

Government of Odisha
Finance Department

No. 7042(43) /F.,
FIN-BUD4-MISC-0002-2012

Date 12/3/13

From

Shri J. K. Mohapatra, I.A.S.
Additional Chief Secretary to Government

To

**The Principal Secretary to Government/
Commissioner-Cum-Secretary to Government/
Secretary to Government/
All Departments of Government**

Sub:- **Adoption of uniform financial statements for the State
Autonomous Bodies & Authorities which are non-profit organisations.**

Sir,

I am directed to say that the State Government, after careful consideration, have decided to introduce accrual accounting system in all State Autonomous Bodies & Authorities from the financial year 2014-15. In order to prepare their financial statements on accrual basis, they are to adopt the uniform format prescribed by the Government of India, Ministry of Finance in consultation with the Comptroller and Auditor General of India for Central Autonomous Bodies, Non-profit Organisations & Similar Institutions. A copy of the uniform financial statements is enclosed for reference and the soft copy of the statements is also being made available in the Finance Department website.

2. Necessary training will be provided to the chief executives and finance personnel of the autonomous bodies & authorities about adoption of accrual based accounting system and preparation of the financial statements in the format prescribed by Government of India.
3. The autonomous bodies and authorities under your administrative control may be advised to take preparatory steps to switch over to accrual based accounting system and adopt the uniform financial statements prescribed by Government of India in 2014-15.

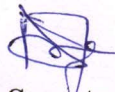
Yours faithfully,

h.
11/3/13
Additional Chief Secretary to Govt.

Memo No. 7043 /F.,

Dt. 12/03/13

Copy along-with copy of enclosure forwarded to the Director, Madhusudan Das Regional Academy of Financial Management, Bhubaneswar for information. He is requested to prepare suitable training programmes for the chief executives and finance personnel of State Autonomous Bodies & Authorities.

 11.3.13
Joint Secretary to Govt.

**FORM OF
FINANCIAL STATEMENTS

FOR THE

CENTRAL AUTONOMOUS BODIES

(NON-PROFIT ORGANISATIONS AND SIMILAR
INSTITUTIONS)**

CONTAINS

	<u>PAGES</u>
BALANCE SHEET	1
INCOME & EXPENDITURE ACCOUNT	2
SCHEDULES TO THE ABOVE FINANCIAL STATEMENTS	3-21
INSTRUCTIONS AND ACCOUNTING PRINCIPLES	22-23
NOTES AND INSTRUCTIONS FOR THE SCHEDULES	24-54
STATEMENT OF RECEIPTS AND PAYMENTS	55

NOTES AND INSTRUCTIONS FOR THE SCHEDULES

BALANCE SHEET

FORM OF FINANCIAL STATEMENTS (NON-PROFIT ORGANISATIONS)

Name of Entity_____

BALANCE SHEET AS AT _____

<u>CORPUS/ CAPITAL FUND AND LIABILITIES</u>	Schedule	Amount-Rs.	
		Current Year	Previous Year
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			
<u>ASSETS</u>	8		
FIXED ASSETS	9		
INVESTMENTS-FROM EARMARKED/ENDOWMENT FUNDS	10		
INVESTMENTS-OTHERS	11		
CURRENT ASSETS, LOANS, ADVANCES ETC.			
MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)			
	24		
	25		
TOTAL			
SIGNIFICANT ACCOUNTING POLICIES			
CONTINGENT LIABILITIES AND NOTES ON ACCOUNTS			

INCOME & EXPENDITURE ACCOUNT

FORM OF FINANCIAL STATEMENTS (NON-PROFIT ORGANISATIONS)

Name of Entity _____

INCOME AND EXPENDITURE ACCOUNT FOR THE PERIOD/YEAR ENDED _____

(Amount-Rs.) _____

<u>INCOME</u>	Schedule	Current Year	Previous Year
Income from Sales / Services	12		
Grants/Subsidies	13		
Fees/Subscriptions	14		
Income form 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 an works-in-progress	19		
TOTAL (A)			
EXPENDITURE	20		
Establishment Expenses	21		
Other Administrative Expenses etc.	22		
Expenditure on Grants, Subsidies etc.	23		
Interest			
Depreciation (Net Total at the year-end-corresponding to Schedule8)			
TOTAL (B)			
Balance being excess of Income over Expenditure (A-B)			
Transfer to Special Reserve (Specify each)			
Transfer to/ from General Reserve			
BALANCE BEING SURPLUS/(DEFICIT) CARRIED TO CORPUS/CAPITAL FUND	24		
SIGNIFICANT ACCOUNTING POLICIES	25		
CONTINGENT LIABILITIES AND NOTES ON ACCOUNTS			

SCHEDULES

FORM OF FINANCIAL STATEMENTS (NON-PROFIT ORGANISATIONS)

Name of Entity _____

SCHEDULES FORMING PART OF BALANCE SHEET AS AT _____ (Amount- Rs.)

