



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SOUTHERN INDIA REGIONAL COUNCIL OF ICAI

Report on the Financial Statements

We have audited the accompanying financial statements of **SOUTHERN INDIA REGIONAL COUNCIL OF ICAI**, which comprise the Balance Sheet as at March 31, 2017, and the Income and Expenditure Account for the year then ended, and a summary of significant accounting policies and other explanatory information.

Regional Council's Responsibility for the Financial Statements

SIRC is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance in accordance with the Accounting Standards as prescribed by ICAI. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that give true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the regional council's preparation and fair presentation of the financial statements 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 said internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by SIRC, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India .

- a) in the case of the Balance Sheet, of the state of affairs of SIRC as at March 31, 2017
- b) in the case of the Income and Expenditure Account, of the surplus for the year ended on that date;

Report on Other Requirements:

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 as required by Chartered Accountants Act, 1949 have been kept by SIRC so far as appears from our examination of those books;
- c) the Balance Sheet, Income and Expenditure Account dealt with by this report are in agreement with the books of accounts;
- d) in our opinion, the Balance Sheet, Income and Expenditure Account, comply with the relevant Accounting Standards

Place: Chennai

Date: 18.04.2017

FOR MURALI JAWAHAR & CO

Chartered Accountants

FRN: 002168S


CA. K.S. MURALIDHARAN

Partner

M.No. 024154.



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

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

BALANCE SHEET AS AT 31-MAR-2017			
LIABILITIES/ SOURCES OF FUNDS	Schedule	As at 31-Mar-17	As at 31-Mar-16
		(Figures in Rs.)	
GENERAL RESERVE	I	1,13,12,278	34,37,367
OTHER RESERVES	II	2,31,29,139	1,94,85,314
EARMARKED FUNDS	III	23,95,520	23,14,713
LIABILITIES			
CURRENT			
FEES RECEIVED IN ADVANCE	IV	45,45,963	22,45,225
NON-CURRENT			
FEES RECEIVED IN ADVANCE		-	-
CREDITORS			
CURRENT			
FOR CAPITAL ITEMS		-	-
FOR NON-CAPITAL ITEMS	V	47,16,027	59,28,034
NON-CURRENT			
FOR CAPITAL ITEMS		-	-
FOR NON-CAPITAL ITEMS		-	-
OTHER LIABILITIES			
CURRENT			
STATUTORY DUES-TAX DEDUCTED AT SOURCE		2,50,750	1,68,006
DEPOSITS- LIBRARY		25,48,060	24,84,410
OTHERS	VI	5,20,386	6,97,851
NON-CURRENT			
STATUTORY DUES		-	-
DEPOSITS		-	-
INTER UNIT BALANCES:			
CAPITAL GRANTS RECEIVED	VII	3,36,47,499	3,52,70,460
GMCS CURRENT ACCOUNT		1,10,000	2,75,441
INTERUNIT TRANSACTIONS WITH DECENTRALIZED OFFICE, CHENNAI		14,46,362	88,78,083
CURRENT ACCOUNT (BRANCHES)		24,33,383	54,265
ICAI PAYABLE A/C -SALE OF EXAM FORM		-	1,35,150
ICAI PUBLICATION STOCK TRANSFER ADJUSTMENT A/C		27,68,715	29,40,805
TOTAL		8,98,24,082	8,43,15,124

As per our Report of even date

For MURALI JAWAHAR & CO
CHARTERED ACCOUNTANTS
FRN: 002168S

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CA K.S. MURALIDHARAN
Partner
M. No. 024154

CA. COTHA S SRINIVAS
Chairman

CA. ADUSUMILLI VENKATESWARA RAO
Vice-Chairman

-sd-

-sd-

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CA. DUNGAR CHAND U JAIN
Secretary

