <p>c) Stock-in-trade</p> <p>Finished Goods</p> <p>Work-in-Progress</p> <p>Raw Materials</p> <p><u>2. Sundry Debtors:</u></p> <p>a) Debts Outstanding for a period exceeding six months</p> <p>b) Others</p> <p><u>3. Cash balances in hand (including cheques/drafts and imp rest)</u></p> <p><u>4. Bank Balances:</u></p> <p>a) <u>With Scheduled Banks:</u></p> <p>-On Current Accounts</p> <p>-On Deposit Account (includes margin money)</p> <p>-On Saving Accounts</p> <p>b) <u>With non-Scheduled Banks:</u></p> <p>-On Current Accounts</p> <p>-On Deposit Accounts</p> <p>-On Saving Accounts</p> <p><u>5. Post Office – Saving Accounts</u></p> <p>TOTAL (A)</p>		

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Name of Entity _____

SCHEDULES FORMING PART OF BALANCE SHEET AS AT _____

(AMOUNT – RS)

SCHEDULE 11-CURRENT ASSETS, LOANS, ADVANCES ETC. (Contd.)	Current Year		Previous Year	
B. LOANS, ADVANCES AND OTHER ASSETS				
1. <u>Loans:</u>				
a) Staff				
b) Other entities engaged in activities similar to that of the Entity				
c) Other (specify)				
2. <u>Advances and other amounts recoverable in cash or in kind or for value to be received:</u>				
a) On Capital Account				
b) Prepayments				
c) Others				
3. <u>Income Accrued:</u>				
a) On Investments from Earmarked/Endowment Funds				
b) On Investments – Others				
c) On Loans and Advances				
d) Others (includes income due unrealized- Rs...)				
4. <u>Claims Receivable</u>				
TOTAL (B)				
TOTAL (A+B)				

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FORM OF FINANCIAL STATEMENTS (NON – PROFIT ORGANISATIONS)

Name of Entity

SCHEDULES FORMING PART OF INCOME & EXPENDITURE FOR THE PERIOD/YEAR ENDED

(AMOUNT – RS)

SCHEDULE 16- INCOME FROM ROYALTY, PUBLICATION ETC.	CURRENT YEAR	PREVIOUS YEAR
1) Income from Royalty		
2) Income from Publications		
3) Others (specify)		
TOTAL		

SCHEDULE 17- INTEREST EARNED	CURRENT YEAR	PREVIOUS YEAR
1) On Term Deposits:		
a) With Schedule Banks		
b) With Non-Schedule Banks		
c) With Institutions		
d) Others		
2) On Savings Accounts:		
a) With Scheduled Banks		
b) With Non-Scheduled Banks		
c) Post Office Savings Accounts		
d) Others		
3. On Loans:		
a) Employees/ Staff		
b) Others		
4) Interest on Debtors and Other Receivables		
TOTAL		
NOTE – Tax deducted at source to be indicated		

Name of Entity

MEASUREMENTS & EXTENSION FOR THE PERIOD/YEAR ENDED

(AMOUNT - RS)

1) Profit on Sale/disposal of Assets:

a) **Owned assets:**

b) Assets acquired out of grants, or received free of cost

2) Export Incentives realized

3) Fees for Miscellaneous Service Income

4) Miscellaneous

TOTAL

SCHEDULE 19- INCREASE/(DECREASE) IN STOCK OF FINISHED GOODS
& WORK IN PROGRESS

a) Closing stock

Finished Goods

Work-in-progress

b) Less: Opening Stock

Finished Goods

Work-in-progress

NET INCREASE / (DECREASE) [2-b]

SCHEDULE 20- ESTABLISHMENT EXPENSES

a) **Salaries and Wages**

b) Allowances and Bonus

c) Contribution to Provident Fund

e) **Contribution to Other Fund (specify)**
Steff Wolfen Fund

Expenses on 'Employment'

g) Others (specify)

15

TOTAL

Current year

Previous year

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FORM OF FINANCIAL STATEMENTS (NON – PROFIT ORGANISATIONS)

Name of Entity

(AMOUNT – ₹S)

SCHEDULES FORMING PART OF INCOME & EXPENDITURE FOR THE PERIOD/YEAR ENDED

SCHEDULE 21- OTHER ADMINISTRATIVE EXPENSES ETC.

- a) Purchases
- b) Labour and Processing expenses
- c) Cartage and Carriage Inwards
- d) Electricity and Power
- e) Water charges
- f) Insurance
- g) Repairs and Maintenance
- h) Excise Duty
- i) Rent, Rates and Taxes
- j) Vehicles Running and Maintenance
- k) Postage, Telephone and Communication Charges
- l) Printing and Stationary
- m) Traveling and Conveyance Expenses
- n) Expenses on Seminar/ Workshops
- o) Subscription Expenses
- p) Expenses on Fees
- q) Auditors Remuneration
- r) Hospitality Expenses
- s) Professional Charges
- t) Provision for Bad and Doubtful Debts/Advances
- u) Irrecoverable Balances Written Off
- v) Packing Charges
- w) Freight and Forwarding Expenses
- x) Distribution Expenses
- y) Advertisement and Publicity
- z) Others (Specify)

TOTAL

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FORM OF FINANCIAL STATEMENTS (NON – PROFIT ORGANISATIONS)
Name of Entity

SCHEDULE 22- EXPENDITURE ON GRANTS, SUBSIDIES ETC.

	Current Year	Previous Year
a) Grants given to Institutions/ Organizations		
b) Subsidies given to Institutions/Organizations		
TOTAL		

NOTE- Name of the Entities, their Activities along with the amount of Grants/Subsidies are to be disclosed

SCHEDULE 23- INTEREST

	Current Year	Previous Year
a) On Fixed Loans		
b) On Other Loans (including Bank Charges)		
c) Others (specify)		
TOTAL		

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Name of Entity

SCHEDULES FORMING PART OF INCOME & EXPENDITURE FOR THE PERIOD/YEAR ENDED _____

SCHEDULE 24-SIGNIFICANT ACCOUNTING POLICIES (Illustrative)

1. ACCOUNTING CONVENTION

The financial statements are prepared on the basis of historical cost convention, unless otherwise stated and on the accrual method of accounting.

2. INVENTORY VALUATION

2.1 Stores and Spares (including machinery spares) are valued at cost.

2.2 Raw materials, semi-finished goods and finished goods are valued at lower of cost and net realizable value. The costs are based on weighted average cost. Cost of finished goods and semi-finished goods is determined by considering material, labour and related overheads.

3. INVESTMENTS

3.1 Investments classified, as “long term investments” are carried at cost. Provision for decline, other than temporary, is made in carrying cost of such investments.