SCHEDULE 1- CORPUS/CAPITAL FUND:	Current Year		Previous Year	
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				
				
	_____		_____	
<u>BALANCE AT THE YEAR-END</u>				

SCHEDULE 2- RESERVES AND SURPLUS:	Current Year		Previous Year	
1. <u>Capital Reserve</u> :				
As per last Account				
Addition during the year	(....)		(....)	
Less: Deductions during the year	_____		_____	
				
2. <u>Revaluation Reserve</u>				
As per last Account	(....)		(....)	
Addition during the year	_____		_____	
Less: Deductions during the year				
				
3. <u>Special Reserve</u>				
As per last Account	(....)		(....)	
Addition during the year	_____		_____	
Less: Deductions during the year				
				
4. <u>General Reserve</u>				
As per last Account	(....)		(....)	
Addition during the year	_____		_____	
Less: Deductions during the year				
<u>TOTAL</u>				

FORM OF FINANCIAL STATEMENTS (NON-PROFIT ORGANISATIONS)

Name of Entity _____

SCHEDULES FORMING PART OF BALANCE SHEET AS AT _____ (Amount-Rs.)

<u>SCHEDULE 3-EARMARKED/ENDOWMENT FUNDS</u>	FUND-WISE BREAK UP				TOTAL	
	Fund WW	Fund XX	Fund YY	Fund ZZ	Current Year	Previous Year
a) Opening balance of the funds						
b) Additions to the Funds:						
i. Donation/grants						
ii. Income from investments made on account of funds						
iii. Other additions (specify nature)						
	—	—	—	—	—	—
						
<u>TOTAL (a+b)</u>						
c) Utilisation/Expenditure towards objectives of funds						
i. Capital Expenditure						
- Fixed Assets						
- Others						
Total	—	—	—	—	—	—
ii. Revenue Expenditure						
- Salaries, Wages and allowances etc.						
- Rent						
- Other Administrative expenses						
Total	—	—	—	—	—	—
						
<u>TOTAL (c)</u>						
NET BALANCE AS AT THE YEAR-END (a+b-c)						

Notes

- Disclosures shall be made under relevant heads based on conditions attaching to the grants.
- 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	
<u>SCHEDULE 4 – SECURED LOANS AND BORROWINGS:</u>				
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)				
<u>Total</u>				
<u>Note:</u> Amounts due within one year				

FORM OF FINANCIAL STATEMENTS (NON-PROFIT ORGANISATIONS)

Name of Entity _____

SCHEDULES FORMING PART OF BALANCE SHEET AS AT _____ (Amount-Rs.)

<u>SCHEDULES 5- UNSECURED LOANS AND BORROWINGS</u>	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. Others (Specify)		
<u>TOTAL</u>		
<u>Note:</u> Amounts due within one year		

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

FORM OF FINANCIAL STATEMENTS (NON-PROFIT ORGANISATIONS)

Name of Entity _____
SCHEDULES FORMING PART OF BALANCE SHEET AS AT _____ **(Amount-Rs.)**

<u>SCHEDULE 7- CURRFENT LIABILITIES AND PROVISIONS</u>	Current Year		Previous Year	
<u>A. CURRENT LIABILITIES</u>				
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)				
<u>B. PROVISIONS</u>				
1. For Taxation				
2. Gratuity				
3. Superannuation/Pension				
4. Accumulated Leave Encashment				
5. Trade Warranties/Claims				
6. Others (Specify)				
<u>TOTAL (B)</u>				
<u>TOTAL (A+B)</u>				

FORM OF FINANCIAL STATEMENTS (NON-PROFIT ORGANISATIONS)

Name of Entity _____

SCHEDULES FORMING PART OF BALANCE SHEET AS AT _____ (Amount-Rs.)

SCHEDULE 8- FIXED ASSETS

<u>DESCRIPTION</u>	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost/valuation As at beginning of the year	Additions during the year	Deductions during the year	Cost/ valuation at the Year-end	As at the beginnin g 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
<u>FIXED ASSETS:</u>										
<u>LAND:</u>										
a) Freehold			(.....)							
b) Leasehold			(.....)							
<u>BUILDINGS:</u>										
a) On Freehold Land			(.....)							
b) On Leasehold Land			(.....)							
c) Ownership Flats/Premises			(.....)							
d) Superstructures on Land not belonging to the entity			(.....)							
<u>PLANTS MACHINERY & EQUIPMENT</u>			(.....)							
<u>VEHICLES</u>			(.....)							
<u>FURNITURE, FIXTURES, OFFICE EQUIPMENT</u>			(.....)							
<u>COMPUTER/PERIPHERALS</u>			(.....)							
<u>ELECTRIC INSTALLATIONS</u>			(.....)							
<u>LIBRARY BOOKS</u>			(.....)							
<u>TUBEWELLS & W.SUPPLY</u>			(.....)							
<u>OTHER FIXED ASSETS</u>			(.....)							
TOTAL OF CURRENT YEAR										
PREVIOUS YEAR										
<u>CAPITAL WORK-IN PROGRESS</u>										
<u>TOTAL</u>										
Date to be given as to cost of assets on hire purchase basis included above)										

FORM OF FINANCIAL STATEMENTS (NON-PROFIT ORGANISATIONS)

Name of Entity _____

SCHEDULES FORMING PART OF BALANCE SHEET AS AT ____ (Amount-Rs.)

