

Independent Auditor's Report

To The Council of the Institute of Chartered Accountants of India

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **SOUTHERN INDIA REGIONAL COUNCIL of THE INSTITUTE OF CHARTERED ACCOUNTANTS of INDIA ("SIRC or SIRC of ICAI")** which comprise the Balance Sheet as at March 31, 2020, the Statement of Income and Expenditure and the Cash Flow Statement for the year then ended and notes to the financial statements including a summary of significant accounting policies (hereinafter referred to as "the financial statements").

In our opinion, the accompanying financial statements of the entity are prepared, in all material respects, in accordance with the Chartered Accountants Act, 1949 ("the Act") and give a true and fair of the financial position of the SIRC of ICAI as at March 31, 2020, its financial performance and its cash flows for the year then ended in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI)

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India (ICAI). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the SIRC in accordance with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Management of SIRC is responsible for the preparation of the financial statements in accordance with the Act and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management of the SIRC of ICAI is responsible for assessing the SIRC of ICAI's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the said management either intends to liquidate the SIRC of ICAI or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are also responsible for overseeing the SIRC's financial reporting process.



Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on effectiveness of the SIR of ICAI's internal financial controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- State that audit at Regional level will not be able to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained at the Region, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ICAI's ability to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Report on Other Legal and Regulatory Requirements

We further report that:

- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) in our opinion, proper books of account have been kept by the SIRC of ICAI so far as it appears from our examination of those books; and
- c) the Balance Sheet, the Statement of Income & Expenditure and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.

For Sundar Sridhar & Sridhar
Chartered Accountants

Firm Registration Number: 0042015



S. Sridhar
Partner

Membership No. 025504

UDIN: 20025504AAAADF9891

Place: Chennai

Date: June 25, 2020



SOUTHERN INDIA REGIONAL COUNCIL THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA ICAI Bhawan, 122, Mahatma Gandhi Road, Nungambakkam, Chennai - 600034			
BALANCE SHEET AS AT 31ST MARCH, 2020			
	Schedule Number	31 March 2020	31 March 2019
SOURCES OF FUNDS		(Figures in rupees)	
SURPLUS AND EARMARKED FUNDS			
GENERAL RESERVE	I	4,52,65,574	3,75,14,122
OTHER RESERVES	II	3,08,68,266	2,86,58,440
EARMARKED FUNDS	III	40,07,482	35,97,450
	(A)	8,01,41,322	6,97,70,012
CURRENT LIABILITIES			
FEES RECEIVED IN ADVANCE	IV	44,77,347	40,71,874
CREDITORS FOR EXPENSES		33,10,581	56,83,395
OTHER CURRENT LIABILITIES			
STATUTORY DUES-TAX DEDUCTED AT SOURCE		1,05,177	1,92,162
DEPOSITS- LIBRARY		27,67,452	27,21,810
OTHERS	V	13,86,845	3,59,310
	(B)	1,20,47,402	1,30,28,550
INTER UNIT BALANCES:			
CAPITAL GRANT	VI	4,39,56,526	4,28,24,246
ICAI HEAD OFFICE CURRENT ACCOUNT		4,67,242	-
GMCS CURRENT ACCOUNT		7,85,000	37,500
INTERUNIT TRANSACTIONS WITH DECENTRALIZED OFFICE, CURRENT ACCOUNT (BRANCHES)		29,84,703	26,46,612
ICAI PUBLICATION STOCK TRANSFER ADJUSTMENT A/C		29,96,968	1,65,922
		1,155	24,16,605
	(C)	5,11,91,594	4,80,90,884
TOTAL	(A) + (B) + (C)	14,33,80,318	13,08,89,447

