



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), which comprise the Balance Sheet as at March 31st 2021, the Statement of Income and Expenditure and Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies

In our opinion and to the best of our information and according to the explanations given to us, the accompanying financial statements are prepared in all material respects in accordance with the Chartered Accountants Act, 1949, and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the SIRC as at March 31st, 2021, its surplus and cash flows for the year then ended,

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 Code of ethics issued by ICAI and we have fulfilled our other ethical responsibilities in accordance with the code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management for the Financial Statements

The Management of SIRC is responsible for the preparation and fair presentation of these financial statements in accordance with the Chartered Accountants Act, 1949 that give a true and fair view of the state of affairs, financial performance and cash flows of SIRC in accordance with the accounting principles generally accepted in India, including The Accounting Standards issued by the ICAI. This responsibility also includes maintenance of adequate accounting records for safe guarding the assets of the SIRC and preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgements and estimates that are reasonable and prudent, and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management is responsible for assessing the SIRC'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 management either intends to liquidate the SIRC or to cease operations, or has no realistic alternative but to do so.

The management is 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 controls.



- Obtain an understanding of internal 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 the effectiveness of the SIRC's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the SIRC's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the SIRC to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 controls that we identify during our audit.

We also provide the management with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards

Other Matters

- A. No adjustments/provisions have been made in the accounts of the SIRC in respect of matters usually dealt with at Head Office of ICAI, including in respect of:
- (a) Bonus, ex-gratia, and other similar expenditure and allowances, if any, to SIRC employees;
 - (b) Terminal permissible benefits to eligible employees on their retirement (including additional retirement benefits), Gratuity, Pension, liability for leave encashment benefits and other benefits covered in terms of 'AS 15 (Revised)-Employee Benefits' issued by ICAI.
 - (c) Staff welfare contractual obligations, if any;

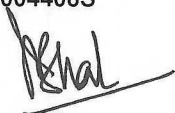
Our opinion on the financial statements, and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the financial statements certified by the management.

Report on Other Regulatory Requirements

Further, we report that:

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

For M Thomas & Co
Chartered Accountants
FRN – 004408S



J P J Kamallesh
Partner
M No:201093

UDIN: **21201093AAAAOC2933**



Place: Chennai
Date: 28.06.2021

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 2021			
SOURCES OF FUNDS	Schedule	31 March 2021 (Figures in rupees)	31 March 2020 (Figures in rupees)
RESERVES AND SURPLUS			
GENERAL RESERVE	I	66,771,787	45,265,574
OTHER RESERVES	II	37,083,434	30,868,266
EARMARKED FUNDS	III	4,268,394	4,007,482
	(A)	108,123,615	80,141,322
CURRENT LIABILITIES			
FEES RECEIVED IN ADVANCE	IV	319,000	4,477,347
CREDITORS FOR EXPENSES		5,700,650	3,310,581
OTHER CURRENT LIABILITIES			
STATUTORY DUES-TAX DEDUCTED AT SOURCE		412,144	105,177
DEPOSITS- LIBRARY		2,764,452	2,767,452
OTHERS	V	331,266	1,386,845
	(B)	9,527,512	12,047,402
INTER UNIT BALANCES:			
CAPITAL GRANT	VI	45,339,762	43,956,526
ICAI HEAD OFFICE CURRENT ACCOUNT		-	1,252,242
INTERUNIT TRANSACTIONS WITH DECENTRALIZED OFFICE		(49,133)	2,984,703
CURRENT ACCOUNT (BRANCHES)		15,214	2,977,042
ICAI PUBLICATION STOCK TRANSFER ADJUSTMENT		-	1,155
	(C)	45,305,843	51,171,668
TOTAL	(A) +(B) + (C)	162,956,970	143,360,392
APPLICATION OF FUNDS			
		(Figures In rupees)	(Figures In rupees)
NON CURRENT ASSETS			
PROPERTY PLANT AND EQUIPMENT			
GROSS BLOCK	VII	45,562,994	45,375,008
LESS ACCUMULATED DEPRECIATION		32,845,846	31,069,704
NET BLOCK	(A)	12,717,148	14,305,304
NON CURRENT INVESTMENTS			
FIXED DEPOSITS WITH BANKS		7,044,659	11,801,209
OTHER NON CURRENT ASSETS			
SECURITY DEPOSITS		60,050	60,050
	(B)	7,104,709	11,861,259
CURRENT ASSETS			
CURRENT INVESTMENTS			
FIXED DEPOSITS WITH BANKS			
A. RESERVE FUND INVESTMENTS	VIII A	30,868,266	28,658,440
B. EARMARKED INVESTMENTS	VIII B	4,170,267	4,007,482
C. OTHER INVESTMENTS - SHORT TERM FIXED DEPOSITS		83,810,230	59,004,786
INVENTORIES			
STATIONERY AND OTHER CONSUMABLES		165,811	313,555
OTHER RECEIVABLES			
TDS RECEIVABLES	IX	1,696,204	3,631,879
ADVANCES	X	564,871	1,245,498
CASH AND CASH EQUIVALENTS		880,071	1,223,298
BANK BALANCES			
BANK BALANCES	XI	8,397,910	18,822,173
CASH IN HAND		19,563	7,164
FRANKING MACHINE BALANCE		25,049	23,729
	(C)	130,598,241	116,938,004
SUB TOTAL	(A)+(B)+(C)	150,420,098	143,104,567
INTER UNIT BALANCES:			
ICAI HEAD OFFICE CURRENT ACCOUNT		12,536,872	
CURRENT ACCOUNT(BRANCHES)			
ICAI PUBLICATION STOCK TRANSFER ACCOUNT		-	255,825
SUBTOTAL	(E)	12,536,872	255,825
TOTAL	(D) +(E)	162,956,970	143,360,392
See accompanying notes forming part of the financial statements		XIX	