CA. PANNARAJ S
Treasurer

DR. P T GIRIDHARAN
Joint Director

Place : Chennai
Date : 18.04.2017

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

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

BALANCE SHEET AS AT 31-MAR-2017			
ASSETS/ APPLICATION OF FUNDS	Schedule	As at 31-Mar-17	As at 31-Mar-16
		(Figures in Rs.)	
FIXED ASSETS	VIII		
GROSS BLOCK		3,40,46,152	3,62,52,466
LESS: DEPRECIATION		2,65,38,629	2,63,32,566
TOTAL FIXED ASSETS (NET BLOCK)		75,07,523	99,19,900
EARMARKED INVESTMENTS	IX	23,95,520	23,14,713
OTHER INVESTMENTS			
CURRENT			
FIXED DEPOSITS WITH BANKS		2,59,19,378	2,98,15,377
NON-CURRENT			
FIXED DEPOSITS WITH BANKS		98,34,442	41,94,865
ASSETS:			
STOCK -CURRENT		3,06,254	5,63,001
CURRENT			
INTEREST RECEIVABLE		19,19,372	34,05,012
NON-CURRENT			
INTEREST RECEIVABLE		8,55,086	3,87,532
CURRENT			
SECURITY DEPOSITS			
NON-CURRENT			
SECURITY DEPOSITS		40,050	40,050
CURRENT			
OTHER RECEIVABLES	X	2,04,879	12,06,847
NON-CURRENT			
OTHER RECEIVABLES			
CURRENT			
ADVANCES & PREPAYMENTS	XI	5,76,637	11,30,270
NON-CURRENT			
ADVANCES & PREPAYMENTS			
CURRENT			
BANK BALANCES	XII	2,88,63,153	1,00,78,608
CASH IN HAND		19,222	23,603
FRANKING MACHINE BALANCE		6,670	15,903
INTER UNIT BALANCES:			
ICAI HEAD OFFICE CURRENT ACCOUNT		71,56,077	1,31,55,286
CURRENT ACCOUNT(BRANCHES)		2,60,715	2,03,471
ICAI PUBLICATION STOCK TRANSFER ADJUSTMENT A/C		27,68,715	29,40,805
COMMISSION RECEIVABLE ON SALE OF ICAI PUBLICATION A/C		11,90,389	49,19,881
TOTAL		8,98,24,082	8,43,15,124

As per our Report of even date

For MURALI JAWAHAR & CO
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FRN : 002168S

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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 ENDING 31-MAR-2017			
PARTICULARS	Schedule	Year Ended 31-Mar-17	Year Ended 31-Mar-16
		(Figures in Rs.)	
INCOME			
GRANTS RECEIVED FROM HEAD OFFICE			
REVENUE GRANT		1,55,93,484	1,52,98,858
MEMBERSHIP FEE GRANT		23,49,000	25,74,000
BRANCH ADMINISTRATION GRANT		3,00,000	2,93,000
AUDIT FEES GRANT		52,500	52,500
GRANT FOR BRANCH MANAGING COMMITTEE MEMBER ORIENTATION PROGRAMME		21,08,672	10,00,000
ADHOC GRANTS	XIII	2,80,598	4,09,300
SUB-TOTAL		2,06,84,254	1,96,27,658
INCOME FROM COACHING CLASSES		1,29,48,295	73,52,836
SEMINAR INCOME	XIV	3,78,84,019	2,48,93,830
GENERAL MANAGEMENT AND COMMUNICATION SKILL COURSE INCOME		71,22,277	96,29,723
NEWSLETTER INCOME		20,08,871	9,45,000
COMMISSION ON SALE OF PUBLICATIONS/ EXAM FORMS	XV	19,62,927	19,87,294
INTEREST ON INVESTMENTS AND INTEREST ON BANK BALANCES		38,78,221	37,59,121
OTHER INCOMES	XVI	1,02,243	1,47,234
PROVISION NO LONGER REQUIRED AND WRITTEN BACK		-	2,11,350
PRIOR PERIOD ADJUSTMENTS (INCOME)		17,500	55,846
TOTAL		8,66,08,608	6,86,09,892

As per our Report of even date

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THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