APPLICATION OF FUNDS		(Figures in rupees)	
NON CURRENT ASSETS:			
PROPERTY PLANT AND EQUIPMENT			
GROSS BLOCK	VII	4,53,75,008	4,07,68,058
LESS ACCUMULATED DEPRECIATION		3,10,69,704	2,86,75,710
NET BLOCK	(A)	1,43,05,304	1,20,92,348
NON CURRENT INVESTMENTS			
FIXED DEPOSITS WITH BANKS		1,18,01,209	62,96,866
OTHER NON CURRENT ASSETS			
SECURITY DEPOSITS		60,050	60,050
	(B)	1,18,61,259	63,56,916
CURRENT ASSETS			
CURRENT INVESTMENTS			
FIXED DEPOSITS WITH BANKS			
A. RESERVE FUND INVESTMENTS	VIII A	2,86,58,440	-
B. EARMARKED INVESTMENTS	VIII B	40,07,482	35,97,450
C. OTHER INVESTMENTS - SHORT TERM FIXED DEPOSITS		5,90,04,786	3,78,56,632
INVENTORIES			
STATIONERY AND OTHER CONSUMABLES		3,13,555	3,18,592
OUTRIGHT PURCHASES		-	1,13,022
OTHER RECEIVABLES	IX	36,31,879	56,03,616
TDS RECEIVABLES		12,45,498	4,32,166
ADVANCES	X	12,23,298	10,29,899
CASH AND CASH EQUIVALENTS			
BANK BALANCES	XI	1,88,22,173	5,94,64,584
CASH IN HAND		7,164	26,862
FRANKING MACHINE BALANCE		23,729	85
	(C)	11,69,38,004	10,84,42,908
SUB TOTAL (A)+(B)+(C)	(D)	14,31,04,567	12,68,92,172
INTER UNIT BALANCES:			
ICAI HEAD OFFICE CURRENT ACCOUNT		-	15,54,494
CURRENT ACCOUNT(BRANCHES)		19,926	26,176
ICAI PUBLICATION STOCK TRANSFER ACCOUNT		2,55,825	24,16,605
SUB TOTAL	(E)	2,75,751	39,97,275
TOTAL	(D)+(E)	14,33,80,318	13,08,89,447
See accompanying notes forming part of the financial statements	XVII		

As per our Report of Even Date
For Sundar Sridini & Sridhar
CHARTERED ACCOUNTANTS
Firm Registration Number: 0042015

CA. S. Sridhar
Partner
Membership No: 025504

For and on behalf of The Southern India Regional Council

CA. DUNGAR CHAND U. JAIN
Chairman

CA. ABHISHEK. M
Secretary

CA. JALAPATHI. K
Vice - Chairman

CA. GETHA. A. B
Treasurer

Dr. T. PARAMASIVAN
Joint Director (Tech)