As per our Report of even date

For and on behalf of The Southern India Regional Council

For M.THOMAS & Co
CHARTERED ACCOUNTANTS
FRN : 004408S

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CA. J.P.J. KAMALESH
Partner
M. No. 201093

CA. JALAPATHILK
Chairman

CA. CHINA MASTHAN TALAKAYALA
Vice – Chairman

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CA. PANNA RAJ. S
Secretary

CA. REVATHI S. RAGHUNATHAN
Treasurer

Dr. T. PARAMASIVAN
Joint Director (Tech)

Place : Chennai
Date : 28-06-2021

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 2021			
Particulars	Schedule	31 March 2021	31 March 2020
INCOME			
GRANTS RECEIVED FROM HEAD OFFICE			
REVENUE GRANT		17,200,000	16,977,939
MEMBERSHIP FEE GRANT		2,764,600	2,663,000
BRANCH ADMINISTRATION GRANT		307,500	308,000
AUDIT FEES GRANT		60,000	60,000
GRANT		565,474	1,722,348
SUB-TOTAL		20,897,574	21,731,287
NEWS LETTER INCOME		25,000	665,005
SEMINAR INCOME	XII	13,185,588	31,137,419
ICITSS - ORIENTATION PROGRAMME		7,596,000	-
ICITSS - INFORMATION TECHNOLOGY TRAINING		3,564,450	-
ICITSS - ADVANCED INFORMATION TECHNOLOGY TRAINING		3,182,625	-
ICITSS - MANAGEMENT AND COMMUNICATION SKILLS		5,409,000	14,534,000
INTEREST ON INVESTMENTS AND INTEREST ON BANK BALANCES		6,304,707	7,097,756
INCOME SUPPORT SERVICES		276,584	2,577,356
OTHER INCOME	XIII	127,681	19,538
PROVISION NO LONGER REQUIRED AND WRITTEN BACK		-	67,117
INCOME FROM COACHING CLASSES		16,081,485	12,013,047
COMMISSION ON SALE OF PUBLICATIONS	XIV	-	10,196
TOTAL		76,650,693	89,852,721
EXPENDITURE			
EMPLOYEE BENEFIT EXPENSES			
- SALARY,PENSION AND OTHER ALLOWANCES		16,342,985	14,865,776
-CONTRIBUTION TO PROVIDENT AND OTHER FUNDS		1,245,545	1,082,190
- STAFF WELFARE EXPENSES		146,360	218,373
PRINTING, STATIONERY AND PHOTOCOPYING		115,342	193,642
NEWSLETTER EXPENSES		949,230	1,996,945
POSTAGE, TELEPHONE AND TELEGRAMS		537,320	460,239
RENT, RATES AND TAXES		806,001	1,770,297
REPAIRS AND MAINTENANCE		1,252,905	750,044
TRAVEL MEMBERS		502,685	1,823,593
TRAVEL STAFF		47,013	189,039
MAGAZINE AND PERIODICALS		571,869	453,810
AUDIT FEE (STATUTORY AND INTERNAL AUDITS)		110,000	60,000
SEMINAR EXPENSES	XV	7,699,241	27,865,614
EXPENSE SUPPORT SERVICES (Branch Managing Committee Members Orientation Programme and CA Day Celebrations)		-	3,070,123
COACHING CLASSES EXPENSES		8,636,430	9,585,652
ICITSS - ORIENTATION PROGRAMME		3,693,584	-
ICITSS - INFORMATION TECHNOLOGY TRAINING		2,273,707	-
ICITSS - ADVANCED INFORMATION TECHNOLOGY TRAINING		1,382,614	-
ICITSS - MANAGEMENT AND COMMUNICATION SKILLS		2,034,897	6,778,157
OTHER EXPENSES	XVI	1,600,408	6,310,951
SUB-TOTAL		49,948,136	77,474,445
DEPRECIATION		1,776,143	2,416,998
TOTAL		51,724,279	79,891,443
SURPLUS / (DEFICIT)		24,926,415	9,961,278
PRIOR PERIOD INCOME	XVII	3,080,430	-
PRIOR PERIOD EXPENSES	XVIII	285,464	-
NET SURPLUS/(DEFICIT)		27,721,381	9,961,278
Appropriation to Funds/ Reserves			
Transfer to Building Fund [Ref. Significant Accounting Policies:2.14 a]		2,492,641	996,128
Transfer to Coaching Class Reserve [Ref. Significant Accounting Policies:2.14 b]		3,722,527	1,213,698
Balance transferred to General Reserve		21,506,213	7,751,452