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

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDING 31-MAR-2017			
PARTICULARS	Schedule	Year Ended 31-Mar-17	Year Ended 31-Mar-16
		(Figures in Rs.)	
EXPENDITURE			
EMPLOYEE BENEFIT EXPENSES			
-SALARY,PENSION AND OTHER ALLOWANCES		1,37,71,378	1,34,16,916
- CONTRIBUTION TO PROVIDENT AND OTHER FUNDS		11,06,293	10,09,098
-STAFF WELFARE EXPENSES		1,98,538	3,05,846
-TRAVEL STAFF		5,17,275	5,66,998
EXPENSES TOWARDS COACHING CLASSES		77,66,093	81,32,433
SEMINAR EXPENSES	XVII	3,19,17,094	2,93,27,265
		39,39,670	49,04,732
GENERAL MANAGEMENT AND COMMUNICATION SKILLS COURSE EXPENSES			
NEWSLETTER EXPENSES		41,89,386	51,03,794
		21,08,672	14,09,762
BRANCH MANAGEMENT COMMITTEE ORIENTATION PROGRAMME EXPENSES			
RENT, RATES & TAXES		22,83,247	19,99,378
TRAVELLING EXPENSES FOR MEMBERS		17,37,767	12,03,626
PRINTING, STATIONERY AND PHOTOCOPYING		3,96,670	2,75,931
POSTAGE, TELEPHONE AND TELEGRAMS		5,11,264	5,82,432
REPAIRS AND MAINTENANCE		7,40,905	20,04,089
MAGAZINE & PERIODICALS		2,24,046	77,040
AUDIT FEE		60,638	60,112
OTHER EXPENSES	XVIII	12,26,340	21,92,603
GRANTS WRITTEN OFF		7,62,657	-
DEBTORS WRITTEN OFF		1,05,000	85,366
PRIOR PERIOD ADJUSTMENTS (EXPENSES)		14,220	71,239
DEPRECIATION		15,12,718	30,15,217
TOTAL		7,50,89,871	7,57,43,877
SURPLUS/ (DEFICIT)		1,15,18,737	(71,33,985)
Less: Transfer to Building fund		10,52,724	-
Less: Transfer to Coaching Class Reserve		25,91,101	-
Balance transfer to General Reserve		78,74,911	(71,33,985)
Significant Accounting Polices and Notes on Accounts	XIX		

As per our Report of even date

For MURALI JAWAHAR & CO
CHARTERED ACCOUNTANTS
FRN : 002168S

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M. No. 024154

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DR. P. T GIRIDHARAN
Joint Director

Place : Chennai
Date: 18.04.2017

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

ICAI Bhawan, 122, Mahatmagandhi Road, Nungambakkam, Chennai-600034

SCHEDULES ATTACHED TO BALANCE SHEET AS AT 31-MAR-2017

Schedules	As at 31-Mar-17	As at 31-Mar-16
	(Figures in Rs.)	
SCHEDULE I		
General Reserve		
Opening Balance	34,37,367	1,05,71,352
Add: Transfer from Coaching Class Reserve	-	-
Add: Transfer from income and expenditure account	78,74,911	(71,33,985)
	1,13,12,278	34,37,367
SCHEDULE II		
OTHER RESERVE:		
Building Fund Reserve		
Balance as at 1st April	61,03,934	61,03,934
Add: Transfer from income and expenditure account	10,52,724	-
	71,56,658	61,03,934
Coaching Class Reserve		
Opening Balance as on 1st April	1,33,81,380	1,33,81,380
Less: Transfer to General Reserve	-	-
Add: Transfer from income and expenditure account	25,91,101	-
	1,59,72,481	1,33,81,380
	2,31,29,139	1,94,85,314
SCHEDULE III		
Earmarked funds for Scholarships/Prizes/Endowment Lectures:		
Opening balance	23,14,713	21,19,876
Add: Addition	1,00,000	75,000
Add: Interest income	1,57,826	1,25,837
Less: Expenses such as Scholarships/ Lecture Expenses, Fee Waiver, Cash Awards	(1,77,019)	(6,000)
	23,95,520	23,14,713
SCHEDULE IV		
Fees Received In Advance-Current		
Coaching Classes fees	41,79,443	19,35,088
Newsletter Income	-	5,000
GMCS fees	2,46,000	3,04,777
Seminar fees	1,20,520	360
	45,45,963	22,45,225
SCHEDULE V		
Creditors and Provisions for Non Capital Items-Current		
Creditors and Provision for Expenses	47,16,027	59,28,034
	47,16,027	59,28,034