<u>SCHEDULE 9-INVESTMENTS FROM EARMARKED/ENDOWMENT FUNDS</u>	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>		

<u>SCHEDULE 10- INVESTMENTS OTHERS</u>	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 ORGANISATIONS)

Name of Entity _____
SCHEDULES FORMING PART OF BALANCE SHEET AS AT _____ (Amount-Rs.)

<u>SCHEDULE 11- CURRENT ASSETS, LOANS, ADVANCES ETC.</u>	Current Year		Previous Year	
<u>A. CURRENT ASSETS:</u>				
1. <u>Inventories:</u>				
a) Stores and Spares				
b) Loose Tools				
c) Stock-in-trade				
Finished Goods				
Work-in-progress				
Raw Materials	—		—	
2. <u>Sundry Debtors:</u>				
a) Debts Outstanding for a period exceeding six months				
b) Others				
3. <u>Cash balances in hand</u> (including cheques/drafts and imprest)	—		—	
4. <u>Bank Balances:</u>				
a) <u>With Scheduled Banks:</u>				
-On Current Accounts				
-On Deposit Accounts (includes margin money)				
-On Savings Accounts				
b) <u>With non-Scheduled Banks:</u>	—		—	
-On Current Accounts				
-On Deposit Accounts				
-On Savings Accounts				
5. <u>Post Office- Savings Accounts</u>	—		—	
				
<u>TOTAL (A)</u>				

FORM OF FINANCIAL STATEMENTS (NON-PROFIT ORGANISATIONS)

Name of Entity _____
SCHEDULES FORMING PART OF BALANCE SHEET AS AT _____ (Amount-Rs.)

<u>SCHEDULE 11- CURRENT ASSETS, LOANS, ADVANCES ETC. (Contd.)</u>	Current Year		Previous Year	
<u>B. LOANS, ADVANCES AND OTHER ASSETS</u>				
1. <u>Loans:</u>				
a) Staff				
b) Other Entities engaged in activities/objectives 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>	—		—	
				
				
<u>TOTAL (A)</u>				
<u>TOTAL (A+B)</u>				

FORM OF FINANCIAL STATEMENTS (NON-PROFIT ORGANISATIONS)

Name of Entity _____
SCHEDULES FORMING PART OF BALANCE SHEET AS AT _____ **(Amount-Rs.)**

<u>SCHEDULE 12-INCOME FROM SALES/SERVICE</u>	Current Year	Previous Year
1) <u>Income from sales</u>		
a) Sale of Finished Goods		
b) Sale of Raw Material		
c) Sale of Scraps		
2) <u>Income from Services</u>		
a) Labour and Processing Charges		
b) Professional/Consultancy Service		
c) Agency Commission and Brokerage		
d) Maintenance Services (Equipment/Property)		
e) Others (Specify)		
<u>TOTAL</u>		

<u>SCHEDULE 13- GRANTS/SUBSIDIES</u> (Irrevocable Grants & Subsidies Received)	Current Year	Previous Year
1) Central Government		
2) State Government(s)		
3) Government Agencies		
4) Institutions/Welfare Bodies		
5) International Organisations		
6) Others (Specify)		
<u>TOTAL</u>		

FORM OF FINANCIAL STATEMENTS (NON-PROFIT ORGANISATIONS)

Name of Entity _____
SCHEDULES FORMING PART OF BALANCE SHEET AS AT _____ **(Amount-Rs.)**

<u>SCHEDULE 14- FEES/SUBSCRIPTIONS</u>	Current Year	Previous Year
1) Entrance Fees		
2) Annual Fees/Subscriptions		
3) Seminar/Program Fees		
4) Consultancy Fees		
5) Others (Specify)		
<u>TOTAL</u>		
<u>Note-</u> Accounting Policies towards each item are to be disclosed		

<u>SCHEDULE 15- INCOME FROM INVESTMENTS</u> (Income on Invest. from Earmarked/Endowment Funds transferred to Funds)	Investment from Earmark Fund		Investment- Others	
	Current Year	Previous Year	Current Year	Previous Year
1) Interest				
a) On Govt. Securities				
b) Other Bonds/Debentures				
2) Dividends:				
a) On Shares				
b) On Mutual Fund Securities				
3) Rents				
4) Others (Specify)				
<u>TOTAL</u>				
TRANSFERRED TO EARMARKED/ENDOWMENT FUNDS				

FORM OF FINANCIAL STATEMENTS (NON-PROFIT ORGANISATIONS)

Name of Entity _____
SCHEDULES FORMING PART OF BALANCE SHEET AS AT _____ **(Amount-Rs.)**