As per our Report of even date

For and on behalf of The Southern India Regional Council

For M.THOMAS & Co
CHARTERED ACCOUNTANTS
FRN : 004408S

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M.No. 201093

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Treasurer

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Dr. T. PARAMASIVAN
Joint Director (Tech)

Place : Chennai
Date : 28-06-2021

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, 2021

Particulars	Year Ended 31 March 2021		Year Ended 31 March 2020	
<u>A.CASH FLOWS FROM OPERATING ACTIVITIES</u>				
Surplus for the Year		24,926,415		9,961,278
Adjustments For:				
Loss on sale of Fixed Assets/ Impairment of Fixed Assets			3,052	
Add: Depreciation and amortisation	1,776,143		2,416,998	
Less: Provisions no longer required written back	-		(67,117)	
Add: Stock of publications (Owned) - Discarded	-		72,126	
Less: Accrued Interest on investment and bank interest	(6,304,707)	(4,528,564)	(7,097,756)	(4,672,697)
Operating Surplus Before Working Capital Changes		20,397,850		5,288,581
Changes in Working Capital				
(Increase)/decrease in stock of stationaries	147,744		5,037	
(Increase)/decrease in stock of Outright Purchases			40,896	
(Increase)/decrease In other current assets	2,616,303		1,158,404	
(Increase)/decrease in advances and prepayments	343,227		(193,399)	
(Increase)/decrease in inter unit balances with HO/DCO/Branches-Asset	(12,281,047)		3,721,525	
Increase/(decrease) in inter unit balances with HO/DCO/Branches-Liability	(7,249,061)		1,968,429	
Increase/(decrease) in fee received in advance	(4,158,347)		405,473	
Increase/(decrease) in creditors for Non-Capital items & provision for expenses	2,390,069		(2,305,696)	
Increase/(decrease) in statutory dues	306,967		(86,985)	
Increase/(decrease) in library deposits	(3,000)		45,642	
Increase/(decrease) in other current liabilities	(1,055,580)		1,027,535	
		(18,942,724)		5,786,861
Net Cash Front Operating Activities (A)		1,455,126		11,075,442
<u>B.CASH FLOWS FROM INVESTING ACTIVITIES</u>				
(Acquisition) of property plant and equipment	(187,985)		(4,633,006)	
Disposal of fixed assets				
(Increase)/decrease in Investments including Earmarked funds Investments	(22,421,505)		(55,720,969)	
Disposal of investments/realisation of interest on investments	6,304,707		7,097,756	
Net Cash From / (Used in) Investing Activities (B)		(16,304,783)		(53,256,219)
<u>C. CASH FLOW FROM FINANCING ACTIVITIES</u>				
Capital Receipts	3,055,878		410,032	
Capital Grant received from HO	1,383,235		1,132,280	
Net Cash From Financing Activities (C)		4,439,113		1,542,312
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)		(10,410,543)		(40,638,465)
Cash and Cash Equivalents at the Beginning of the year		18,853,065		59,491,530
Cash and Cash Equivalents at the End of the year		8,442,522		18,853,065

