2005 CAIS Program Instructions for Accrual to Cash Worksheet

The Accrual to Cash worksheet is used to adjust your allowable income and expenses back to cash when required for the CAIS program (refer to CAIS Program Handbook - 6.1, TIC# 4 Whole Farm Approach, TIC #6 Method of Accounting, and the Modified Accrual Accounting Option (MAAO) Worksheet).

To ensure accuracy, the CAIS program asks for all income and expense items in order to balance your financial statements to your T2 Schedule 1.

Please complete the accrual to cash conversion sheet ensuring the following:

- The name, PIN and operation number are correct for your operation.
- The accrual information balances to your financial statements (or to NISA Statement A if you were NISA participant in the year(s) being converted*).
- The cash information balances to your T2 Schedule 1.
- The Allowable and non allowable income and expenses for the CAIS program are separated.
- For program year conversions, allowable inputs, receivables and payables (opening and ending) match Section 9, Parts A, B, C of your CAIS Harmonized form.
- Total of allowable and non-allowable inventories, inputs, receivables and payables (opening and closing) match the totals on your T2 Schedule 1.

On the Accrual to Cash worksheet, cell E3 (amount to adjust in CAIS program) is used when you have reported accrual to NISA/CAIS in a year and are required to change to cash accounting. This number will adjust your CAIS program margin in the corresponding year to cash accounting. If you are using the worksheet to calculate your Statement A information to file to CAIS, then the amount in cell E3 is irrelevant.

NOTE: For custom feeding operations, income and expense amounts reported as custom feeding must be limited to include CAIS only allowable income and expense items. For example, income based on feed plus yardage charges, the feed portion is considered allowable, while the yardage fees are not.

Example: Custom feeding income

Please report total custom feeding income on Line 9617 and the CAIS Administration will automatically calculate and remove a 5% Yardage Deduction.

Custom Feeding Income	9617	50000			100000	50000	100000
Less 5% Yardage Deduction (Negative Number)		-2500	0	0	-5000	-2500	-5000
5% Yardage Deduction - Add Back	9600	2500	0	0	5000	2500	5000

Example: Custom feeding expense

Please report total custom feeding expense on Line 9831 and the CAIS Administration will automatically calculate and remove a 5% Yardage Deduction.

Custom Feeding Expense	9831	50000	50000	100000			0
Less 5% Yardage Deduction (Negative Number)		-2500	-2500	-5000	0	0	0
5% Yardage Deduction - Add Back		2500	2500	5000	0	0	0

Where the 5% Yardage Deduction is inappropriate for your operation, the Administration may use a different percentage and, where required, request supporting documentation from you.

^{*} NOTE: If you were a NISA participant and have made changes to NISA – which are different than your original financial statements – use the NISA numbers for the accrual data on the sheet.