<u>SCHEDULE 16- INCOME FROM ROYALTY, PUBLICATION ETC.</u>	Current Year	Previous Year
1) Income from Royalty		
2) Income from Publications		
3) Others (specify)		
<u>TOTAL</u>		

<u>SCHEDULE 17- INTEREST EARNED</u>	Current Year	Previous Year
1) On Term Deposits:		
a) With Scheduled Banks		
b) With Non-Scheduled Banks		
c) With Institutions		
d) Others		
2) On Savings Accounts:		
a) With Scheduled Banks		
b) With Non-Scheduled Banks		
c) With Institutions		
d) Others		
3) On Loans:		
a) Employees/Staff		
b) Others		
4) Interest on Debtors and Other Receivables		
<u>TOTAL</u>		
Note- Tax deducted at source to be indicated		

FORM OF FINANCIAL STATEMENTS (NON-PROFIT ORGANISATIONS)

Name of Entity _____
SCHEDULES FORMING PART OF BALANCE SHEET AS AT _____ (Amount-Rs.)

<u>SCHEDULE 18- OTHER INCOME</u>	Current Year	Previous Year
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 Services		
4) Miscellaneous Income		
<u>TOTAL</u>		

<u>SCHEDULE 19- INCREASE/(DECREASE) IN STOCK OF FINISHED GOODS & WORK IN PROGRESS</u>	Current Year	Previous Year
a) Closing stock		
- Finished Goods		
- Work-in-progress		
b) Less: Opening Stock		
- Finished Goods	(....)	(....)
- Work-in-progress	(....)	(....)
<u>NET INCREASE/(DECREASE) [a-b]</u>		

<u>SCHEDULE -20 ESTABLISHMENT EXPENSES</u>	Current Year	Previous Year
a) Salaries and Wages		
b) Allowances and Bonus		
c) Contribution to Provident Fund		
d) Contribution to Other Fund (specify)		
e) Staff Welfare Expenses		
f) Expenses on Employees Retirement and Terminal Benefits		
g) Others (specify)		
<u>TOTAL</u>		

FORM OF FINANCIAL STATEMENTS (NON-PROFIT ORGANISATIONS)

Name of Entity _____

SCHEDULES FORMING PART OF BALANCE SHEET AS AT _____ (Amount-Rs.)

<u>SCHEDULE 21- OTHER ADMINISTRATIVE EXPENSES ETC.</u>	Current Year	Previous Year
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) Travelling 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)		
<u>TOTAL</u>		

FORM OF FINANCIAL STATEMENTS (NON-PROFIT ORGANISATIONS)

Name of Entity _____
SCHEDULES FORMING PART OF BALANCE SHEET AS AT _____ (Amount-Rs.)

	Current Year	Previous Year
<u>SCHEDULE 22- EXPENDITURE ON GRANTS, SUBSIDIES ETC.</u>		
a) Grants given to Institutions/Organisations		
b) Subsidies given to Institutions/Organisations		
<u>TOTAL</u>		
<u>Note -</u> Name of the Entities, their Activities along with the amount of Grants/Subsidies are to be disclosed.		

	Current Year	Previous Year
<u>SCHEDULE 23 INTEREST</u>		
a) On Fixed Loans		
b) On Other Loans (including Bank Charges)		
c) Others (specify)		
<u>TOTAL</u>		

FORM OF FINANCIAL STATEMENTS(NON-PROFIT ORGANISATIONS)

Name of Entity _____

SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE PERIOD ENDED _____

SCHEDULE 24- SIGNIFICANT ACCOUNTING POLICIES (Illustrative)

1. ACCOUNTING CONVERSION

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 are valued at lower of cost and net realisable 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 "Couvent" 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 brokage, transfer stamps.

4. EXCISE DUTY

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

5. FIXED ASSETS

5.1. Fixed Assets are stated 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 capitalised.

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

6. DEPRECIATION

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

FORM OF FINANCIAL STATEMENTS (NON-PROFIT ORGANISATIONS)

Name of Entity _____

SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE PERIOD ENDED _____

SCHEDULE 24-SIGNIFICANT ACCOUNTING POLICIES (Illustrative) –Contd.

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.

9. GOVERNMENT GRANTS/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 realisation basis.

10. FOREIGN CURRENCY TRANSACTIONS

10.1. Transactions denominated in foreign currency are accounted at the exchange rate prevailing
at the date of the transaction.

10.2. Current assets , foreign currency loans and current liabilities are converted at the exchange rate
prevailing as 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
actual Valuation.

12.2. Provision 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.

FORM OF FINANCIAL STATEMENTS (NON-PROFIT ORGANISATIONS)
Name of Entity _____
SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE PERIOD ENDED _____

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 Disputed demands in respect of:
- Income-tax Rs. _____ (Previous year Rs. _____).
- Sales tax Rs. _____ (Previous year Rs. _____).
- Municipal Taxes _____ (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 rentals 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 realisation in the ordinary course of business, equal at 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.