Continued to page 2

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

SCHEDULES ATTACHED TO BALANCE SHEET AS AT 31-MAR-2017

Schedules	As at 31-Mar-17	As at 31-Mar-16
	(Figures in Rs.)	
SCHEDULE -VI		
Other Liabilities-Current		
TA/DA payable to Council Members	2,14,641	3,40,349
TA/DA Payable to Participants in Elocution and Quiz Contests		
Fees Refundable to Students	19,600	22,600
Fees refundable to CPE Delegates	67,620	67,440
Payable to Staffs	1,12,387	1,16,282
Advance Money Received from ROC for Investor Awareness Programs	-	1,51,180
SICASA	1,06,138	-
	5,20,386	6,97,851
SCHEDULE -VII		
Capital Grant Received		
Opening Balance	3,02,95,203	2,17,80,400
Less: Unapproved Grants/Grant reversed	(26,60,382)	-
Add: Grant Received during the year	5,41,581	85,14,803
	2,81,76,402	3,02,95,203
Library Grant Received		
Opening Balance	49,75,257	44,74,899
Add: Grant Received during the year	4,95,840	5,00,358
	54,71,097	49,75,257
	3,36,47,499	3,52,70,460
SCHEDULE -IX		
EARMARKED INVESTMENTS		
In Term deposit with banks	21,85,216	19,58,270
In Saving Bank Accounts with Banks	2,10,304	3,56,443
	23,95,520	23,14,713

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

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

SCHEDULES ATTACHED TO BALANCE SHEET AS AT 31-MAR-2017

Schedules			As at 31-Mar-17	As at 31-Mar-16
			(Figures in Rs.)	
SCHEDULE X				
Other Receivables				
Customer Account-Seminar Member			26,850	42,650
Customer Account-Seminar Non Member			50,000	7,20,000
Grant Receivable towards Orientation Programme			-	3,52,660
Customer Account GMCS			39,000	-
Others			89,029	91,537
			2,04,879	12,06,847
SCHEDULE XI				
Advances and Prepayments				
Prepaid expenses			2,67,756	2,48,959
Advance paid to vendors			20,143	5,27,411
TA/DA Advance to Council Members			1,97,288	2,37,950
Advances to Staffs			91,450	1,15,950
			5,76,637	11,30,270
SCHEDULE XII				
BANK BALANCES	Saving A/C	Autosweep A/C		
Axis Bank - "46th Regional Conference of SIRC of ICAI"			-	80,931
Bank of Baroda-" SIRC of ICAI"	3,25,791	1,13,000	4,38,792	3,79,341
Indian Bank- "47th Regional Conference of SIRC "	54,060	13,51,364	14,05,424	17,47,513
Indian Bank- "48th Regional Conference of SIRC"	16,86,257	-	16,83,257	-
Indian Bank-" SIRC of ICAI"	20,101	51,65,581	51,85,682	13,80,615
Punjab National Bank- " SIRC of ICAI"	4,96,848	-	4,96,848	4,06,777
Syndicate Bank- " SIRC of ICAI"	1,37,584	96,85,000	98,22,584	43,04,371
Yes Bank - " SIRC of ICAI"	1,82,480	67,75,937	69,58,418	17,79,060
Indian Bank-" SIRC of ICAI-GMCS"	28,72,150	-	28,72,149	
	57,75,271	2,30,90,882	2,88,63,153	1,00,78,608

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

SCHEDULES ATTACHED TO INCOME AND EXPENDITURE
FOR THE YEAR ENDED 31-MAR-2017

Schedules	Year ended 31-Mar-17	Year ended 31-Mar-16
(Figures in Rs.)		
SCHEDULE XIII		
Adhoc Grants		
CA Day Grant	1,00,000	1,00,000
International Yoga Day Grant	43,594	50,000
Grant for Mega Career Awareness Program	-	2,56,300
Grant for Investor Awareness Program	53,462	-
Grant for Vaidyanath Iyer Memorial Lectures	3,000	3,000
Other CPE Grants	80,542	-
	2,80,598	4,09,300
SCHEDULE XIV		
Seminar income		
Seminars (Within SIRC Premises)	1,05,27,241	70,99,766
Seminars (Outside SIRC Premises)	1,35,29,086	21,26,000
48th Regional Conference Income	1,38,27,692	-
47th Regional Conference & 66 KM Banner Display Income	-	1,56,68,064
	3,78,84,019	2,48,93,830
SCHEDULE XV		
Commission on Sale of Publications/Exam Forms :		
Institute / Board of Studies Publications	19,20,147	18,44,479
Examination forms	42,780	1,42,815
	19,62,927	19,87,294
SCHEDULE XVI		
Other income		
Receipts for library services	40,388	25,339
Disposal of Obsolete Items & Other Income	61,855	1,21,895
Sundry Income	-	-
	1,02,243	1,47,234
SCHEDULE XVII		
Seminar Expenses		
Seminars (Within SIRC Premises)	58,05,264	50,19,346
Seminars (Outside SIRC Premises -Other than Regional Conference)	1,30,87,777	29,85,326
48th Regional Conference Expenses	1,06,13,137	-
Share of Surplus to Host Branch for 48th Regional Conference	24,10,916	-
47th Regional Conference and 66 KM Banner Display Expenses	-	2,13,22,593
	3,19,17,094	2,93,27,265
SCHEDULE XVIII		
Other expenses		
CA Day & Month Expenses	3,47,286	8,48,810
International Yoga Day Expenses	43,594	1,21,617
Career Counselling Programme Expenses	-	3,23,167
Bank charges	18,817	18,023
Transportation and Conveyance	36,272	22,048
Blood Donation Camp Expenses	-	28,605
Administrative and Office Expenses	7,80,370	8,30,333
Debtors Written Off	-	-
	12,26,340	21,92,603