3.2 Investments classified as “Current” are carried at lower of cost and fair value. Provision for shortfall on the value of such investments is made for each investment considered individually and not on a global basis.

3.3 Cost includes acquisition expenses like brokerage, Transfer stamps.

4. EXCISE DUTY

Liability for excise duty in respect of goods produces by the entity, other than for exports, is accounted upon completion of manufacture and provision is made for excisable manufactured goods at the year-end.

5. FIXED ASSETS

5.1 Fixed Assets are stated authorities at cost of acquisition inclusive of inward freight, duties and taxes and incidental and direct expenses related to acquisition. In respect of projects involving construction, related pre-Operational expenses (including interest on loans for specific project prior to its completion), form part of the value of the assets capitalizes

5.2 Fixed Assets received by way of non-monetary grants, (other than towards the Corpus Fund), are capitalized at values stated, by corresponding credit to Capital Reserve.

6. DEPRECIATION

6.1 Depreciation is provided on straight-line as per rates specified in the Income tax Act, 1961 except depreciation on cost adjustments arising on account of conversion of foreign Currency Liability for acquisition of fixed assets, which is amortized over the residual life of the respective assets

6.2 In respect of additions to /deductions from fixed assets during the year, depreciation is considered on pro-rata basis.

6.3 Assets costing Rs. 5,000 or less each are fully provided.

7. MISCELLANEOUS EXPENDITURE

Deferred revenue expenditure is written off over a period of 5 years from the year it is incurred.

8. ACCOUNTING FOR SALES

Sales include excise duty and are net of sales returns, rebate and trade discount.

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9. GOVERNMENT GRANT/SUBSIDIES

- 9.1 Government grants of the nature of contribution towards capital cost of setting up projects are treated as Capital Reserve.
- 9.2 Grants in respect of specific fixed assets acquired are shown as a deduction from the cost of the related assets.
- 9.3 Government grants/subsidy are accounted on realization basis.

10. FOREIGN CURRENCY TRANSACTIONS

- 10.1 Transactions denominated in Foreign currency the exchange are accounted at the rate prevailing the date of the transaction.
- 10.2 Current assets, foreign currency loans and current liabilities are converted the exchange rate prevailing at the year-end and the resultant gain/loss is adjusted to cost of fixed assets, if the foreign currency liability relates to fixed assets, and in other cases is considered to revenue.

11. LEASE

Lease rentals are expensed with reference to lease terms.

12. RETIREMENT BENEFITS

- 12.1 Liability towards gratuity payable on death/retirement of employees is accrued based on actuarial valuation.
- 12.2 Provisions for accumulated leave encashment benefit to the employees is accrued and computed on the assumption that employees are entitled to receive the benefit as at each year end.

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FORM OF FINANCIAL STATEMENTS (Non – Profit Organisations)

Name of Entity _____

SCHEDULES FORMING PART OF ACCOUNTS FOR THE PERIOD ENDED _____ (AMOUNT – RS)
SCHEDULE 25- CONTINGENT LIABILITIES AND NOTES ON ACCOUNTS (Illustrative)

1. CONTINGENT LIABILITIES

- 1.1 Claims against the Entity not acknowledged as debts – Rs. _____ (Previous year Rs.) _____.
- 1.2 In respect of:
- Bank guarantees given by/on behalf of the Entity – Rs. _____ (Previous year Rs. _____).
 - Letters of Credit opened by Bank on behalf of the Entity – Rs. _____ (Previous year Rs. _____).
 - Bills discounted with banks Rs. _____ (Previous year Rs. _____).
- 1.3 Dispute demands in respect of:
- Income tax Rs. _____ (Previous year Rs. _____).
 - Sales tax Rs. _____ (Previous year Rs. _____).
 - Municipal Taxes Rs. _____ (Previous year Rs. _____).
- 1.4 In respect of claims from parties for non-execution of orders, but contested by the Entity – Rs. _____ (Previous year Rs. _____).
- 2. CAPITAL COMMITMENTS**
- Estimated value of contracts remaining to be executed on Capital account and not provided for (net of advances) Rs. _____ (Previous year Rs. _____).
- 3. LEASE OBLIGATIONS**
- Future obligations for rental under finance lease arrangements for plant and Machinery amount to Rs. _____ (Previous year Rs. _____).
- 4. CURRENT ASSETS, LOANS AND ADVANCES**
- In the opinion of the Management, the current assets, loans and advances have a value on realization in the ordinary course of business, equal authorities least to the aggregate amount shown in the Balance Sheet.
- 5. TAXATION**
- In view of there being no taxable income under Income-tax Act 1961, no provision for Income tax has been considered necessary.
- 6. FOREIGN CURRENCY TRANSACTIONS**
- 6.1 Value of Imports Calculated on C.I.F Basis:
- Purchase of finished Goods
 - Raw, Materials & Components (Including in transit)
 - Capital Goods
 - Stores, Spares and Consumables
- 6.2 Expenditure in Foreign currency:
- a) Travel
 - b) Remittances and Interest Payment to Financial Institutions/ Banks in Foreign Currency
 - c) Other expenditure
 - Commission on Sales
 - Legal and Professional Expenses

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6.3

Earnings:

- Miscellaneous Expenses

Value of Exports on FOB basis

6.4

Remuneration to auditors:

As Auditors

- Taxation matters

- For Management services

- For certification

- Others

7.

Corresponding figures for the previous year have been regrouped/rearranged, wherever necessary.

8. Schedules 1 to 25 are annexed to and form an integral part of the Balance Sheet as at _____ and the Income and Expenditure Account for the year ended on that date.

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**NOTES AND INSTRUCTIONS FOR COMPILATION OF FINANCIAL STATEMENTS
OF NON PROFIT ORGANISATIONS AND OTHER SIMILAR INSTITUTIONS**