FORM OF FINANCIAL STATEMENTS (NON-PROFIT ORGANISATIONS)

Name of Entity _____

SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE PERIOD ENDED _____

SCHEDULE 25-CONTINGENT LIABILITIES AND NOTES ON ACCOUNTS (Illustrative) –Contd.

(Amount-Rs.)

6. FOREIGN CURRENCY TRANSACTIONS

Current Year Previous Year

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
 - Miscellaneous Expenses

6.3. Earnings:

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.

INSTRUCTIONS AND ACCOUNTING PRINCIPLES

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

INSTRUCTIONS AND ACCOUNTING PRINCIPLES

- 1) The financial statements of non profit and other similar organisation (viz., Balance Sheet and Income and Expenditure Account) shall be prepared on accrual basis and 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 items 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 the departures from accounting standards is material, the particulars of the departure shall be disclosed, together with the reasons therefore 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 later 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 statement 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 a 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.

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

INSTRUCTIONS AND ACCOUNTING PRINCIPLES- (contd.)

- 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 reverse and not as a provision .
- 8) Revenue shall not be recognized unless:
- The related performance has been achieved ;
 - No significant uncertainty exists regarding the amount of consideration; and
 - 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:
- “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.
 - “Extra-ordinary” items, which are material items of income or expenses that arise from events or transactions that are clearly distinct from the ordinary activities of the entity and, therefore, are not expected or recur frequently or regularly.
 - Any item under the head “Miscellaneous Income” which exceeds 1 per cent 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.
 - Any item under the head “Miscellaneous Expenses” which exceeds 1 per cent 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 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 the 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 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 hundred crore	Lakh
One hundred or more but less than one thousand crore	Crore

- 13) Reference may also be made to the enclosed Notes and Instructions for compilation in relation to in the formats suggested.

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

CORPUS/CAPITAL FUND AND LIABILITIES:

SCHEDULE 1-CORPUS/CAPITAL FUND

(a) Corpus/Capital Fund is akin to Capital, Share Capital or Owners' 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.

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

CORPUS/CAPITAL FUND AND LIABILITIES:

SCHEDULE 2- RESERVES AND SURPLUS

- 1. CAPITAL RESERVES:** The expression capital reserves shall not include any amount
- Opening balance regarded as free for distribution through the Income and
 - Additions during the year Expenditure Account. Surplus on revaluation should be
 - Deductions during the Year treated as Capital Reserves and shown separately. Surplus on translations of financial statements of foreign branches, if any, is not a revaluation reserve.

- 2. REVALUATION RESERVE:** To reflect effects of changing prices, fixed assets otherwise stated at historical costs, are revalued and the historical cost substituted by a revaluation, normally done by competent valuers. Such
- opening balance
 - Additions during the year
 - Deductions during the year substitution resulting in an upward revaluation is required to be shown as a "Revaluation Reserve". This reserve is an unrealised gain and should not be credited as income in the Income and Expenditure Account.

- 3. SPECIAL RESERVES (S):** These would comprise Special reserves requires to be created 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 than 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.

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

CORPUS/CAPITAL FUND AND LIABILITIES:

SCHEDULE 3- EARMARKED/ENDOWMENT FUNDS

Amounts received as grants or assistance, or retained by the entity to be utilised for specific or Earmarked purposes and remaining to be expended/utilised 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 utilisation 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:

- a) Grants/funds which have the characteristics of promoters' contribution which are of the nature of additions/accretion to the Corpus Fund.
- b) 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.
- c) 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 fund, unless the assets are taken over and are incorporated in Schedule 8.

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

CORPUS/CAPITAL FUND AND LIABILITIES:

SCHEDULE 4- SECURED LOANS AND BORROWINGS

- | | |
|---------------------------------|---|
| 1. Central Govt. | Indicate the nature of security and terms of repayment. |
| 2. State Government | Indicate the name of State Govt. and nature of security 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. Bank | Includes borrowings/refinance obtained from commercial banks (including co-operative banks). |
| a) Term Loans | Term Loans need to be segregated from other facilities. |
| b) Other Loans | |
| 5. Other institutions& agencies | Includes institutions/agencies other than those mentioned above. |
| 6. Debentures and Bonds | 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 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 and liability against participation certificates.
- (e) Amounts received by way of discount of debtors or receivables or rediscount of bills, shall not be shown as borrowings.
- (f) 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 be shown as part of Current Liabilities.
- (g) Unreconciled 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.

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

CORPUS/CAPITAL FUND AND LIABILITIES:

SCHEDULE 5 –UNSECURED LOANS AND BORROWINGS

- | | |
|------------------------------------|--|
| 1. Central Government | Indicate the terms of repayment. |
| 2. State Government (s) | Indicate name of the State Government and the terms of repayment. |
| 3. Financial Institutions | <p>Includes borrowings obtained from Industrial Bank of India. Export-Import Bank of India. National Bank for Agriculture and Rural Development.</p> <p>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.</p> |
| 4. Banks | <p>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.</p> |
| 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 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.