Note: 1. Cash and cash Equivalents represent Cash in Hand Rs. 19,563, Franking Machine Balance Rs. 25,049 and Bank Balances of Rs. 83,97,910 [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 and on behalf of The Southern India Regional Council

For M.THOMAS & Co
 CHARTERED ACCOUNTANTS
 FRN : 004408S

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CA. J.P.J. KAMALESH
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 M. No. 201093

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 Vice – Chairman

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Dr. T. PARAMASIVAN
 Joint Director (Tech)

Place : Chennai
 Date : 28-06-2021

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

SCHEDULES	As at 31-Mar-21	As at 31-Mar-20
(Figures in rupees)		
SCHEDULE I		
GENERAL RESERVE		
Balance at the beginning of the year	45,265,574	37,514,122
Add: Transfer from Income and Expenditure account	21,506,213	7,751,452
Total	66,771,787	45,265,574
SCHEDULE II		
OTHER RESERVES		
a) Building Fund Reserve		
Balance at the beginning of the year	8,377,019	7,380,891
Add: Transfer from Income and Expenditure Account [Ref Significant Accounting Policies:2.14 (a)]	2,492,641	996,128
	10,869,660	8,377,019
b) Coaching Class Reserve		
Balance at the beginning of the year	22,491,247	21,277,549
Add: Transfer from Income and Expenditure Account [Ref Significant Accounting Policies:2.14 (b)]	3,722,527	1,213,698
	26,213,774	22,491,247
Total	37,083,434	30,868,266
SCHEDULE III		
EARMARKED FUNDS [Ref Notes on Accounts:3.2]		
Balance at the beginning of the year	4,007,482	3,597,450
Add: Addition during the year	-	300,000
Add: Interest income less expenses (Net)	260,912	110,033
Total	4,268,394	4,007,482
SCHEDULE IV		
FEEs RECEIVED IN ADVANCE [Ref Significant Accounting Policies:2.7]		
From Students: Coaching Classes	319,000	4,477,347
Members	-	-
Others	-	-
Total	319,000	4,477,347

SCHEDULE -V		
OTHER LIABILITIES - CURRENT		
TA/DA payable to Council and Regional Council Members	55,251	138,125
Fees Refundable to Students	125,400	261,100
Fees refundable to CPE Delegates	-	890,679
Payable to Staffs	68,194	9,379
Others	82,421	87,562
Total	331,266	1,386,845
SCHEDULE -VI		
CAPITAL GRANT		
a) FOR CAPITAL ASSETS		
Balance at the beginning of the year	34,463,093	33,330,813
Add: Grant Received during the year	-	1,132,280
	34,463,093	34,463,093
b) FOR BUILDING		
Balance at the beginning of the year	2,507,204	2,507,204
Add: Grant Received during the year	-	-
	2,507,204	2,507,204
c) FOR LIBRARY		
Balance at the beginning of the year	6,986,229	6,986,229
Add: Grant Received during the year	1,383,236	-
	8,369,465	6,986,229
Total	45,339,762	43,956,526

SCHEDULE -VIII		
RESERVE FUND / EARMARKED INVESTMENTS		
In Term deposit with banks		
A. Reserve Fund Investments		
- Coaching Class Reserve Fund	22,491,247	21,277,549
- Building Fund	8,377,019	7,380,891
TOTAL - A	30,868,266	28,658,440
B. Earmarked Investments		
- Earmarked Funds	4,156,978	3,897,233
- Interest accrued on Earmarked Funds	13,289	110,249
TOTAL - B	4,170,267	4,007,482
GRAND TOTAL	35,038,533	32,665,922