INSTRUCTIONS AND ACCOUNTING PRINCIPLES

- 1) The financial statements of non-profit and other similar organizations (viz., Balance Sheet and Income and Expenditure Account) shall be prepared on accrual basis; shall be in the form suggested, or as near thereto as possible.
If the information required to be given under any of the items or sub-items in this Form cannot be conveniently included in the Balance Sheet or the Income and Expenditure Account itself, as the case may be, it can be furnished in a separate Schedule or Schedules to be annexed to and forming part of the Balance Sheet or The Income and Expenditure Account. This is recommended where item are numerous.
 - 2) A statement of all significant accounting policies adopted in the preparation of the Balance Sheet and the Income and Expenditure Account shall be included in the financial statements, and the significant Accounting Policies should be disclosed at one place. Accounting Policies refer to the specific accounting principles and the method of applying those principles adopted by the Entity in the preparation of the financial Statements. Where any of the accounting policies is not in conformity with accounting standards, and the effect of departures from accounting standards is material, the particulars of the departure shall be disclosed, together with the reasons there for and the financial effect thereof, except where such effect is not ascertainable.
 - 3) Accounting policies shall be applied consistently from one financial year to the next. Any change in the accounting policies which has a material effect in the Current period or which is reasonably expected to have a material effect in latter periods shall be disclosed. In case of a change in accounting policies, which has a Material effect in the current period, the amount by which any item in the financial statements is affected by such change shall also be disclosed to the extent ascertainable. Where such amount is not ascertainable, wholly or in part, the fact shall be disclosed.
 - 4) The accounting treatment and presentation in the Balance Sheet and the Income and Expenditure Account, of transactions and events shall be governed by their substance and not merely by the legal form.
 - 5) In determining the accounting treatment and manner of disclosure of an item in the Balance Sheet and/ or the Income and Expenditure Account, due consideration shall be given to the concept of materiality.
 - 6) Provision shall be made for all known liabilities and losses even though the amount cannot be determined with substantial accuracy (and the amount of provision represents only a best estimate in the light of available information). 'Provision' means any amount written off or retained by way of providing for (depreciation, renewals or diminution in value of assets, or retained by way of providing for any known liability, the amount of which cannot be determined with substantial accuracy.
Provision shall be made for contingent loss if:
 - a) It is probable that future events will confirm that, after taking into account any related probable recovery, an asset has been impaired or liability has been incurred at the balance sheet date, and
 - b) A reasonable estimate of the amount of the resulting loss can be made.
- If either of the above conditions is not met, the existence of the contingent loss shall be disclosed by way of a note to the Income and Expenditure account, unless the possibility of the loss is remote.
7. Where any amount written off or retained by way of providing for depreciation, renewals or diminution in the value of assets or retained by way of providing for any known liability is in excess of the amount, which is considered reasonably necessary for the purpose, the excess shall be treated as a reserve and not as a provision.
 - 8) Revenue shall not be recognized unless:

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- a) The related performance has been achieved;
 - b) No significant uncertainty exists regarding the amount of the consideration; and
 - c) It is not unreasonable to expect realization and ultimate collection.
- 9) Separate disclosure shall be made in the Income and Expenditure Account in respect of:
- a) "Prior Period" items, which comprise material items of income or expenses which arise in the current period as a result of errors or omissions in the preparation of the financial statements of one or more prior periods.
 - b) "Extra-ordinary" items, which are material items of income or expenses, that arises from events or transactions that are clearly distinct from the ordinary activities of the entity and, therefore, are not expected to recur frequently or regularly.
 - c) Any item under the head "Miscellaneous Expenses" which exceeds' percent of the total turnover/gross income of entity or Rs. 50,000/- whichever is higher.
- This shall be shown as a separate and distinct item against an appropriate head in the Income and Expenditure account.
- d) Any item under the head "Miscellaneous Income" which exceeds 1 percent of the total turnover/gross income of entity or Rs. 50,000/-, whichever is higher. This
- Shall be shown against an appropriate account head in the Income and Expenditure Account.
- 10) The Schedules referred to in the form, the accounting policies and explanatory notes shall form an integral part of the financial statements.
- 11) Notes to the Balance Sheet and Income and Expenditure Account shall contain the explanatory material pertaining to the items in the Balance Sheet and the Income and Expenditure Account.

12) The figures in the Balance Sheet and the Income and Expenditure Account, if rounded off, shall be rounded off as below:

Amount of turnover (in Rs.)	Rounding off to (Rs.)
Less than One lakh	Hundred
One lakh or more but less than one crore	Thousand
One crore or more but less than one crore	Lakh
One hundred or more but less than one thousand crore	Creore

13) Reference may also be made to the enclosed Notes and Instructions for compilation in relating to in the formats Suggested.

SCHEDULE 1- CORPUS/CAPITAL FUND

- a) Corpus/Capital Fund is akin to Capital, Share Capital or Owner's Funds. It comprises amounts received by way of contributions specifically To the Corpus, as increased/decreased by the net operating results shown in the Income and Expenditure Account (other than surplus, if any, , Transferred to any Reserves or Earmarked Funds).
- b) The Opening Balance, Additions to, Deductions from and the Closing Balance of the Corpus/ Capital Fund shall be shown under this head.
- c) Additions to the Corpus Fund shall be net of transfers, if any, to any Reserve or Earmarked Fund required under statute or as per applicable Regulations.

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SCHEDULE 2- RESERVES AND SURPLUS

1. CAPITAL RESERVES: The expression 'capital reserves' shall not include any amount regarded as free for distribution through the Income and Expenditure Account. Surplus on revaluation should be treated as Capital Reserves and shown separately.

* Opening balance

Surplus on

* Additions during the year

On translation of financial statements of foreign branches, if any, is not a revaluation reserve.

* Deductions during the year

2. REVALUATION RESERVE: To reflect effects of changing prices, fixed assets otherwise stated at historical cost substituted by a revaluation, normally

* Opening balance done by competent valuers. Such substitution resulting in an upward revaluation is required to be shown as a "Revaluation Reserve". This reserve is an unrealized gain and should not be credited as income in the Income and Expenditure Account.

* Additions during the year

3. SPECIAL RESERVES (S): These would comprise Special reserve requires to be create pursuant to any statutory or regulatory requirement applicable to the Entity; and if so, should be clarified in the Notes on Accounts in Schedule 27.

* Opening balance

* Additions during the year

* Deductions during the year

4. GENERAL RESERVE: The expression 'General Reserve' shall mean any reserve other than capital reserve and revaluation reserve. This item will include all reserves, other those separately classified.

* Opening balance

* Additions during the year

* Deductions during the year

NOTES GENERAL

(a) Movements in various categories of reserves should be shown as indicated in the schedule.

(b) The expression 'reserve' shall not include any amount written off or retained by way of providing for depreciation, renewals or diminution in value of assets or Retained by way of providing for any known liability.

SCHEDULE 3-EARMARKED/ENDOWMENT FUNDS

Amounts received as grants or assistance, or retained by the entity to be utilized for specific or remarked purposes and remaining to be expended/utilized for the specific purpose for which these are intended, are required to be disclosed under this head. Such funds may be received in cash or kind from Government, Govt. agencies, institutions and other agencies etc. and are subject to compliance by the entity, of certain stipulated terms and conditions. For this reason, the balances available and their utilization should be disclosed in the manner suggested in the Schedule. The plan Funds received from the Central and /or State Governments are to be shown as distinct category of Fund.