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

CORPUS/CAPITAL FUND AND LIABILITIES:

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 the 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.

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

CORPUS/CAPITAL FUND AND LIABILITIES:

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 others on accounts of goods purchased or services rendered or in respect of contractual obligations. These need to be segregated for goods' and shown separately. |
| a) For Goods | |
| b) Others | |
| 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 |
| a) Secured Loans/Borrowings | secured/ unsecured loans and borrowings. |
| b) Unsecured Loans/Borrowings | |
| 5. Statutory Liabilities | These comprise liabilities in terms of the Central/State laws governing the Entity; and includes unpaid liability for tax deducted at source under the Income Tax Act, 1961, statutory bonus, provident fund, pension, gratuity, ESI, interest to SSI Units on their overdue, sales tax, excise, customs duty , and other statutory levies. |
| a) Overdue | Overdue liabilities are undisputed amounts which are due and remain unpaid beyond the normal due date/stipulated period i.e. those are in default. |
| b) Others | |
| 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". |

Notes – General

A Current Liability is one which falls due for payment within a relatively short period, normally not more than 12 months.

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

CORPUS/CAPITAL FUND AND LIABILITIES:

SCHEDULE 7 – CURRENT LIABILITIES AND PROVISIONS:

B. PROVISIONS

- | | |
|----------------------------|--|
| 1. For Taxation | Provision needs to be made and retained based on the status of Tax matters as at the year-end. |
| 2. Gratuity | Provision for liability towards gratuity payable on death/retirement of employees needs to be accrued on actuarial basis, and provided upto the year-end. |
| 3. Superannuation/Pension | Provision for liability payable towards superannuation of employees needs to be accrued on actuarial basis, and provided upto the year-end. |
| 4. Accumulated Leave | Provision 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 need 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. |

Notes- General

Provision is an amount written off or retained by way of providing for depreciation or diminution in the value of assets, or retained by way of providing for a known liability, the amount of which cannot be determined with substantial accuracy.

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

ASSETS

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. |
| b) Leasehold | Leasehold land should be amortised over the period of lease unless the lease unless the lease is in perpetuity |

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 | Buildings/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/ | Superstructures on leasehold lands should be depreciated to be co-terminus Premises with the amortisation of land, unless the superstructures have a shorter life. |
| d) Superstructures on Land not belonging to the Entity | Buildings shall include roads, bridges, and culverts. |

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. VEHICLES

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.

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

ASSETS

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 Stabilisers, 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) Photocopies/duplicators
- c) Fax Machines

Separate Accounts 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, Software etc. would be the items under this head.

Separate Accounts 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 INSTALLATIONS

Included 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 the above items and kept reconciled with the Fixed Assets registers. Disclosure information under of 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.

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

ASSETS

SCHEDULE 8- FIXED ASSETS:

- | | |
|----------------------------------|--|
| 10. TUBEWELLS & W. SUPPLY SYSTEM | Tubewells and Water Supply Systems 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 intended 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 providing 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 (including 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 additions deductions during the year and the total accumulated depreciation upto the year-end.
 - 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/ amortisation.
4. Where sums have been written up for any assets due to their revaluation the basis there of 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 a nominal value.

Alternatively, grants relatable 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 income over the periods and in the proportions in which depreciation is charged.

Grants relatable to non-depreciable assets should be credited to "Capital Reserve", unless there are pre-conditions requiring fulfillment.

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

ASSETS

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 charges. It includes amortisation 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 ministrative 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.

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

ASSETS

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 | Investments in subsidiaries/associate entities should be included ventures 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 therein.

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
(to be specified) | 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. Investment 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.

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

ASSETS

SCHEDULE 9- INVESTMENTS-FROM EARMARKED/ENDOWMENT FUNDS:

Notes- General

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 any 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. Investment 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 disclosed 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 amortised on a time proportion basis upto the date of their maturity. Discount on acquisition shall not be amortised.
7. Matured investments, not realized may be separately disclosed.

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

ASSETS

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), 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 | Investments in subsidiaries/associate entities should be included ventures 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 therein.

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
(to be specified) | 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. Investment 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.

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

ASSETS

SCHEDULE 10- INVESTMENT-OTHERS:

Notes- General

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 any 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. Investment 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 disclosed 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 amortised on a time proportion basis upto the date of their maturity. Discount on acquisition shall not be amortised.
7. Matured investments, not realised may be separately disclosed.

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

ASSETS

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,
 - a) Stores and Spares
 - b) Loose Tools
 - c) Stock-in-trade
 including maintenance supplies and consumables other than machinery parts.