SCHEDULE IX		
OTHER RECEIVABLES		
Seminar Member	10,430	15,803
Input Tax Credit - GST [Refer Notes on Accounts 3.1]	1,477,137	3,246,619
Others	208,637	369,457
Total	1,696,204	3,631,879
SCHEDULE X		
ADVANCES		
Prepaid expenses	681,845	378,049
Advance paid to vendors	20,530	582,479
Travel advance	167,696	180,551
Advances to staff	10,000	82,219
Total	880,071	1,223,298
SCHEDULE XI		
BANK BALANCES		
SIRC of ICAI		
(i) In Savings Account with Banks:	1,156,890	1,330,048
Students Association:		
Bank of Maharashtra- SICASA	274,316	153,953
(ii) Term Deposits		
Flexi Deposits with Banks	6,966,704	17,338,172
Total	8,397,910	18,822,173

SCHEDULE XII		
SEMINAR INCOME		
Seminars (Within SIRC Premises)	-	5,605,787
Seminars (Outside SIRC Premises)	6,126,002	4,848,291
51st Regional Conference Income	-	19,804,241
52nd Regional Conference Income [Refer Notes on Accounts. 3.4.(a)]	7,012,436	-
Seminar income-Students	47,150	879,100
Total	13,185,588	31,137,419
SCHEDULE XIII		
OTHER INCOME		
Receipts for library services	1,000	15,798
Miscellaneous Income	126,681	3,740
Total	127,681	19,538
SCHEDULE XIV		
COMMISSION ON SALE OF PUBLICATIONS/EXAM FORMS:		
Institute / Board of Studies Publications	-	10,196
Total	-	10,196
SCHEDULE XV		
SEMINAR EXPENSES		
Seminars (Within SIRC Premises)		2,952,562
Seminars (Outside SIRC Premises -Other than Regional Conference)	1,030,083	3,872,325
51st Regional Conference	-	19,410,857
52nd Regional Conference (Including Profit share to host branch) [Refer Notes on Accounts. 3.4.(a)]	6,558,982	-
Students Seminars Expenses (SICASA)	110,176	1,629,870
Total	7,699,241	27,865,614

SCHEDULE XVI		
OTHER EXPENSES		
CA Day & Month Expenses	41,558	319,316
International Yoga Day Expenses	-	44,510
Bank charges	61,347	72,892
Administrative and Office Expenses	1,059,855	3,384,154
Stock of publications (Owned) Discarded	-	72,126
Labour Charges	200	1,100
Loss on Assets discarded	-	3,052
GST Expenses [Refer Notes to Accounts.3.1]	437,448	2,413,801
Total	1,600,408	6,310,951

SCHEDULE XVII		
PRIOR PERIOD INCOME		
Recognition of ITC available and availed in 2020-21, pertaining to 2019-20 (Rs. 27,81,760 Cr. Less Rs. 4,22,395 Dr.)	2,359,365	
Write back of old balance	10,900	
Interest Short Term FD	710,165	
Total	3,080,430	
SCHEDULE XVIII		
PRIOR PERIOD EXPENSES		
Internal Audit Fees FY 2019-20	50,000	
Refund of fees for cancelled programs of earlier year - SICASA	125,400	
Interest Accrued - Medal & Prizes fund	98,334	
Council Members Travelling expenses FY 2019-20	9,100	
TDS - FY 2012-13, 2017-18 & 2018-19	2,630	
Total	285,464	

**THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
PROPERTY PLANT AND EQUIPMENT**

PARTICULARS	Rate of Depreciation	GROSS BLOCK				DEPRECIATION AND AMORTISATION				NET BLOCK	
		COST AT 01/04/2020	ADDITIONS	DELETIONS	Cost AS AT 31-03-2021	4/1/2020	ADDITION	DELETIONS	3/31/2021	WDV AS ON 31-03-2021	WDV AS ON 31-03-2020
A. Tangible Assets:											
01. Land - Free Hold	0%				-				-	-	
02. Land- Lease Hold	Refer Note				-				-	-	
03. Buildings	5%	2,507,204	-	-	2,507,204	357,591	107,481	-	465,072	2,042,132	2,149,613
04. Electric Installations & Fittings	10%	2,861,692	-	-	2,861,692	1,767,159	109,453	-	1,876,612	985,080	1,094,533
05. Computers	60%	4,345,124	133,542	-	4,478,666	4,151,308	161,072	-	4,312,380	166,286	193,816
06. Air Conditioners	15%	3,947,954	-	-	3,947,954	2,077,662	280,544	-	2,358,206	1,589,748	1,870,291
07. Furniture & Fixtures	10%	10,602,215	23,400	-	10,625,615	5,578,458	503,626	-	6,082,084	4,543,531	5,023,757
08. Lifts	10%	838,670	-	-	838,670	701,141	13,753	-	714,894	123,776	137,529
09. Office Equipments	15%	7,807,165	23,693	-	7,830,858	3,988,718	575,547	-	4,564,265	3,266,593	3,818,448
10. Vehicles	20%	1,326	-	-	1,326	1,326	-	-	1,326	-	-
11. Library Books	100%	12,419,359	7,350	-	12,426,709	12,419,359	7,350	-	12,426,709	-	-
B. Intangible Asset:					-				-	-	
01. Software	over estimated useful life	44,300		-	44,300	26,983	17,317	-	44,300	-	17,317
Total		45,375,009	187,985	-	45,562,994	31,069,705	1,776,143	-	32,845,846	12,717,146	14,305,304
Previous Year		40,768,058	4,633,006	26,056	45,375,008	28,675,710	2,416,998	23,004	31,069,704	14,305,304	12,092,348