Other plan funds earmarked/endowed for any chair, house, building, Trust etc. are to be shown as distinct category of Fund. The following shall not be reckoned as part of Earmarked Funds:

- b) Grants/funds, which have the characteristics of promoters' contribution, which are of the nature of additions/accretion to the Corpus Fund.

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- c) Funds/grants received by the Entity as compensation for expenditure/losses incurred in the earlier years, as these would be reckoned only in the Income and Expenditure Account for the year.
- d) Non-monetary grants by way of capital assets or other resources, corresponding credit of which is of the nature of capital reserve, unless such grants are specified as irrevocable contribution to the Corpus.

Notes- General

- a) It is appropriate to ensure that the accretions to and utilization of earmarked funds is in accordance with the terms and conditions attaching to the same.
- b) Earmarked Funds, considering their nature, are represented by specifically earmarked investments or other assets.
- c) Plan Funds received from the Central/State Governments are to be shown as separate Funds and not to be mixed up with any other Funds.
- d) Records relating to fixed assets acquired/constructed should be maintained for each earmarked fund. However, for the purpose of the annual financial statements disclosure may be made of the aggregate accumulated cost up to each year and of such fixed assets in respect of each financials/undertaking, unless the assets are taken over and are incorporated in Schedule 8.

SCHEDULE 4 – SECURED LOANS AND BORROWINGS

1. Central Government indicate the nature of security and terms of repayment. Indicate the name of State Govt. and nature of security
2. State Government and terms of repayment.
3. Financial Institutions includes borrowings/refinance obtained from Industrial Development Bank of India, Export-Import Bank of India, National Bank for Agriculture and Rural Development (including liability against participation certificates, if any.) Normally these may be in the form of Term Loans.
4. Banks includes borrowings/refinance obtained from commercial banks (including co-operative banks).
- a) Terms Loans Term Loans need to be segregated from other facilities.
- b) Other Loans
5. Other institutions & agencies includes institutions/agencies other those mentioned above.
6. The terms of redemption of debentures and bonds should be stated with the earliest date of their redemption.

Notes - General

- a) Information shall be given in each case as regards the nature of security given.
- b) Secured loans and borrowings shall be such as are against by hypothecation/pledge/charge on the assets of the entity.
- c) The Aggregate amount of loans under each head, as are guaranteed by the Central/State Govt. may also be mentioned along with the fact that these are so guaranteed.
- d) Loans and borrowings include refinance from Institutions and agencies liability against participation certificates.
- e) Amounts received by way of discount of debtors or receivables or rediscount of bills, shall not be included under this head, but shall be as borrowings.
- f) Interest accrued and due shall be included under sub-head. Interest accrued but not due shall not be included under this head, but shall be shown as part of Current Liabilities.
- g) Unrecognized Inter-branch outstanding entries at credit should not be shown as borrowings.
- h) Amounts due within a period of less than 12 months as at the Balance Sheet date need to be disclosed.

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SCHEDULE 4 – SECURED LOANS AND BORROWINGS

1. Central Government Indicate the terms of repayment.
2. State Governments (s) Indicate name of the State Government and the terms of repayment.
3. Financial Institutions Includes borrowings obtained from Industrial Bank of India, Export-Import Bank of India, National Bank for Agriculture and Rural Development. Normally these may be in the form of Term Loans. Pending creation of a charge on assets, bridge loans may be given as 'unsecured' loans.
4. Banks Includes borrowings obtained from Commercial Banks (including Cooperative Banks) Indicate the nature of facilities. Overdrawn balances as per books do not constitute loans and generally arise due to cheques issued in excess of book balances. Such balances can be shown as loans only where the Entity enjoys or is granted overdraft facility.
5. Other institutions and agencies Includes Loans from Institutions/Agencies other than those mentioned above.
6. Debentures and Bonds the terms of redemption of Debenture and Bonds should be stated with the earliest date of their redemption.
7. Fixed Deposits These comprise deposits received from Public or otherwise for fixed periods and against no security.

Notes- General

- a) Unsecured loans and borrowings comprise amounts in respect of which no assets of the entity is charged as security or encumbered
- b) Interest accrued and due shall be included under each sub-head. Interest accrued but not due shall not be included under this head, but shall not be included under this head, but shall be shown as part of Current Liabilities.
- c) Amount due within a period of less than 12 months as at the Balance Sheet date need to be disclosed.

SCHEDULE 6 – DEFERRED CREDIT LIABILITIES

- 1) Acceptances and other similar long-term obligations contracted in respect of acquisition of assets, the liability for payment of which falls in periods longer than 12 months as at date of the Balance Sheet should be included here.
- 2) If the assets are charged as security or encumbered corresponding to the liability, this fact should be stated.
- 3) If the acceptances are also guaranteed for repayment by the Government, any Govt. Agency, Bank, Institution or other body/entity, this fact should also be stated.
- 4) Amounts due within one year of the date of the Balance Sheet need to be separately disclosed.

SCHEDULE 7 – CURRENT LIABILITIES AND PROVISIONS

A. CURRENT LIABILITIES

1. Acceptances Included under this sub-head would be the drawer's assent on bills of exchange to the order of the drawer
2. Sundry Creditors The amounts to be shown against this sub-head shall comprise amounts owed by the entity in favour of
 - a) For Goods others on account of goods purchased or services rendered or in respect of contractual obligations.
 - b) Others these need to be segregated for goods and shown separately.
3. Advances Received The liability against this sub-head shall comprise amounts received in respect of which goods or services have yet to be supplied/rendered or for which value has yet to be given, and includes advance subscriptions.
4. Interest accrued but not due Includes interest accrued up to the year-end but not due on secured/unsecured loans and borrowings.
 - a) Secured Loans/Borrowings
 - b) Unsecured Loans/Borrowings

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5. Statutory Liabilities These comprise liabilities in terms of the Central/State laws governing the Entity; and include unpaid liability for
 - a) Overdue tax deducted at source under the Income Tax Act, 1961, statutory bonus, provident fund, pension, gratuity, ESI,
 - b) Others interest to SSI Units on their overdue, sales tax, excise, customs duty, and other statutory levies. Overdue liabilities are undisputed amounts which are due and remain unpaid beyond the normal due date stipulated period i.e those are in default.
 6. Other Current Liabilities: These would include amounts not covered by the other sub-heads. Any material amount included under this sub-head may be separately shown indicating the nature thereof. Overdrawn bank balances as per books, where the entity does not have any sanctioned limits/ overdraft facilities, shall also be included under this sub-head, or separately disclosed as "Overdrawn bank balances in excess of book balances."A Current Liability is one, which falls due for payment within a relatively short period, normally not more than 12 months.