 Basis of valuation of inventories should be disclosed

 -Finished Goods Finished goods would include goods purchased/produced and lying in hand at all locations of the entity.
 -Work-in-progress
 - Raw Materials Raw materials would also include parts or components used or consumed in the process of production of goods for sale.
2. Sundry Debtors: Debtors comprise persons from whom amounts are due for goods sold or services rendered or in respect of contractual obligations.
 - a) Debts Outstanding for a period exceeding six months
 - b) Others Debts considered good for recovery and those considered doubtful shall be shown separately. Provision 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)
4. Bank Balances: Amounts held as bank balance against earmarked/endowment funds
 - a) With Scheduled Banks
 - On Current Accounts
 - On Deposit Accounts (includes margin money)
 - On Savings Accounts
 should be separately disclosed. Where any deposit accounts are pledged or charged as security or are encumbered, the fact should be disclosed . Overdue/Matured Deposits should be separately disclosed.
 - b) With Non-Scheduled Banks
 - On Current Accounts
 - On Deposit Accounts
 - On Savings Accounts
5. Post Office- Saving Accounts:

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

ASSETS

SCHEDULE 11- 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 therefrom.
 - a) Staff Interest accrued on interest bearing staff loans should be accounted notwithstanding that actual recoveries of interest might commence after repayment of principal.
 - b) Other Entities engaged in activities objectives similar to that of the Entity Irrevocable grants/subsidies/donation to such entities shall not be included here. If interest-bearing, the amount of interest earned up to the year-end should be adjusted.
 - c) Other (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 Income on Investment from Earmarked/Endowment Funds and that on Other Investment should be shown separately.
 - b) On Investments-Others
 - c) On Loans and Advances
 - d) Others If uncertainty attaches to realisation or ultimate collection, income should not be recognised, and if recognised, should be provided for.

Dividends should be recognised 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.

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

INCOME AND EXPENDITURE ACCOUNT- INCOME

SCHEDULE 13 – GRANTS/SUBSIDIES:

(Irrevocable Grants & Subsidies Received)

- | | |
|--------------------------------|--|
| 1) Central Government | Grants Subsidies or other similar assistance received for the general |
| 2) State Government(s) | purposes and objectives of the Entity, on an irrevocable basis, or to |
| 3) Government Agencies | cover expenditure incurred in prior periods, shall be included in this |
| 4) Institutions/Welfare Bodies | Schedule. |
| 5) International Organisations | These grants etc. are without any conditions attached as to their |
| 6) Others(Specify) | utilisation and are of the nature of non-refundable amounts which |
| | are to be appropriated to income. |

The gross receipts shall be shown against each sub-head, and grants/
Subsidies which are given in turn to other institutions/organisations
on irrevocable basis, as expenditure should be considered in
Schedule22.

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

INCOME AND EXPENDITURE ACCOUNT- INCOME

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. |
| 3) Seminar/Program Fees | Otherwise such fees will be incorporated in this schedule. |
| 4) Consultancy Fees | In case the major activities of the Entity are to organise seminar/workshop and/or provide consultancy services, such income should form part of the Schedule 12. |
| 5) Others (Specify) | The gross receipts should be shown here. Expenditure incurred on seminar/workshop, consultancy etc. should be shown as 'other administrative expenses' in the schedule 21. |

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

INCOME AND EXPENDITURE ACCOUNT- INCOME

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 <ul style="list-style-type: none">a) interest earned at coupon rate upto the last applicable date of interest, i.e. interest accrued & due; andb) interest accrued thereafter upto the year-end at the coupon rate. |
| 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 <ul style="list-style-type: none">a) on Sharesb) on Mutual Fund Securities | 4. Dividends shall be accrued, based on the dates of declaration thereof i.e. when the entity has a right to receive the same. |
| 3. Rents | 5. Rents shall be shown as income on Investment on properties, if any. |
| 4. Others (Specify) | 6. Interest claimed on overdue/matured investments shall not be recognised unless pre-conditions for such recognition are satisfied. |
| | 7. Distinction should be made in respect of income on Investments: <ul style="list-style-type: none">a) Owned by the Entity; andb) 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 3. |

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

INCOME AND EXPENDITURE ACCOUNT- INCOME

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. |

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

INCOME AND EXPENDITURE ACCOUNT- INCOME

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 Bank | a) on assets owned by the Entity; and |
| b) With Non-Scheduled Bank | b) those held against earmarked/endowment funds; |
| c) Post Office Savings Accounts | |
| d) Others | |
| | |
| 3. On Loans: | |
| a) Employees/Staff | |
| b) Others | |
| | |
| 4. Interest on Debtors & Other Receivables | |

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

INCOME AND EXPENDITURE ACCOUNT- INCOME

SCHEDULE 18 – OTHER INCOME:

- | | |
|---|---|
| 1. Profit on Sale/disposal of Assets | Sales proceeds/realisation, net of the book value of the assets shall, if a surplus, be included under this sub-head. |
| a) Owned assets | |
| b) Assets acquired out of grants or received free of cost | |
| 2. Export Incentives realized | Export incentives claimed and not realised upto the year-end shall not be included in Income. |
| 3. Fees for Miscellaneous Services | Items of material amounts included in Miscellaneous Income should be separately disclosed. |
| 4. Miscellaneous Income | |