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ICAI Bhawan, 122, Mahatma Gandhi Road, Nungambakkam, Chennai - 600 034

SCHEDULES ATTACHED TO BALANCE SHEET AS AT 31.03.2017

SCHEDULE - VIII : FIXED ASSETS

Particulars	Rate of Depreciation	GROSS BLOCK				DEPRECIATION/ AMORTIZATION				NET BLOCK	
		Opening balance 01.04.2016	Additions during the Period	Deletions during the period	As at 31.03.2017	Upto 01.04.2016	Deletions during the period	For the year ended 31.03.2017	Up to 31.03.2017	As at 31.03.2017	As at 31.03.2016
<i>(Figures in Rupees)</i>											
ASSETS - SIRC											
Furniture's and Fixtures	10%	78,79,154	6,52,650	-	85,31,804	44,13,234	-	3,74,511	47,87,745	37,44,059	34,65,920
Electrical Installations and Fittings	10%	33,34,390	46,370	-	33,80,760	22,42,028	-	1,13,104	23,55,132	10,25,628	10,92,362
Lift	10%	8,38,670	-	-	8,38,670	6,29,055	-	20,962	6,50,017	1,88,654	2,09,615
Office Equipment	15%	45,58,878	5,08,153	-	50,67,031	26,05,428	-	3,30,869	29,36,297	21,30,735	19,53,450
Air Conditioners	15%	19,01,822	-	-	19,01,822	14,96,019	-	60,870	15,56,889	3,44,933	4,05,803
Cycles	20%	1,326	-	-	1,326	1,326	-	-	1,326	-	-
Computers	60%	71,92,707	34,282	39,67,037	32,59,952	43,99,957	13,06,655	93,134	31,86,436	73,516	27,92,750
Library Books	100%	1,05,45,519	5,19,268	-	1,10,64,787	1,05,45,519	-	5,19,268	1,10,64,787	-	-
Total : Current Year		3,62,52,466	17,60,723	39,67,037	3,40,46,152	2,63,32,566	13,06,655	15,12,718	2,65,38,629	75,07,523	99,19,900
Total: Previous Year		2,93,68,873	68,83,593	-	3,62,52,466	2,33,17,349	-	30,15,217	2,63,32,566	99,19,900	60,51,524

**SOUTHERN INDIA REGIONAL COUNCIL
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XIX. NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2017.

A) SIGNIFICANT ACCOUNTING POLICIES

1. Basis for preparation of Financial Statements

The Financial Statements are prepared under the historical cost convention, the Generally Accepted Accounting Principles (GAAP) in India, the applicable Accounting Standards and the applicable guidelines issued by the ICAI in this regard.

2. Fixed Assets

Land and Building of SIRC of ICAI are accounted for at ICAI New Delhi, since ownership of these assets lies with ICAI. Other Fixed assets are stated at cost less accumulated depreciation. Cost comprises the purchase price and any other cost attributable to bring the asset to its working condition for its intended use.

3. Depreciation

- a) Fixed Assets, other than library books are depreciated under WDV method at following rates as per the guidelines of Head Office:

Air-conditioner	15%
Electrical Installations	10%
Furniture & Fixtures	10%
Office Equipments	15%
Computers	60%

- b) Library books are depreciated @ 100% in the year of purchase.