Note: 'Carrying amount of Leasehold land is amortized over the shorter of the lease term or its useful life

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XIX. SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31st MARCH 2021.

1.0. GENERAL INFORMATION

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

These financial statements are prepared pursuant to Regulation 138 of The Chartered Accountant Regulations, 1988, for incorporation in books of Head Office viz., ICAI

2.0. SIGNIFICANT ACCOUNTING POLICIES

2.1. Basis of Accounting

The financial statements comprising of Balance Sheet, Income and Expenditure Account and Cash Flow Statement 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 (PPE)

PPE are carried at cost less accumulated depreciation and impairment loss if any. The cost of PPE 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, if any, attributable to acquisition of 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 impairment loss, 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

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tax authorities), directly attributable expenditure on making the asset ready for its intended use, other incidental expenses, if any, attributable to acquisition of asset up to the date the asset is ready for its intended use.

2.5 Depreciation / Amortisation

- a) Depreciation is provided on the written down value method at the following rates (p.a.), as approved by the Council of ICAI, 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%, irrespective of the month of purchase, in the year of purchase.
- c) Intangible assets comprising Computer Software is amortised on straight line basis 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) Mementos

Inventories comprising mementos and other items which 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.

b) Stationery and Other Consumables

Stock of stationery and other consumables are carried at cost.

2.7 Revenue Recognition

- a) Receipt from Coaching Classes, Management and Communication Skills Course (MCS), Orientation Course (OC), Information Technology course (IT) and Advanced Information Technology course (AIT) scheduled in the year are recognised as income on receipt basis. For courses scheduled to commence in the succeeding financial year, receipt is treated as fees received in advance.
- b) Income from Seminars is recognised on completion of the programme.

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- c) Interest on fixed deposits with banks is recognised on time proportion basis. Income from earmarked investments of specific funds is recognised in / credited to the respective fund account.

2.8 Grants from Head Office

- a) Revenue Grants are recognized on accrual basis 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.

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 are accounted only at the Head Office of ICAI.

2.11. Segment Reporting

SIRC operates in the Southern Region as one organisation serving both members and students of ICAI. Hence there are no separate reportable segments.

2.12 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.

2.13 Allocation of Expenses

- (a) Expenses on printing of news relating to any Conference, Seminar, Workshop, Coaching classes, or any other event, in Newsletter are not allocated to concerned programmes, coaching classes batches on the basis of the actual space utilised in the

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Newsletter at the advertisement rates since due to pandemic only minimal copies were printed during most of the months.

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

2.14 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. Upto September 2020, the tax remittances and filing of returns were done centrally by the Head office. From October 2020, tax remittances and filing of returns are done by SIRC. The debit balance in the GST accounts reflect the unutilized eligible input tax credits, being carried forward. The GST expenses pertaining to ineligible input tax credit directly relating to exempted income from student activities and reversal of proportionate GST Input Tax Credit as per Rule 42 of the CGST Rules 2017, pertaining to Exempt Income from student activities which cannot be claimed, are accounted as an expense.

3.2. Earmarked Funds

SIRC has 18 funds for holding memorial lectures, awarding prizes for meritorious CA students and for granting scholarships for CA students.

Interest earned during the period is Rs. 2,61,808/- (Rs.2,29,800/- during the FY 2019-20) whereas the expenditure for meeting the objectives of these funds was Rs.908/- (Rs.1,19,761/- during the FY 2019-20). Further, expenses relating to such Earmarked Funds are met out of accumulated interest of those funds only.