SCHEDULE 7 – CURRENT LIABILITIES AND PROVISIONS

B. PROVISIONS

1. For Taxation Provisions needs to be made and retained based on the status of Tax matters as at the year –end.
2. Gratuity Provisions for liability towards gratuity payable on death/retirement of employees needs to be accrued on actuarial Basis, and provided up to the year-end.
3. Superannuating/Pension Provision for liability payable towards superannuating of employees needs to be actuarial basis, and provided upto the year-end.
4. Accumulated Leave Provisions for liability towards accumulated leave encashment of employees needs to be accrued on actuarial basis, and provided upto the year-end.
5. Trade Warranties/Claims Where the entity is manufacturing/processing goods for sale, it may be liable to trade warranty risks, which needs to be provided for on a reasonable/rational basis.
6. Others: These need to be specified, and shall not include provision for doubtful debts/advances, which shall be reduced from the relevant asset heads. Provisions is an amount written off or retained by way of providing for depreciation or diminution in the value assets, or retained by way of providing for a known Liability, the amount of which cannot be determined with substantial accuracy.

SCHEDULE 8 – FIXED ASSETS:

1 LAND

- a) Freehold where immovable properties are purchased/acquired by paying a composite cost, a reasonable/reliable estimate should be made of the land cost and shown separately.

2 BUILDINGS

- a) On freehold land As far as practicable, distinction may be made between factory and office buildings for purposes of provision for depreciation at different rates.
- b) On leasehold land Building/premises shall be those which are intended to be wholly/partly used for the purposes of the activities of the Entity and would not include "Investment Properties".
- c) Ownership Flats/Premises Superstructures on leasehold lands should be depreciated to be co-terminus with the amortization of land, unless the superstructures have a shorter life.
- d) Superstructures on Land not Building shall include roads, bridges, and culverts belonging to the Entity

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3. PLANT, MACHINERY & EQUIPMENT Included under this Sub-head would be items like:

- Earth moving Machinery
- Boilers
- Furnaces
- Generators
- Dyes/Mould
- Machinery used for specific industry/services like Building contractors, in hospitals/clinics, processing units, hydraulic works (including pipelines), Tool rooms
- Other items used for manufacture/processing etc.

Separate Account heads should be maintained in the ledgers and kept reconciled with the Fixed Assets registers.
Disclosure of Information under the above sub-heads is encouraged.

4. VEHICALS

Included under this sub-head would be items like:

- Tractors/Trailers
- Trucks, Jeeps and Vans
- Motor Cars
- Motor Cycles, Scooters, Three Wheelers and Mopeds
- Rickshaws

Separate Account heads should be maintained in the ledgers and kept reconciled with the Fixed Assets registers. Disclosure of Information under the above sub-heads is encouraged

SCHEDULE 8 – FIXED ASSETS:

5. FURNITURE, FIXTURES Included under the above sub-head would be items like:

- a) Cabinets/Almirahs/Filing Racks
- b) Air-conditioners / Air conditioning Plant
- c) Air Coolers
- d) Water Coolers
- e) Tables/Chairs/Sofas/Carpets
- f) Wooden partitions/temporary structures
- g) Voltage Stabilizers, UPS Systems.
- h) Other Items

Separate Account heads should be maintained in the ledgers and kept reconciled with the Fixed Assets registers.
Disclosure of Information under the above sub-heads is encouraged, for material amounts

6. OFFICE EQUIPMENT

Included under the above sub-head would be items like:

- a) Typewriters
- b) Photocopiers/duplicators
- c) Fax Machines

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Separate Account heads should be maintained in the ledgers and kept reconciled with the Fixed Assets registers. Disclosure of Information under the above sub-heads is encouraged, for material amounts

7. COMPUTER/PERIPHERALS

Computers, Printers and their peripherals like the Floppies, CDs, and Software etc. would the items under this head. Separate heads should be maintained in the ledgers and kept reconciled with the Fixed Assets registers. Disclosure of Information under the above sub-heads is encouraged, for material amounts

8. ELECTRIC INSTALLATION Include under the above sub-head would be items like:

- a) Electrical Machinery
- b) Electric Lights/Fans
- c) Switch gear instruments
- d) Transformers
- e) Electric Wiring and fittings.

Separate Account heads should be maintained in respect of above items and kept reconciled with the Fixed Assets registers. Disclosure of Information under the above sub-heads is encouraged, for material amounts.

9. LIBRARY BOOKS In some cases the number of Library Books could be very large or there may be an established Library. In such cases these books may be disclosed as a separate category of assets. Library books will include books/journals/information stored in CD ROMs.

SCHEDULE 8 – FIXED ASSETS:

10 TUBEWELLS & W. SUPPLY SYSTEMS

Tube wells and Water Supply System may be shown as a distinct category.

11 CAPITAL WORK- IN-PROGRESS Fixed assets in the course of construction should be shown against this head till they are ready for their intend use.

Plant, Machinery and equipment acquired and pending installation should also be included here.

Notes - General

- 1 Fixed Assets are those assets, which are held with the intention of being used for the purpose of producing or services and not held for sale in the normal course of trade
- 2 Under each sub-head should be shown:
 - a) The cost or the valuation as at the beginning of the year.
 - b) Additions during the year (both acquisitions and by way of grants)
 - c) Deductions (include sales, disposals, write-offs) during the year.
 - d) The total cost/valuation as at the year-end
 - e) Depreciation upto the previous year-end, that on addition during the year and the total accumulated depreciation upto the year ends.
 - f) The net block of the assets as at the year-end.
3. The accounting policy relating to accounting for fixed assets acquired (including by way of grants or at concessional rates), or constructed should be disclosed along with the method adopted for depreciation/amortization.
4. Where sums have been written up for any assets due to their revaluation, the basis thereof should be disclosed, and every balance sheet after the first balance Sheet subsequent to the revaluation should show the revised figures for a period of five years with the date and amount of revision.
5. Where grants relating to specific fixed assets are received and these are equal to the whole or virtually the whole of the cost of the asset, the fixed assets should be shown in the Balance Sheet at nominal value. Alternatively, grants related to depreciable fixed assets may be treated as deferred income and recognized in the income and Expenditure Account On a systematic and rational basis over the useful life of such assets i.e. such grants should be allocated to

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income over the periods and in the proportions in which depreciation is charged. Grants related to non-depreciable assets should be credited to "Capital Reserve", unless there are pre-conditions requiring fulfillment.

SCHEDULE 8 – FIXED ASSETS:

Notes- General

6. Depreciation

Depreciation shall be provided so as to charge the depreciable amount of a depreciable asset over its useful life. Depreciation is a measure of the wearing out, consumption or other loss of value of a depreciable asset arising from use, effluxion of time or obsolescence through technology and market changes. It includes amortization of assets the useful life of which is determined and depletion of wasting assets.