PLACE: CHENNAI
DATE : 25.06.2020



**SOUTHERN INDIA REGIONAL COUNCIL
THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA**

ICAI Bhawan, 122, Mahatma Gandhi Road, Nungambakkam, Chennai - 600034

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2020

PARTICULARS	Schedule Number	Year Ended	Year Ended
		31 March 2020	31 March 2019
(Figures in rupees)			
INCOME			
GRANTS RECEIVED FROM HEAD OFFICE			
REVENUE GRANT		1,69,77,939	1,42,00,370
MEMBERSHIP FEE GRANT		26,63,000	30,07,000
BRANCH ADMINISTRATION GRANT		3,08,000	3,07,000
AUDIT FEES GRANT		60,000	58,000
SPECIAL GRANT AND STUDENTS ASSOCIATION GRANT (INCLUDING ADHOC GRANT)		17,22,348	9,94,433
SUB-TOTAL		2,17,31,287	1,85,66,803
NEWS LETTER INCOME		6,65,005	5,80,621
SEMINAR INCOME	XII	3,11,37,419	3,32,54,917
GENERAL MANAGEMENT AND COMMUNICATION SKILLS COURSE INCOME		1,45,34,000	1,47,52,834
INTEREST ON INVESTMENTS AND INTEREST ON BANK BALANCES		70,97,756	47,88,845
INCOME SUPPORT SERVICES (For Branch Managing Committee Members Orientation Programme and CA Day Celebrations)		25,77,356	3,21,954
OTHER INCOME	XIII	19,538	98,069
PROVISION NO LONGER REQUIRED AND WRITTEN BACK		67,117	7,72,335
INCOME FROM COACHING CLASSES		1,20,13,047	1,44,23,811
COMMISSION ON SALE OF PUBLICATIONS/EXAM FORMS	XIV	10,196	1,26,735
TOTAL		8,98,52,721	8,76,86,924
EXPENDITURE			
EMPLOYEE BENEFIT EXPENSES			
- SALARY,PENSION AND OTHER ALLOWANCES		1,48,65,776	1,36,12,383
-CONTRIBUTION TO PROVIDENT AND OTHER FUNDS		10,82,190	9,04,118
- STAFF WELFARE EXPENSES		2,18,373	3,12,211
PRINTING, STATIONERY AND PHOTOCOPYING		1,93,642	3,46,332
NEWSLETTER EXPENSES		19,96,945	24,53,056
POSTAGE, TELEPHONE AND TELEGRAMS		4,60,239	3,92,628
RENT, RATES AND TAXES		17,70,297	24,30,998
REPAIRS AND MAINTENANCE		7,50,044	8,89,181
TRAVEL MEMBERS		18,23,593	16,92,144
TRAVEL STAFF		1,89,039	2,54,752
MAGAZINE AND PERIODICALS		4,53,810	2,28,993
AUDIT FEE		60,000	58,000
SEMINAR EXPENSES	XV	2,78,65,614	2,77,99,809
EXPENSE SUPPORT SERVICES (Branch Managing Committee Members Orientation Programme and CA Day Celebrations)		30,70,123	4,00,244
GENERAL MANAGEMENT AND COMMUNICATION SKILLS COURSE EXPENSES		67,78,157	63,49,544
OTHER EXPENSES	XVI	63,10,951	27,36,348
COACHING CLASSES EXPENSES		95,85,652	1,05,62,441
IMPAIRMENT LOSS ON FIXED ASSETS		-	2,82,626
SUB - TOTAL		7,74,74,445	7,17,05,807
DEPRECIATION		24,16,998	22,86,247
TOTAL		7,98,91,443	7,39,92,055
SURPLUS/ (DEFICIT)		99,61,278	1,36,94,869
Appropriation to Funds/ Reserves			
Transfer to Building Fund [Ref Significant Accounting Policies:2.15]		9,96,128	13,69,487
Transfer to Coaching Class Reserve [Ref Significant Accounting Policies:2.15]		12,13,698	19,30,685
Balance transfer to General Reserve		77,51,452	1,03,94,697
See accompanying notes forming part of the financial statements	XVII		

As per our Report of Even Date

For and on behalf of The Southern India Regional Council

For Sundar Sridhar & Sridhar

CHARTERED ACCOUNTANTS

Firm Registration Number: 0042015

CA. S.Sridhar

Partner

Membership No: 025504

CA. DUNGAR CHAND U. JAIN

Chairman

CA. ABHISHEK. M

Secretary

CA. JALAPATHI.K

Vice - Chairman

CA. GEETHA. A.B

Treasurer

Dr. T. PARAMASIVAN

Joint Director (Tech)

PLACE: CHENNAI

DATE : 25.06.2020



SOUTHERN INDIA REGIONAL COUNCIL
THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
 ICAI Bhawan, 122, Mahatma Gandhi Road, Nungambakkam, Chennai - 600034