ACCRUAL TO CASH CONVERSION WORKSHEET								
NAME:	YEAR:		PIN:]			
AMOUNT TO ADJUST IN CAIS PROGRAM:	0							
		AMOUNT PER F/S (ACCRUED) NISA STMT	BEGINNING INVENTORY OR BEGINNING	ENDING INVENTORY OR ENDING	BEGINNING			
	LINE CODE	AMOUNT	A/P	A/P	A/R	ENDING A/R	CASH BASIS	
ALLOWABLE INCOME CONVERSION			+		+	-		
AGRICULTURE COMMODITY SALES								
CUSTOM FEEDING INCOME	9617							
LESS 5% YARDAGE DEDUCTION (NEGATIVE NUMBER)								
WILDLIFE DAMAGE COMPENSATION PAYMENT CROP / PRODUCTION INSURANCE								
REBATES - ALLOWABLE EXPENSES INVENTORY ADJ. FOR INCOME NOT INCLUDED ABOVE	9574							
TOTAL OPENING ALLOWABLE INVENTORY ADD BACK								
TOTAL CLOSING ALLOWABLE INVENTORY DEDUCTION INVENTORY ADJUSTMENT - IF DONE AT NET AMOUNT								
INVENTORY ADJUSTMENT - IF DONE AT NET AMOUNT								
TOTAL								
NON-ALLOWABLE INCOME CONVERSION			T	T	T	T		
TOTAL OPENING NON-ALLOWABLE INVENTORY ADD BACK								
TOTAL CLOSING NON-ALLOWABLE INVENTORY DEDUCTION								
TOTAL								
OTHER NON ALLOWABLE FARMING INCOME								
PROGRAM PAYMENTS	9540							
DISASTER ASSISTANCE PROGRAM PAYMENTS REBATES - INELIGIBLE EXPENSES	9544 9575							
AGRICULTURAL CONTRACT WORK	9601							
NON-AGRICULTURAL CONTRACT WORK PATRONAGE DIVIDENDS	9600 9605							
INTEREST	9607							
GRAVEL TRUCKING (FARM - RELATED ONLY)	9610 9611							
TRUCKING (NON-FARM - RELATED)	9600							
RESALE OF COMMODITIES PURCHASED LEASES (GAS, OIL WELL, SURFACE, ETC)	9612 9613							
MACHINE RENTAL	9614							
OTHER - NISA OTHER - GAIN ON DISPOSAL OF ASSET	9600 9600							
OTHER - GAIN ON DISPOSAL OF INVESTMENT	9600							
OTHER - TAXABLE CAPITAL GAIN OTHER - RENTAL INCOME	9600 9600							
5% YARDAGE DEDUCTION - ADD BACK	9600							
OTHER -	9600 9600							
OTHER -	9600							
OTHER - (Following used only when #'s not included above)	9600 9600							
NON-ALLOWABLE ADDITIONS AS PER T2 SCHEDULE 1	9600							
Specify T2S1 Line # and Description	9600 9600							
	9600							
	9600 9600							
	9600				***************************************			
NON-ALLOWABLE DEDUCTIONS AS PER T2 SCHEDULE 1 Specify T2S1 Line # and Description	9600 9600							
- speedy (20) Emo π and bosonphon	9600							
	9600 9600							
	9600							
TOTAL	9600							
GROSS FARM INCOME	9959							