- c) Depreciation on additions is provided on monthly pro rata basis.

4. Investments

Investments are stated at cost, including cost of acquisition.

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5. Inventories

- (a) The stock of publications which are accounted at transfer price, are received from Head Office for sale on commission basis. It is neither an asset nor a liability of SIRC.
- (b) Stock of stationery is accounted at cost to SIRC.

6. Revenue Recognition

- (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.
- (c) Interest on fixed deposits with banks is accounted for on time proportionate basis. Income from earmarked investments of specific funds is credited to the respective fund account.

7. Employee Benefits

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

8. Segment Reporting

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

9. Impairment of Assets

At each balance sheet date, the carrying values of the tangible and intangible assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

10. Provisions

- (a) A provision is recognised when there is a present obligation as a result of past events and it is probable that an outflow will arise. 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. Provisions are not discounted to its present value and are determined based on best estimates required to settle the obligations at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.
- (b) Provision for Income-tax: Provision for Income-tax and other direct taxes, applicable if any, is made at Head Office.

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(c) Provision for Service-tax: Registration and Deposit of Service Tax, applicable if any, is done at head office. Liability, if any, on account of service tax from SIRC operations is being taken care by head office.

11. 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, 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.

B) NOTES ON ACCOUNTS

1. Contingent Liabilities: Nil (Previous Period: Nil)
2. Capital Commitment: Nil (Previous Period : Nil)
3. Disclosure of Prior Period Income and Expenses.

Particulars	For the Year ended 31.03.2017 (Rs.)	For the Year ended 31.03.2016 (Rs.)
a) Prior Period Income	17,500	55,846
b) Prior Period Expenses	14,220	71,239

4. Earmarked Funds:

Particulars	As on 31.03.2017	As on 31.03.2016
(a) Earmarked Investments In Fixed Deposits with Banks including accumulated Interest thereon	21,85,216	19,58,270
(b) Earmarked Investments In Saving Accounts with Banks	2,10,304	3,56,443
(a)+(b)	23,95,520	23,14,713

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5. During the year a sum of Rs. 7,62,657/-being grants/reimbursements relating to earlier years not receivable from Head Office has been written off in the books of accounts. Similarly amount towards sponsorship for the 47th Regional Conference of SIRC of ICAI and Display of 66 KM Banner not receivable has been written off to the extent of Rs. 1,05,000/-.
6. During the year ended 31.03.2016, SIRC has made a centralized purchase of 41 Information KIOSKS costing Rs. 39,67,037/- for installation and use at its various Branches. Such procurement was made out of the capital grant released by the Head Office during the year 2015-16. Accordingly, SIRC of ICAI had capitalized the said 41 Kiosks in its books of accounts and a sum of Rs. 13, 06,655/- were charged as depreciation in the book of SIRC of ICAI for the year ended 31st March, 2016. Subsequent to the decision taken by the SIRC at its 223rd Meeting held on 14th July, 2016 and as per the advice received from the head office vide email dated 14th October, 2016, such KIOSKS costing Rs. 39,67,037/- (Gross Block) and Accumulated Depreciation to the extent of Rs. 13, 06,655/- (Depreciation Block) have been de recognized in the book of SIRC of ICAI for the Year ended 31st March, 2017 and transferred to the ICAI Head Office Account.
7. As per the decision of the Regional Council at its 227th Meeting held on 18th April 2017, 50% of the surplus generated from the Coaching Classes i.e (50 % x Rs. 51,82,202/-) amounting to Rs. 25,91,101/- is being transferred to the Coaching Class Reserve.
8. Previous period figures have been regrouped and rearranged wherever necessary to make them comparable.

As per our Report of even date
For MURALI JAWAHAR & CO
CHARTERED ACCOUNTANTS
FRN : 002168S

-sd-

CA. K.S. MURALIDHARAN
Partner
M. No. 024154

-sd-

CA. COTHA S SRINIVAS
Chairman

-sd-

CA. ADUSUMULLI
VENKATESWARA RAO
Vice – Chairman

-sd-

CA. DUNGAR CHAND U JAIN
Secretary

-sd-

CA. PANNARAJ S
Treasurer

-sd-

DR. P T GIRIDHARAN
Joint Director

Place : Chennai

Date : 18.04.2017