3.3. Capital Grants

Capital Grant claim of Rs. 32,47,395/-(excluding GST) has been submitted to Head Office. The same would be recognised on receipt of funds as per the policy in this regard.

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3.4. Other matters

a) 52nd Regional Conference

The 52nd Regional conference of SIRC of ICAI was held from 10-12-2020 to 13-12-2020 on a virtual mode and the conference contributed to a surplus of Rs. 4,69,761 as per the audited financial statements of 52nd Regional Conference of SIRC of ICAI. There is no sharing of the surplus with any host branch as in the past years, as the conference was conducted on virtual mode by SIRC of ICAI.

b) Reconciliation of Balances – Inter Unit accounts

1. Head Office

Head Office related inter-unit balances as on 31-03-2021 is subject to reconciliation and is in progress. An amount of Rs. 1,25,36,872/- is receivable from Head office as on 31-03-2021. The broad details of claims for grants or reimbursements are as under:

Sl.No.	Particulars	Amount (Rs.)
1	Revenue Grant for 4th Quarter of FY 2020-21*	59,97,970
2	GST portion of Revenue Grant for 3rd Quarter of FY 2020-21	9,14,945
3	Grants for Students' Programmes	25,55,305
4	Other items which are under various stages of approval or payment processes	30,68,652
Grand Total		1,25,36,872

*(Received on 02-04-2021)

A well-coordinated and detailed exercise is underway to reconcile the HO & SIRC balances.

2. Chennai DCO

An amount of Rs. 29,84,703/- due as on 31-03-2020 has been repaid during the financial year 2020-21. Further, the amounts received during the year (to meet statutory obligations only) have been repaid during the year itself. The balance receivable from Chennai DCO as on 31-03-2021 was Rs. 49,133/- and same was matched in their books.

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3. Other Branches of SIRC of ICAI

An amount of Rs. 29,77,043/- due to the following branches as on 31/03/2020 have been repaid / adjusted during the year.

Particulars	FY 2020-21	FY 2019-20
	Amount (Rs.) Payable / (Receivable)	Amount (Rs.) Payable / (Receivable)
Bangalore Branch		3,13,314
Ernakulum Branch		23,43,421
Hyderabad Branch		12,385
Pondicherry Branch	(820)	17,180
Salem Branch		12,995
Sivakasi Branch		24,106
Tirunelveli Branch	16,034*	(2,072)
Tirupati Branch		(17,266)
Trivandrum Branch		4,950
Vellore Branch		(588)
Vishakhapatnam Branch		268,617
Grand Total	15,214	29,77,043

(* Paid on 07-05-2021)

All the inter unit balances with Branches of SIRC of ICAI have been reconciled as on 31-03-2021.

c) Prior Period Income and Expenses

An amount of Rs. 28,56,697/- and Rs. 61,730/- has been accounted as a prior period income & Prior period expenses respectively during the year as detailed in Sch XVII and Sch XVIII.

d) GST account reconciliation

The GST returns were filed by Head Office, on as it is basis, till September, 2020, and for the period from October, 2020 to March, 2021 by SIRC. The returns are filed based on entries in tally and is reconciled with electronic credit ledger in GST portal. As a result of detailed reconciliation exercise done by Head Office before 30-09-2020, an amount of Rs. 23,59,365/- has been accounted as a reversal of expenses due to input tax credit not accounted during the earlier financial years. The details are included in Sch XIII.

e) During the year, deficit from the newsletter printing comes to Rs. 9,24,230/- as against Rs. 13,31,940/- in the corresponding period of the previous financial year.

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In the current period lesser copies were printed for majority of months due to Covid-19.

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

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

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

For and on behalf of The Southern India Regional Council

As per our Report of even date

For M.THOMAS & Co
CHARTERED ACCOUNTANTS
FRN : 004408S

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CA. JALAPATHI.K

**CA. CHINA MASTHAN
TALAKAYALA
Vice – Chairman**

CA. J.P.J. KAMALESH

Chairman

Partner

M. No. 201093

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CA. PANNA RAJ. S

CA. REVATHI S. RAGHUNATHAN

Dr. T. PARAMASIVAN

Secretary

Treasurer

Joint Director (Tech)

Place : Chennai

Date : 28-06-2021