For this purpose:

- a) Depreciable asset means an asset which -
 - i. is expected to be used during more than one accounting period, and
 - ii. Has a limited useful life; and
 - iii. Is held by the entity for use in the production or supply of goods and services, for rental to others, or for administrative purpose and not for the purpose of sale in the ordinary course of its business/operating activities.
- b) Depreciable amount of a depreciable asset means its original cost, or other amount substituted for original cost in the financial statements less the residual value;
- c) Useful life means either -
 - i. The period over which a depreciable asset is expected to be used by the Entity, or
 - ii. The number of production or similar units expected to be obtained from the use of the asset by the Entity.

SCHEDULE 9 – INVESTMENTS – FROM EARMARKED/ENDOWMENT FUNDS:

1. Government Securities Includes Central and State Government securities and Government Treasury Bills. These securities should be shown at cost/book value. However, the difference between such value and market value should be given in the notes to the Balance Sheet.

2. Other approved Securities Securities other than Government Securities, treated as approved securities (such as Trustee securities), should be included here.

3. Shares Investments in shares of companies and Corporations not included in item 2 should be included here.

4. Debentures and Bonds Investments in debentures and bonds of companies and corporations not included in item 2 should be included here.

5. Subsidiaries and /or joint ventures Investments in subsidiaries/associate entities should be included here. An entity shall be treated as a subsidiary or joint venture, if the entity exercises control over the composition of management/governing body, with or without any financial investment there in. An entity will be considered as subsidiary for the purpose of this classification if more than 25% of the corpus of that entity is held by the entity as at the beginning of the year.

6. Others Includes residual investments, if any, like commercial paper, investments (to be specified) in Mutual Funds and (to be specified) other instruments not being in the nature of shares/debentures/bonds. Investments in Properties, if any, would also be included here.

Notes- General

1. The Gross value in aggregate, the depreciation in aggregate and net value of Investments are to be separately disclosed. Approved securities [covered by 1 and 2 above] are required to be bifurcated into "permanent" and "current" categories for valuation and determination of shortfall in value.

SCHEDULE 9 - INVESTMENTS - FROM EARMARKED PROCEEDS OF ISSUES

2. a) Investments can either be "Long term" or "Permanent" or "Current"
b) "Current Investment" means an investment, which is by its very nature, readily realizable and is intended to be held for not more than one year from the date on which it is made. Such investments should be shown at lower of cost or their fair value, which shall be determined on individual investment basis and the shortfall shall be provided, while appreciation shall be ignored.
c) Long term investments are those investments, which are other than current investments, and these are intended to be held for the purposes of Capital appreciation and yield. Such investments are held at cost and shall be reduced when there is a decline, other than temporary, in their value-reduction being made for each investment.
3. Investments held against earmarked/endowment funds need to be separately disclosed.
4. Investments in properties, if held, shall be shown at cost less depreciation in the same manner as in the case of fixed assets.
5. The entity shall disclose the Accounting Policy in relation to investments, their cost, depreciation and carrying value- both for long term & current investments.
6. Any premium paid on acquisition of permanent investments shall be amortized on a time proportion basis upto the date of their maturity. Discount on Acquisition shall not be amortized. Matured investments, not realized may be separately disclosed.

SCHEDULE 10 - INVESTMENTS - OTHERS:

1. Government Securities Includes Central and State Government securities and Government Treasury Bills.
These securities should be shown at cost/book value. However, the difference between such value and market value should be given in the notes to the Balance Sheet.
2. Other approved Securities Securities other than Government Securities, treated as approved securities (such as Trustee securities), and should be included here.
3. Shares Investments in shares of companies and corporations not included in item 2 should be included here.
4. Debentures and Bonds Investments in debentures and bonds of Companies and Corporations not included in item 2 should be included here. An entity shall be treated as a subsidiary or joint venture, if the entity exercises control over the composition of management/governing body, with or without any financial investment there in. An entity will be considered as subsidiary for the purpose of this classification if more than 75% of the corpus of that is held by the entity as at the beginning of the year.
5. Others Includes residual investments, if any, like commercial paper, investments (to be specified) in Mutual Funds and other instruments not being in the nature of shares/debentures/bonds. Investments in properties, if any, would also Be included here.

Notes- General

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1. The Gross value in aggregate, the depreciation in aggregate and net value of Investments are to be separately disclosed. Approved securities [covered by 1 and 2 above] are required to be bifurcated into "permanent" and "current" categories for valuation and determination of shortfall in value.

SCHEDULE 10 – INVESTMENTS – OTHERS:

Notes-General

2. a) Investments can either be "Long term" or "Permanent" or "Current".
b) "Current Investments" means an investment, which is by, is very nature, readily realizable and is intended to be held for not more than one-year from the date on which it is made. Such investments should be shown at lower of cost or their fair value, which shall be determined on individual investment basis and the shortfall shall be on provided, while appreciation shall be ignored.
c) Long term investments are those, which are other than current investment, and these are intended to be held for the purposes of capital appreciation and yield. Such investments are held at cost and shall be reduced when there is a decline, other than temporary, in their value-reduction being made for each Investment.
3. Investments held against earmarked/endowment funds are disclosed in Schedule 9.
4. Investments in properties, if held, shall be shown at cost less depreciation in the same manner as in the case of fixed assets.
5. The entity shall disclose the Accounting Policy in relation to investments, their cost, depreciation and carrying value- both for long term & current investments.
6. Any premium paid on acquisition of permanent investments shall be amortized on a time proportion basis upto the date of their maturity. Discount on Acquisition shall not be amortized.
7. Matured investments, not realized may be separately disclosed.

SCHEDULE 11 – CURRENT ASSETS, LOANS, ADVANCES ETC.

A. CURRENT ASSETS:

1. Inventories: Inventories comprise tangible property held for sale in the ordinary course of business, or in the process of production for such sales, or for consumption in the production of goods or services for sale, including maintenance supplies and consumables
 - a) Stores and Spares
 - b) Loose Tools
 - c) Stock-in-tradeother than machinery parts
Basis of valuation of inventories should be disclosed
 - Finished Goods
 - Work-in-progress
 - Raw MaterialsFinished goods would include parts or components used or consumed in the progress of production of goods
2. Sundry Debtors: Raw materials would also include parts or components used or consumed in the progress of production of goods for sale. Debtors comprise persons from whom are due for goods sold or service rendered or in respect of contractual obligations.
 - a) Debts Outstanding for a period exceeding six months
 - b) OthersDebts considered good for recovery and those considered doubtful shall be shown separately. Provisions for doubtful debts, if made, should be shown as a reduction from the amount of debts considered doubtful
3. Cash balances in hand: (Including cheques/drafts and imprest)