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

Particulars	(Figures in Rupees)	
	Year Ended 31 March 2020	Year Ended 31 March 2019
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus for the Year	99,61,278	136,94,869
Adjustments For:		
Loss on sale of Fixed Assets/ Impairment of Fixed Assets	3,052	2,82,626
Add: Depreciation and amortisation	24,16,998	22,86,247
Less: Provisions no longer required written back	(67,117)	(7,72,335)
Add: Stock of publications (Owned) - Discarded	72,126	-
Less: Accrued Interest on investment and bank interest	(70,97,756)	(47,88,845)
Operating Surplus Before Working Capital Changes	52,88,581	(29,92,307)
Changes in Working Capital		
(Increase)/decrease in stock of stationaries	5,037	(17,591)
(Increase)/decrease in stock of Outright Purchases	40,896	(1,13,022)
(Increase)/decrease In other current assets	11,58,404	(33,49,909)
(Increase)/decrease in advances and prepayments	(1,93,399)	(4,93,882)
(Increase)/decrease in inter unit balances with HO/DCO/Branches-Asset	37,21,525	54,98,877
Increase/(decrease) in inter unit balances with HO/DCO/Branches-Liability	19,68,429	(5,99,994)
Increase/(decrease) in fee received in advance	4,05,473	15,15,735
Increase/(decrease) in creditors for Non-Capital items & provision for expenses	(23,05,696)	27,21,531
Increase/(decrease) in statutory dues	(86,985)	(42,811)
Increase/(decrease) in library deposits	45,642	77,250
Increase/(decrease) in other current liabilities	10,27,535	(73,571)
	57,86,861	51,22,614
Net Cash From Operating Activities (A)	110,75,442	158,25,176
B. CASH FLOWS FROM INVESTING ACTIVITIES		
(Acquisition) of property plant and equipment	(46,33,006)	(31,31,481)
Disposal of fixed assets	-	-
(Increase)/decrease in Investments including Earmarked funds Investments	(557,20,969)	(4,64,781)
Disposal of investments/realisation of interest on investments	70,97,756	20,79,713
Net Cash From / (Used in) Investing Activities (B)	(532,56,219)	(15,16,549)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Movement in Earmarked funds	4,10,032	4,64,781
Capital Grant received from HO	11,32,280	54,78,207
Net Cash From Financing Activities (C)	15,42,312	59,42,988
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	(406,38,465)	202,51,615
Cash and Cash Equivalents at the Beginning of the year	594,91,531	392,39,916
Cash and Cash Equivalents at the End of the year	188,53,066	594,91,531

Note: 1. Cash and Cash Equivalents represent Cash in Hand Rs. 7,164, Franking Maching Balance Rs. 23,729 and Bank Balances . Rs.1,88,22,173 [Refer Schedule - XI]

2. The above Cash Flow Statement has been derived using the Indirect method prescribed in AS-3 issued by the ICAI.

As per our Report of Even Date

For Sundar Sridhar & Sridhar
 CHARTERED ACCOUNTANTS
 Firm Registration Number: 0042015

CA. S. Sridhar
 Partner
 Membership No: 025504



For and on behalf of The Southern India Regional Council

CA. DUNGAR CHAND U. JAIN
 Chairman

CA. JALAPATHI.K
 Vice-Chairman

CA. ABHISHEK. M
 Secretary

CA. GEETHA. A.B Dr. T. PARAMASIVAN
 Treasurer Joint Director (Tech)

PLACE: CHENNAI
 DATE : 25.06.2020

SOUTHERN INDIA REGIONAL COUNCIL
THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
 ICAI Bhawan, 122, Mahatmagandhi Road, Nungambakkam, Chennai-600034

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2020

SCHEDULES	As at	As at
	31 March 2020	31 March 2019
	(Figures in rupees)	
SCHEDULE I		
GENERAL RESERVE		
Balance at the beginning of the year	3,75,14,122	2,71,19,425
Add: Transfer from Income and Expenditure account	77,51,452	1,03,94,697
Total	4,52,65,574	3,75,14,122
SCHEDULE II		
OTHER RESERVES		
a) Building Fund Reserve		
Balance at the beginning of the year	73,80,891	60,11,404
Add: Transfer from Income and Expenditure Account [Ref Significant Accounting Policies:2.15 (a)]	9,96,128	13,69,487
	83,77,019	73,80,891
b) Coaching Class Reserve		
Balance at the beginning of the year	2,12,77,549	1,93,46,864
Add: Transfer from Income and Expenditure Account [Ref Significant Accounting Policies:2.15 (b)]	12,13,698	19,30,685
	2,24,91,247	2,12,77,549
Total	3,08,68,266	2,86,58,440
SCHEDULE III		
EARMARKED FUNDS		
Balance at the beginning of the year	35,97,450	31,32,670
Add: Addition during the year [Ref Notes on Accounts:3.2]	3,00,000	2,00,000
Add: Interest income less expenses (Net)	1,10,033	2,64,780
Total	40,07,483	35,97,450
SCHEDULE IV		
FEES RECEIVED IN ADVANCE [Ref Significant Accounting Policies:2.7]		
From Students: Coaching Classes	44,77,347	31,90,094
Members	-	8,81,780
Total	44,77,347	40,71,874



