

PREFACE TO SECOND EDITION

Encouraged by the overwhelming demand for the first edition of the book, copies of which were sold out and hence the demand could not be fully met, I had planned to bring out the second edition. An opportunity soon arose to hasten this task, as the Ministry of Human Resource Development issued on 17th April, 2015, Revised Formats for presentation of Accounts by Central Educational Institutions, after approval by the Comptroller and Auditor General of India on 10th April, 2015.

I had prepared and included in the first edition of my book, formats for presentation of Annual Accounts by Central Universities and Institutes of Higher Education, to include the special features of the operations of these organizations without disturbing the basic structure of the formats laid down for Central Autonomous Organizations by the Ministry of Finance. The changes then made by me were by way of addition of a few heads in the Income and Expenditure Account, such as Academic Receipts, Academic Expenditure, Prior Period Income, Prior Period Expenditure and Repairs and Maintenance. Capital Fund schedule was improved. A sub-schedule for Endowment Funds was added to the main schedule of Earmarked Funds. A sub-schedule of Sponsored Projects was added to the head : Receipts against ongoing sponsored Projects in the Current Liabilities Schedule. In the schedule of Investments from Earmarked/Endowment Funds, a sub-schedule was added showing the fund wise figures of investments, the total of which agreed with the total in the main schedule. To the schedule of Current Assets, Loans & advances, an annexure was added listing all the Bank Accounts with the balances in each of item. A new grants schedule was included reflecting the whole picture of grants.

A sub-schedule of Employee Retirement & Terminal Benefits was added to the Establishment expenses schedule, to show how the provisions to be made in the year were calculated. The schedule of significant Accounting policies was changed substantially. In the schedule of Contingent Liabilities and Notes to Accounts, a disclosure

was made of the assets created from Sponsored Project Funds, where the ownership was retained by the sponsors but were held and used by the organization, with head wise details.

All these also find a place in the formats issued in April 2015 by MHRD for Central Educational Institutions.

The standard formats for Central Autonomous Organizations prescribed by the Ministry of Finance has been retained in the second edition. I have also elaborated the explanations on some of the concepts mentioned in the first edition, quoted changes in the Companies Act, 2013 wherever Companies Act, 1956 was quoted in the first edition, updated Chapters 33 and 34 (Tasks in the first year and second and subsequent years of change over to Accrual system) and Chapter 40 (Specimen Chart of Heads of Account). I have replaced the entire Chapter 38 (Standard formats for Central Universities and Institutes of Higher Education) with the revised formats (for which I can claim some contribution by me) for Central educational institutions issued by MHRD in April 2015.

I would suggest that those in charge of Accounts in Central Autonomous Organizations also go through and use (to the extent necessary) the Standard formats for Central Universities and Institutes of Higher Education, as well as Notes and Instructions in those formats for all the schedules.

The publishers, Taxmann publications, readily agreed to my proposal to bring out the second edition and supported me by quickly sending me hard copies of all the pages of the first edition. This enabled me to complete the work within about 3 months. I thank them for all the support and help.

It will give me great satisfaction if this book helps the organizations to further improve the maintenance of their accounts and for better presentation of their Annual financial statements.

B.S. RAMASWAMY