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4. Bank Balances: Amounts held, as bank balances against earmarked/endowment funds should be separately disclosed.
 - a) - With Scheduled Banks
 - On Current Accounts Where any deposit accounts are pledged or charged as security or are encumbered, the fact should be disclosed.
 - On Deposit Accounts (Includes margin money) Overdue/Matured Deposits should be separately disclosed.
 - On Saving Accounts
 - b) With Non-Schedule Banks
 - On Current Accounts
 - On Deposit Accounts
 - On Saving Accounts
5. Post Office – Saving Accounts:

SCHEDULE II – CURRENT ASSETS, LOANS, ADVANCES ETC

B. LOANS, ADVANCES AND OTHER ASSETS:

1. Loans: Loans and advances as are considered good & recoverable should be disclosed. Doubtful amounts, if any, should be stated under each sub-head, and provision, if made, should be shown as a reduction there from.
 - a) Staff interest accrued on interest bearing staff loans should be accounted not with standing that actual recoveries of interest might commence after repayment of principal.
 - b) Other Entities engaged in irrevocable grants/subsidies/donation to such entities shall not be included here. If interest-bearing, the amount of activities/Objectives similar interest earned up to the year-end should be adjusted to that of the Entity
 - c) Others (specify)
 2. Advances and other amounts recoverable in cash or in kind or for value to be received:
 - a) On Capital Account/Advances to suppliers/contractors for capital works should be shown against this sub-head.
 - b) Prepayments this includes prepaid expenses.
 - c) Others this would comprise receivables other than the debtors.
 3. Income Accrued: Both 'Income accrued and due' and 'Income accrued but not due' up to the year-end should be included under this head.
 - a) On Investments from Earmarked/Endowment Funds
 - b) On Investments – Others Income on Investment from Earmarked/Endowment Funds and that on Other Investment should be shown separately.
 - c) On Loans and Advances
 - d) Others If uncertainty attaches to realization or ultimate collection, income should not be recognized, and if recognized (includes income due RS-Rs) should be provided for.
- Dividends should be recognized based on the date(s) of their declaration. Separate disclosure should be made in respect of Income accrued, due but not realized.
4. Claims Receivable: Only claims, which are considered good and realizable, should be included.

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SCHEDULE 12 – INCOME FROM SALES/SERVICES

INCOME FROM SALES:

1. Income from sales Sales comprise the aggregate amount for which sales are affected. These would be shown net of trade discounts: a) Sale of Finished Goods rebate and returns. b) Sale of Raw Material Sales are complete when significant risks and rewards of ownership get transferred from the seller to the buyer, c) Sale of Scraps irrespective of the time of payment or delivery of the goods. Disclosure of export sales should be made separately.
2. Income from Services Income must be shown at gross figures and Tax Deducted at Source should be indicated separately.
 - a) Labour and Processing Charges Labour and Processing charges realizable for processing/fabrication of goods/materials of other entities should be disclosed against this sub-head.
 - b) Professional/Consultancy Services Consultancy charges and fee for rendition of Professional services by the entity should be included under this sub head.
 - c) Agency Commission and Brokerage Where the Entity acts as a broker or agent for arranging supply of goods/services of others, i.e. without acting on a Principal to Principal basis, the commission and brokerage income earned would be shown against this sub-head
 - d) Maintenance Services (Equipment/property: Where the Entity undertakes maintenance contracts for equipment or property etc. The income earned up to the ear-end from this source should be included under this sub-head.
 - e) Others (Specify)

SCHEDULE 13 – GRANTS/SUBSIDIES:

(Irrevocable Grants & Subsidies Received)

- 1) Central Government Grants Subsidies or other similar assistance received for the general purpose and objectives of the Entity, on an irrevocable basis, or to cover expenditure incurred in prior periods shall be included in this Schedule.
- 2) State Government(s)
- 3) Government Agencies these grants etc. are without any conditions attached as to their utilization and are of the nature of non-refundable amounts, which are to be appropriated to income.
- 4) Institutions/ Welfare Bodies
- 5) International Organizations The gross receipts shall be shown against each sub-head, and grants/subsidies which are given in turn to other institution/organizations on irrevocable basis, as expenditure should be considered in Schedule 22.
- 6) Others (specify)

SCHEDULE 14 – FEES/SUBSCRIPTIONS:

- 1) Entrance Fees accounting policies on each item will have to be disclosed.
- 2) Annual Fees/Subscriptions In case the Fees like Entrance Fee, Subscriptions etc. are in the nature of capital receipts, such amount should go to the Corpus/Capital Fund. Otherwise such fees will be incorporated in this schedule.
- 3) Seminar/Program Fees
- 4) Consultancy Fees: In case the major activities of the Entity are to organize seminar/workshop and/ or provide consultancy services, such income should form part of the Schedule 12.

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5) Others (Specify)

The gross receipts should be shown here. Expenditure incurred on seminar/workshops, consultancy etc. should be shown as 'other administrative expenses' in the schedule 21.

SCHEDULE 15 – INCOME FROM INVESTMENTS:

- 1) Interest 1. Income from Investments shall be disclosed at gross figures and tax deducted at source is to be stated separately.
- a) On Govt. Securities 2. Interest on Govt. securities shall comprise
- a) Interest earned at coupon rate upto the last applicable date of interest, i.e. interest accrued & due; and
- b) Other Bonds/Debentures 3. Income on bonds and debentures would include discount accrued upto the year-end on bonds issued at a discount, to be redeemed at par or on premium, based on the terms of their issue.
- 2) Dividends: Dividends shall be accrued, based on the dates of declaration thereof i.e. when the entity has a right to receive the same.
- a) On Shares
- b) On Mutual Fund Securities
- 3) Rents shall be shown as income on Investments on properties, if any.
- 3) Others (Specify).
- 4) Interest claimed on overdue/matured investments shall not be recognized unless pre-conditions for such recognition are satisfied.
7. Distinction should be made in respect of income on Investments:
 - a) Owned by the Entity; and
 - b) Those held against earmarked/endowment funds
8. At the year-end total of the income on investment from earmarked/endowment funds should be transferred to the funds through schedule 13.

SCHEDULE 16 – INCOME FROM ROYALTY, PUBLICATION ETC:

- 1) Income from Royalty
accounting policies on each item will have to be disclosed.
- 2) Income from Publications
In case the major activities of the Entity are to publish books, journals, documents etc., such income should form part of the Schedule 12.
- 3) Others (Specify)
the gross receipts should be shown here. Expenditure incurred on publication etc. should be shown as 'other administrative expenses' in the schedule 21.