SOUTHERN INDIA REGIONAL COUNCIL
THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
 ICAI Bhawan 122, Mahatma Gandhi Road, Nungambakkam, Chennai-600034

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2020

SCHEDULES	As at	As at
	31 March 2020	31 March 2019
	(Figures in rupees)	
SCHEDULE -V		
OTHER LIABILITIES -CURRENT		
TA/DA payable to Council and Regional Council Members	1,38,125	1,15,927
Fees Refundable to Students	2,61,100	30,100
Fees refundable to CPE Delegates	8,90,679	94,873
Payable to Staffs	9,379	22,348
Others	87,562	96,062
Total	13,86,845	3,59,310
SCHEDULE -VI		
CAPITAL GRANT		
a) FOR CAPITAL ASSETS		
Balance at the beginning of the year	3,33,30,813	2,85,69,350
Add: Grant Received during the year	11,32,280	47,61,463
	3,44,63,093	3,33,30,813
b) FOR BUILDING		
Balance at the beginning of the year	25,07,204	25,07,204
Add: Grant Received during the year	-	-
	25,07,204	25,07,204
c) FOR LIBRARY		
Balance at the beginning of the year	69,86,229	62,69,485
Add: Grant Received during the year	-	7,16,744
	69,86,229	69,86,229
Total	4,39,56,526	4,28,24,246
SCHEDULE -VIII		
RESERVE FUND / EARMARKED INVESTMENTS		
In Term deposit with banks		
A. Reserve Fund Investments		
- Coaching Class Reserve Fund	2,12,77,549	-
- Building Fund	73,80,891	-
B. Earmarked Investments		
- Earmarked Funds	38,97,233	35,49,266
- Interest accrued on Earmarked Funds	1,10,249	48,184
Total	3,26,65,922	35,97,450



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SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2020

SCHEDULES	As at	As at
	31 March 2020	31 March 2019
	(Figures in rupees)	
SCHEDULE IX		
OTHER RECEIVABLES		
Seminar Member	15,803	15,000
Input Tax Credit - GST [Refer Notes on Accounts 3.1]	32,46,619	54,41,984
Others	3,69,457	1,46,632
Total	36,31,879	56,03,616
SCHEDULE X		
ADVANCES		
Prepaid expenses	3,78,049	4,65,626
Advance paid to vendors	5,82,479	3,47,344
Travel advance	1,80,551	1,74,079
Advances to staff	82,219	42,850
Total	12,23,298	10,29,899
SCHEDULE XI		
BANK BALANCES		
SIRC of ICAI		
(i) In Savings Account with Banks:		
	13,30,048	5,96,885
Students Association:		
Bank of Maharashtra- SICASA	1,53,953	2,40,277
(ii) Term Deposits		
Flexi Deposits with Banks	1,73,38,172	5,86,27,421
Total	1,88,22,173	5,94,64,584

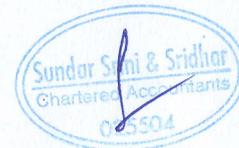


**SOUTHERN INDIA REGIONAL COUNCIL
THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA**

ICAI Bhawan 122, Mahatma Gandhi Road, Nungambakkam, Chennai-600034

SCHEDULES FORMING PART OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 31ST MARCH 2020