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

INCOME AND EXPENDITURE ACCOUNT- INCOME

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

- | | |
|------------------------|--|
| a) Closing stock | Accounting policies regarding valuation of stock should be declared. |
| - Finished Goods | |
| - Work-in-progress | |
| | |
| b) Less: Opening Stock | |
| - Finished Goods | |
| - Work-in-progress | |

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

INCOME AND EXPENDITURE ACCOUNT- EXPENDITURE:

SCHEDULE 20 – ESTABLISHMENT EXPENSES:

a) Salaries and Wages	The gross expenditure against each head including in respect of staff on deputation should be disclosed.
b) Allowances and Bonus	
c) Contribution to Provident Fund	Statutory obligations of the Entity towards provident fund, Employees' state insurance, retirement benefits etc. should be disclosed clearly and item-wise.
d) Contribution to Other Fund (specify)	
e) Staff Welfare Expenses	
f) Expenses on Employees' Retirement and Terminal Benefits	In case of recoveries like fines, penalties etc. the same should not be deducted from the expense heads but included under 'Other Income' in the Schedule 18.
g) Others (specify)	

Notes-General

Prior period items

Prior period and Extraordinary Items shall be separately disclosed so that the effect thereof on the net Expenditure

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

INCOME AND EXPENDITURE ACCOUNT- EXPENDITURE:

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 Carriage Inwards	In case of recoveries e.g. rent recoveries, freight charges	
d) Electricity and power	recovered, fines, penalties, damages from suppliers etc., the e)	e)
Water charges	amount of such recoveries should not be deducted from the	
f) Insurance	expense heads but included under “Schedule 16-“Other Income”.	
g) Repairs and maintenance		
h) Excise Duty	Prior period and Extraordinary Items shall be separately disclosed	
i) Rent, Rates and Taxes	so that the effect thereof on the net Expenditure for the year is	
j) Vehicles Running and Maintenance	known.	
k) Postage, Telephone and		
Communication Charges		
l) Printing and Stationary	The list of heads is not exhaustive but illustrative. As far as	
m) Travelling and Conveyance	possible only these heads of accounts should be used unless there	
Expenses	is compelling reasons to add or delete any of these heads.	
n) Expenses on Seminar/Workshops		
o) Subscription Expenses	* Purchases should be segregated between Raw Materials and	
p) Expenses on Fees	Stores for manufacture and for Finished Goods traded in. In	
q) Auditors Remuneration	case of manufacturing entities, ‘Consumption of Raw	
r) Hospitality Expenses	Materials’ and ‘Stores’ may be given instead of ‘Purchases’	
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)		

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

INCOME AND EXPENDITURE ACCOUNT- EXPENDITURE:

SCHEDULE 22 – EXPENDITURE ON GRANTS, SUBSIDIES ETC:

- | | |
|---|---|
| a) Grants given to
Institutions/Organisations | <p>Grants, Subsidies or other similar assistance given to the Institutions/
Organisations for general purposes and objectives of the Entity, on an
irrevocable basis, shall be included in this Schedule.</p> <p style="padding-left: 40px;">Name of the Institutions/Organisations, their activities along with the
amounts in each case should be disclosed.</p> |
| b) Subsidies given to
Institutions/Organisations | <p>These grants etc. are with or without any conditions attached as to their
utilisation and are of the nature of non-refundable amounts which are
to be appropriated as expenditure.</p> <p>The gross receipts shown against each sub-head in the schedule-13,
could be the sources of these grants/subsidies that are given, in turn,
to other institutions/organizations on irrevocable basis.</p> <p>The gross expenditure against each head should be disclosed.</p> |

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

INCOME AND EXPENDITURE ACCOUNT- EXPENDITURE:

SCHEDULE 23 – INTEREST:

- | | |
|--|---|
| a) On Fixed Loans | 1. Interest would include commitment charges. |
| b) On Other Loans (including Bank Charges) | 2. Fixed Loans are loans which are for fixed period, like
term Loans. |
| c) Others (specify) | 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. |

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

SCHEDULE 25- CONTINGENT LIABILITIES AND NOTES ON ACCOUNTS:

A. CONTINGENT LIABILITIES

- | | |
|---|--|
| 1. Claims against the Entity not acknowledge as debts | _____ |
| 2. Liability for partly-paid investments | Liability on partly paid shares, debentures etc. is required to be stated. |
| 3. Liability on account of outstanding forward exchange contracts | Amount of outstanding forward exchange contracts at the exchange rates applicable as at the year-end should be stated. |
| 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 need to be disclosed. |
| 6. Other items for which the entity is contingently liable | Included here would be disputed statutory and other demands/claims, Bills rediscounted, commitments under under-writing contracts and other items for which the entity is contingently liable. |

B. NOTES ON ACCOUNTS

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

STATEMENT OF RECEIPTS AND PAYMENTS

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