SCHEDULE 17 – INTEREST EARNED:

1. On Term Deposits: 1. Interest income earned should be shown at gross figures and tax deducted at source is to be stated separately.
 - a) With Scheduled Banks
 - b) With Non-Scheduled Banks
 - c) With Institutions
 - d) Others
2. On Savings Accounts: 2. Distinction should be made in respect of Income;
 - a) With Scheduled Banks
 - b) With Non-Scheduled Banks

12/10

- 1

SCHEDULE 18 - OTHER INCOME:
Net of Accret Sales proceeds/realization, net of the book value of the assets shall, if a surplus, be included under sub-head.

- #### 4. Miscellaneous Income

SCHEDULE 19- INCREASE/DECREASE IN STOCK OF

- ## Work-in-Process

SCHEDULE 20- ESTABLISHMENT EXPENSES.

- | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> c) Contribution to Provident Fund d) Contribution to Other Fund (specify) Statutory obligations of the Entity towards provident fund, Employees' state insurance, retirement benefits etc. should be disclosed clearly and item-wise. e) Staff Welfare Expenses f) Expenses on Employees' Retirement and Terminal Benefits g) Others (specify) | <p>In case of recoveries like fines, penalties etc. the same should not be deducted for the heads but include under 'Other Income' in the Schedule 18.</p> |
| <p>Notes – General</p> | |

the year is known.

SCHEDULE 21- OTHER ADMINISTRATIVE EXPENSES ETC:

a) Purchases*

the gross expenditure against each head should be disclosed.

b) Labour and processing expenses

c) Cartage and Cartage Inwards In case of recoveries e.g. rent recoveries, freight charges recovered, fines, penalties, damages from suppliers etc., the amount of such recoveries should not be deducted from the expenses heads but included under "Schedule 16- "Other Income".

d) Electricity and Power

e) Water charges

f) Insurance

g) Repairs and maintenance

h) Excise Duty

i) Rent, Rates and Taxes

j) Vehicles Running and Maintenance

k) Postage, Telephone and Communication Charges: The list of heads is not exhaustive but illustrative. As far as possible only these heads of accounts should be used unless there is compelling reasons to add or delete any of these heads.

l) Printing and Stationary

m) Traveling and Conveyance Expenses: Purchase should be segregated between Raw Materials and Stores for manufacture and for Finished goods traded

n) Expenses on Seminar/Workshops Purchases: in. In case of manufacturing entities, 'Consumption of Raw Materials' and 'Stores' may be given instead

o) Subscription Expenses

p) Expenses on Fees

q) Auditors Remuneration

r) Hospitality Expenses

s) Professional Charges

t) Provision for Bad and Doubtful Debts/Advances

u) Irrecoverable Balances Written off

v) Packing Charges

w) Freight and Forwarding Expenses

x) Distribution Expenses

y) Advertisement and Publicity

z) Others (specify)

SCHEDULE 22- EXPENDITURE ON GRANTS SUBSIDIES ETC:
Grants, subsidies or other similar assistance given to the Institutions/Organizations for general

a) Grants given to purposes and objectives of the Entity, on an irrevocable basis, shall be included in this Schedule

b) Subsidies given to Institutions/Organizations, their activities along with the amounts in each case should be disclosed.

The nature of non-refundable amounts which are to be appropriated as expenditure.

The gross receipts shown against each sub-head in the schedule 13, could be the source of these Grants/subsidies that are given, in turn to other to institutions/organizations on irrevocable basis. The gross expenditure against each head should be disclosed.

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SCHEDULE 23- INTEREST:

- a) On Fixed Loans
 - b) On Other Loans (including Bank Charges)
 - c) Others (specify)
1. Interest would include commitment charges. 2. Fixed Loans are loans, which are for fixed period, like Term Loans. 3. Expenditure by way of interest as per Schedule 23 is the minimum disclosure requirement. The Entity should be encouraged to disclose interest expended based on the sources of loans and Borrowings as per the heads in Schedules 4 and 5.

SCHEDULE 25- CONTINGENT LIABILITIES AND NOTES ON ACCOUNTS:

A. CONTINGENT LIABILITIES

1. Claims against the Entity not acknowledged as debts _____
2. Liability for partly paid investments: Liability on partly paid shares, debentures etc. is required to be stated
Liability on account of outstanding forward Amount of outstanding forward exchange contracts at the exchange rates applicable as at the exchange contracts year-end should be stated.
- 3.
4. Guarantees and Letters of credit outstanding: Liability towards Guarantees given by the entity or on its behalf and Letter of Credits outstanding as at the year-end are required to be disclosed.
5. Bills discounted/Bills discounted outstanding as at the year-end to be disclosed.
6. Other items for which the entity is included here would be disputed statutory and other demands/claims, Bills rediscounted, contingency liable commitments Under-writing contracts and other items for which the entity is contingently liable.

NOTES ON ACCOUNTS

- C. 1. Commitments on capital Account not This would arise in terms of contracts/arrangements in terms of which amounts would have to provided for be paid for acquisition/construction of assets. The amount, net of advances is required to be disclosed.
2. Others Notes

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FORM OF FINANCIAL STATEMENTS (Non – PROFIT ORGANISATIONS)

RECEIPTS AND PAYMENTS FOR THE PERIOD / YEAR ENDED _____

Name of Entity _____

(Amount – Rs)

RECEIPTS		CURRENT YEAR	PREVIOUS YEAR	PAYMENTS		CURRENT YEAR	PREVIOUS YEAR
I. Opening Balances c) Cash in hand d) Bank Balances i) In current accounts ii) In deposit accounts iii) Savings accounts				I. Expenses a) Establishment Expenses (corresponding to Schedule 20) b) Administrative Expenses (corresponding to Schedule 21) II. Payments made against funds for various projects (Name of the fund or project should be shown along with the particulars of payments made for each project) III. Investments and deposits made b) Out of Earmarked/Endowment funds b) Out of Own Funds (Investments- Others) IV. Expenditure on Fixed Assets & Capital Work-in-progress a) Purchase of Fixed Assets b) Expenditure on Capital Work-in-progress V. Refund of Surplus money/Loans d) To the Government of India e) To the state Government f) To other providers of Funds VI. Finance Charges (Interest) VII. Other Payments (Specify) VIII. Closing Balances c) Cash in hand. d) Bank Balances. i) In current accounts ii) In deposit accounts iii) Savings accounts.			
II. Grants Received d) From Government of India e) From State Government f) From other sources (details) (Grants for capital & revenue exp. To be shown separately). III. Income on Investments from a) Earmarked/Endow. Funds b) Own Funds (Other Investment) IV. Interest Received c) On Bank deposits d) Loans, Advances etc. V. OTHER INCOME (SPECIFY) VI. Amount Borrowed VII. Any other receipts (give details)				TOTAL			

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