SCHEDULES	Year Ended	Year Ended
	31 March 2020	31 March 2019
	(Figures in rupees)	
SCHEDULE XII		
SEMINAR INCOME		
Seminars (Within SIRC Premises)	56,05,787	91,45,261
Seminars (Outside SIRC Premises)	48,48,291	35,08,413
51st Regional Conference Income [Refer Notes on Accounts. 3.4.(a)]	1,98,04,241	-
50th Regional Conference Income	-	2,02,13,993
Seminar income-Students	8,79,100	3,87,250
	3,11,37,419	3,32,54,917
SCHEDULE XIII		
OTHER INCOME		
Receipts for library services	15,798	16,775
Sale of Publication Income	-	71,990
Miscellaneous Income	3,740	9,304
Total	19,538	98,069
SCHEDULE XIV		
COMMISSION ON SALE OF PUBLICATIONS/EXAM FORMS:		
Institute / Board of Studies Publications	10,196	1,26,735
	10,196	1,26,735
SCHEDULE XV		
SEMINAR EXPENSES		
Seminars (Within SIRC Premises)	29,52,562	45,95,864
Seminars (Outside SIRC Premises -Other than Regional Conference)	38,72,325	30,12,730
51st Regional Conference (Including Profit share to host branch) [Refer Notes on Accounts. 3.4.(a)]	1,94,10,857	-
50th Regional Conference (Including Profit share to host branch)	-	1,94,69,471
Students Seminars Expenses (SICASA)	16,29,870	7,21,743
	2,78,65,614	2,77,99,809
SCHEDULE XVI		
OTHER EXPENSES		
CA Day & Month Expenses	3,19,316	2,00,654
International Yoga Day Expenses	44,510	6,050
Bank charges	72,892	69,741
Administrative and Office Expenses [Refer Notes on Accounts. 3.4 (c)]	33,84,154	12,85,438
Stock of publications (Owned) Discarded	72,126	-
Labour Charges	1,100	-
Loss on Assets discarded	3,052	-
Rates and taxes - GST	24,13,801	11,74,465
Total	63,10,951	27,36,348



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ICAI Bhawan, 122, Mahatma Gandhi Road, Nungambakkam, Chennai - 600 034
SCHEDULES ATTACHED TO BALANCE SHEET AS AT 31ST MARCH, 2020

SCHEDULE - VII : PROPERTY PLANT AND EQUIPMENT

Particulars	Rate of Depreciation	GROSS BLOCK				DEPRECIATION/ AMORTIZATION				NET BLOCK	
		Opening balance 01.04.2019	Additions during the year	Deletions during the year	As at 31.03.2020	Upto 01.04.2019	For the Year	Deletions during the year	Up to 31.03.2020	As at 31.03.2020	As at 31.03.2019
		(Figures in Rupees)									
ASSETS											
Buildings	5%	25,07,204	-	-	25,07,204	2,44,453	1,13,138	-	3,57,591	21,49,613	22,62,751
Furnitures and Fixtures	10%	89,44,421	16,74,718	16,924	1,06,02,215	51,46,336	4,48,407	16,285	55,78,458	50,23,757	37,98,085
Electrical Installations and Fittings	10%	28,45,310	16,382	-	28,61,692	16,46,236	1,20,923	-	17,67,159	10,94,533	11,99,074
Lift	10%	8,38,670	-	-	8,38,670	6,85,860	15,281	-	7,01,141	1,37,529	1,52,810
Office Equipment	15%	64,02,277	14,10,438	5,550	78,07,165	33,89,060	6,02,807	3,150	39,88,717	38,18,448	30,13,217
Air Conditioners	15%	29,72,752	9,75,201	-	39,47,953	18,12,708	2,64,954	-	20,77,662	18,70,291	11,60,044
Cycles	20%	1,326	-	-	1,326	1,326	-	-	1,326	-	-
Computers	60%	43,48,706	-	3,582	43,45,124	38,64,136	2,90,741	3,569	41,51,308	1,93,816	4,84,570
Library Books	100%	1,18,66,092	5,53,267	-	1,24,19,359	1,18,66,092	5,53,267	-	1,24,19,359	-	-
Intangible Assets	33%	41,300	3,000	-	44,300	19,503	7,480	-	26,983	17,317	21,797
Total : Current Year - 31.03.2020		4,07,68,058	46,33,006	26,056	4,53,75,008	2,86,75,710	24,16,998	23,004	3,10,69,704	1,43,05,304	1,20,92,348
<i>Total : Previous Year - 31.03.2019</i>		<i>3,92,85,466</i>	<i>31,31,480</i>	<i>(16,48,888)</i>	<i>4,07,68,058</i>	<i>2,77,55,725</i>	<i>22,86,247</i>	<i>(13,66,262)</i>	<i>2,86,75,710</i>	<i>1,20,92,348</i>	<i>1,15,29,741</i>