ACCRUAL TO CASH CONVERSION WORKSHEET								
NAME:	YEAR:		PIN:			OP#		
ALLOWAN F EVENOTO	LINE CODE	NISA STATEMENT AMOUNT	BEGINNING A/P +	ENDING A/P	ENDING PPD OR ENDING INVENTORY +	BEGINNING PPD OR BEGINNING INVENTORY	CASH BASIS	
COMMODITY PURCHASES								
COMMODITY PURCHASES								
PREPARED FEED & PROTEIN SUPPLEMENTS	46							
CONTAINERS AND TWINE	9661							
FERTILIZERS	9662							
PESTICIDES	9663							
INSURANCE PREMIUMS (CROP) VETERINARY FEES, MEDICINE, A.I. FEES	9665 9713							
MINERALS AND SALTS	9714							
MACHINERY (GASOLINE, DIESEL FUEL, OIL)	9764							
ELECTRICITY	9799							
FREIGHT AND TRUCKING HEATING FUEL	9801 9802							
SALARIES (OTHER THAN SPOUSE OR DEPENDANTS)	9815							
STORAGE / DRYING	9822							
PREPARED FEED	9830							
COMMODITY FUTURES TRANSACTION FEES INSURANCE PREMIUM (ALLOWABLE INCOME OR EXPENSE)								
CUSTOM FEEDING EXPENSE	9831							
LESS 5% YARDAGE DEDUCTION (NEGATIVE NUMBER)								
COMMISSIONS AND LEVIES	9836							
TOTAL								
NON-ALLOWABLE EXPENSE CONVERSION								
MACHINERY (REPAIRS, LICENSES, INSURANCE)	9760	l	l			l		
MACHINERY LEASE / RENTAL	9765							
ADVERTISING AND MARKETING COSTS	9792							
BUILDING AND FENCE REPAIRS	9795							
LAND CLEARING AND DRAINING AGRICULTURAL CONTRACT WORK	9796 9798							
AGRICULTURAL CONTRACT WORK - NON-ARMS LENGTH	9798							
OTHER INSURANCE PREMIUMS	9804							
INTEREST (REAL ESTATE, MORTGAGE, OTHER)	9805							
MEMBERSHIPS / SUBSCRIPTION FEES OFFICE EXPENSES	9807 9808							
LEGAL AND ACCOUNTING FEES	9809							
PROPERTY TAXES	9810							
RENT (LAND BUILDINGS, PASTURES) SALARIES PAID TO SPOUSE OR DEPENDANTS	9811 9816							
MOTOR VEHICLE EXPENSES	9819							
SMALL TOOLS	9820							
SOIL TESTING	9821							
LICENSES / PERMITS TELEPHONE	9823 9824							
GRAVEL	9826							
PURCHASES OF COMMODITIES RESOLD	9827							
MOTOR VEHICLE INTEREST AND LEASING COSTS	9829							
5% YARDAGE DEDUCTION ADD BACK ALLOWANCE ON ELIGIBLE CAPITAL PROPERTY	9935							
CAPITAL COST ALLOWANCE	9936							
MIA - PRIOR YEAR	9937							
OIA - PRIOR YEAR	9938							
OTHER - LOSS / GAIN ON DISPOSAL OF CAPITAL ASSETS OTHER - AMORTIZATION FROM FINANCIAL STATEMENTS	9896 9896							
OTHER - AMORTIZATION FROM FINANCIAL STATEMENTS	9897							
OTHER -	9897							
OTHER -	9897							
OTHER -	9897							
OTHER -	9897 9897							
TOTAL								
TOTAL								
GROSS FARM EXPENSES	9968							

ACCRUAL TO CASH CONVERSION WORKSHEET									
NAME:		YEAR:		PIN:			OP#		
GROSS FARM INCOME GROSS FARM EXPENSES		9959 9968							
CROSS FARM EXTERIOLS		3300							
NET FARM INCOME BEFORE	ADJUSTMENTS	9969							
OLA CURRENT VEAR		0044	1			<u> </u>	1		
OIA - CURRENT YEAR MIA - CURRENT YEAR		9941 9942							
NET INCOME		9946							
RECONCILIATION NET INCOME / LOSS AS PER V	NORKSHEET						Г		
Enter Net Income / Loss as per					Ne	t Income / Loss P	er T2 Schedule 1		
Difference should be zero									
CAIS margin Cash									
CAIS margin Accrual Amount to adjust									
Amount to adjust									
	Reconciliation to CAIS	S Program S	Supplementary	Information	n Form - Pro	gram Year			
			Section 9 - Part	B Deferred In	come and Rece	eivables			
Allowable	Non-Allowable	Total	Enter opening re	ceivables as p	er Statement A				
A/R open	A/R open		Opening receiva		C worksheet				
A/R close A/P open	A/R close A/P open		Difference (should equal 0)						
A/P close	A/P close		Enter closing receivables as per Statement A						
Open inputs Close inputs	Open inputs Close inputs		Closing receivables from A to C worksheet Difference (should equal 0)						
Close inpute	Cioco inputo		Dinoronoo (onou	ia oquai oj					
Section 9 - Part A Purchase	d Inputs Valuation		Section 9 - Part	C Accounts P	ayable		l		
Enter opening Inputs as per S	Statement A		Enter opening pa	ayables as per	Statement A				
Opening inputs from A to C w			Opening payables from A to C worksheet Difference (should equal 0)						
Difference (should equal 0)			Difference (shou	ld equal 0)					
Enter closing Inputs as per St			Enter Closing pa						
Closing inputs from A to C wo Difference (should equal 0)	orksheet		Closing payables from A to C worksheet Difference (should equal 0)						
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