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XVII. SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31st MARCH 2020.

1.0. GENERAL INFORMATION

- 1.1. The Southern India Regional Council of the Institute of Chartered Accountants of India ("SIRC of ICAI") was established on 1st April 1952 vide Notification No 1-CA(2)/51 dated 22nd April 1951.

2.0. SIGNIFICANT ACCOUNTING POLICIES

2.1. Basis of Accounting

The financial statements comprising of Balance Sheet, Statement of Income and Expenditure and Statement of Cash Flow together with Notes, are prepared under historical cost convention in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with applicable Accounting Standards issued by The Institute of Chartered Accountants of India.

2.2. Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the period. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable.

2.3. Property Plant and Equipment (Fixed Assets – Tangible Assets)

Tangible assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, import duties and other taxes (other than those subsequently recoverable from the tax authorities), directly attributable expenditure on making the asset ready for its intended use. Other incidental expenses and interest on borrowings if any attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use are also capitalised.

2.4. Intangible Assets

Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. The cost of intangible assets comprises its purchase price net of any trade discounts and rebates, import duties and other taxes (other than those subsequently recoverable from the tax authorities), directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings if any attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use.



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2.5 Depreciation / Amortisation

- a) Depreciation is provided on the written down value method at the following rates, as approved by the Council, based on the useful life of the respective assets.

Buildings	5%
Air-conditioner and Office Equipments	15%
Lifts, Electrical Installations and Furniture & Fixtures	10%
Vehicles	20%
Computers	60%

- b) Library Books are depreciated at the rate of 100% in the year of purchase.
- c) Intangible assets (Computer Software) are amortised over a period of three years.
- d) Depreciation on additions is provided from the date the asset is put to use

2.6 Inventories

a) Consignment Basis

The stock of publications and other items received from Head Office are accounted for sale on commission basis at transfer price.

b) Outright Purchases

Inventories comprising Institute Publications and other items are valued at the lower of cost calculated on first in first out ("FIFO") basis and the net realisable value after providing for obsolescence and other losses, where considered necessary.

c) Stationery and Other Consumables

Stock of stationery and other consumables are accounted at cost.

2.7 Revenue Recognition

- a) Receipt from Coaching Classes and Management and Communication Skills Course (MCS) is recognised as income on pro-rata basis considering the duration of the courses.
- b) Income from Seminars is recognised on completion of the programme.
- c) Interest on fixed deposits with banks is accounted on time proportion basis. Income from earmarked investments of specific funds is credited to the respective fund account.



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2.8 Grants from Head Office

- a) Revenue Grants are recognized as per the revenue budgets approved by the Head Office.
- b) Capital Grants are recognized on receipt basis as per the guidelines issued by the ICAI in this regard.

2.9 Investments

Investments being Fixed Deposits with Banks are stated at period end value, including accrued Interest.

2.10 Employee Benefits

Provision for gratuity and leave encashment liability of employees of ICAI posted at SIRC is made at the Head Office.

2.11. Segment Reporting

SIRC operates in the Southern Region serving members and students of ICAI. There are no separate reportable segments.

2.12 Impairment of Assets

The carrying value of assets at each balance sheet date are reviewed for impairment indicators. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment recognised. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the statement of income and expenditure.

2.13 Provisions and Contingencies

A provision is recognised when there is a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the SIRC of ICAI, or is a present obligation that arises from past event but is not recognised because either it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or a reliable estimate of the amount of the obligation cannot be made. Contingent liabilities are disclosed and not recognised.

2.14 Allocation of Expenses

- (a) Expenses on printing of news relating to any Conference, Seminar, Workshop, coaching classes, advertisements or any other event in newsletter are allocated to concerned programmes,



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coaching classes batches on the basis of the actual space utilised in the Newsletter at the advertisement rates.

- (b) Expenses directly attributable to the activities of Seminar, Classes and Publications are charged to those heads of expenditure.

2.15 Appropriation to Reserves

- (a) 10% of the total surplus of the period is transferred to Building Fund Reserve, as per the decision of the Regional Council.
- (b) 50% of the Net Surplus of Coaching Classes is transferred to Coaching Class Reserve, as per the decision of the Regional Council.

3.0 NOTES ON ACCOUNTS

3.1. Goods & Services Tax

SIRC has a separate GST Registration Number. Tax remittances and Filing of Returns are done centrally at Head office. The debit balance in the GST accounts reflects the unutilized eligible input tax credits, being carried forward. While the GST expenses pertain to ineligible input tax credit directly related to students activities and proportionate expenses pertaining to student activities which cannot be claimed, being expensed off.

3.2. Earmarked Funds

SIRC has 17 funds for holding memorial lectures and for awards/scholarships for CA students.

During the year, SIRC of ICAI received Rs. 3,00,000 towards endowment fund details of which are as under:

- i) Rs. 1,00,000 towards CA. K Ananthachari Prize Fund
ii) Rs. 1,00,000 towards augmentation of Lady R. Sivabhogam Memorial Scholarship Fund
iii) Rs. 1,00,000 towards augmentation of Sankar Aiyar Lecture Memorial Fund

Interest earned during the year is Rs. 2,29,800 whereas the expenditure for meeting the objectives of these funds is Rs. 1,19,761. Further, expenses relating to such Earmarked Funds are met out of accumulated interest of those funds only.



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3.3. Capital Grants

Capital Grant to the extent of Rs.11,32,280/- has been received and recognised accordingly during the year.

3.4. Other matters

a) 51st Regional Conference

The 51st Regional conference of SIRC was held on 18.11.2019 and on 19.11.2019 in Kochi and the conference yielded a surplus of Rs. 16,79,875 as per the audited financial statements of 51st Regional Conference of SIRC of ICAI . 75% of the surplus is shared with the host branch viz., Ernakulam Branch of SIRC of ICAI.

b) Unreconciled Balances – Inter Unit accounts

Head Office related inter-unit account balances as on 31/03/2020 is subject to reconciliation and is in progress. In the opinion of the management of SIRC of ICAI, the impact on account of such reconciliation/adjustments, if any, to be carried out may not be material.

c) Prior Period Expenses

The prior period expenses included in Administrative and Office Expenses for the year ending 31.3.2020 represents the following:

- i. Input Tax Credit of Rs. 22,97,081/- relating to financial year 2017-18, which was found to be ineligible has been expensed off.
- ii. Rs.90,534/- representing payments made towards travel expenses and students seminar expenses incurred in previous year but claimed and accounted only during the current year.

3.5. Contingent Liabilities: Nil (Previous year: Nil)

3.6. Capital Commitments: Nil (Previous year: Nil)



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3.7. Corresponding previous year figures have been regrouped / reclassified wherever necessary to suit the current year classification / disclosures.

As per our Report of even date

For Sundar Sridhar & Sridhar
CHARTERED ACCOUNTANTS
FRN : 004201S


CA Sridhar. S
Partner
M. No. 025504



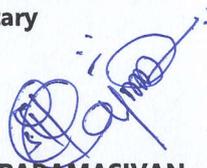
For and on behalf of The Southern India Regional Council


CA. DUNGAR CHAND U. JAIN
Chairman


CA. JALAPATHI.K
Vice - Chairman


CA. ABHISHEK. M
Secretary


CA. GEETHA. A.B
Treasurer


Dr. T. PARAMASIVAN
Joint Director (Tech)

Place : Chennai
Date : 25.06.2020