

## 2004 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 part 4 - a, b, and c of your CAIS supplementary 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 only allowable income and expense items. For example, for income based on feed plus yardage charges, the feed portion is considered allowable, while the yardage fees are not.

For custom feeding operations, the non-allowable yardage fees are removed by a 5% Yardage Deduction. The 5% Yardage Deduction is equal to 5% of Custom Feeding Income reported on Line 9617 and/or 5% of Custom Feeding Expense reported on Line 9831 if applicable.

Example: Custom feeding income:

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:

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.



**OTHER NON ALLOWABLE FARMING INCOME**

PROGRAM PAYMENTS	9540						0
DISASTER ASSISTANCE PROGRAM PAYMENTS	9544						0
REBATES-INELIGIBLE EXPENSES	9575						0
AGRICULTURAL CONTRACT WORK	9601						0
NON-AGRICULTURAL CONTRACT WORK	9600						0
PATRONAGE DIVIDENDS	9605						0
INTEREST	9607						0
GRAVEL	9610						0
TRUCKING (FARM-RELATED ONLY)	9611						0
TRUCKING (NON-FARM-RELATED)	9600						0
RESALES COMMODITIES PURCHASED	9612						0
LEASES (GAS, OIL WELL, SURFACE, ETC)	9613						0
MACHINE RENTAL	9614						0
OTHER-NISA	9600						0
OTHER-GAIN ON DISPOSAL OF ASSET	9600						0
OTHER GAIN ON DISPOSAL OF INVESTMENT	9600						0
OTHER-TAXABLE CAPITAL GAIN	9600						0
OTHER-RENTAL INCOME	9600						0
5% YARDAGE DEDUCTION - ADD BACK	9600	0	0	0	0	0	0
OTHER-	9600						0
OTHER-	9600						0
OTHER-	9600						0
OTHER-	9600						0
(Following used only when #'s not included above)	9600						0
NON -ALLOWABLE ADDITIONS AS PER T2SCH1	9600						0
Specify T2S1 Line # and Description	9600						0
	9600						0
	9600						0
	9600						0
	9600						0
	9600						0
	9600						0
NON -ALLOWABLE DEDUCTIONS AS PER T2SCH1	9600						0
Specify T2S1 Line # and Description	9600						0
	9600						0
	9600						0
	9600						0
	9600						0
	9600						0
<b>TOTAL</b>	9950	0	0	0	0	0	0
<b>GROSS FARM INCOME</b>	9951	0	0	0	0	0	0



**NON-ALLOWABLE EXPENSE CONVERSION**

MACHINERY (REPAIRS, LICENSES, INSURANCE	9760							0
MACHINERY LEASE/RENTAL	9765							0
ADVERTISING AND MARKETING COSTS	9792							0
BUILDING AND FENCE REPAIRS	9795							0
LAND CLEARING AND DRAINING	9796							0
AGRICULTURAL CONTRACT WORK	9798							0
AGRICULTURAL CONTRACT WORK-NON ARMS LENGTH	9798							0
OTHER INSURANCE PREMIUMS	9804							0
INTEREST (REAL ESTATE, MORTGAGE, OTHER	9805							0
MEMBERSHIPS/SUBSCRIPTION FEES	9807							0
OFFICE EXPENSES	9808							0
LEGAL AND ACCOUNTING FEES	9809							0
PROPERTY TAXES	9810							0
RENT (LAND BUILDINGS, PASTURES	9811							0
SALARIES PAID TO SPOUSE OR DEPENDANTS	9816							0
MOTOR VEHICLE EXPENSES	9819							0
SMALL TOOLS	9820							0
SOIL TESTING	9821							0
LICENSES/PERMITS	9823							0
TELEPHONE	9824							0
GRAVEL	9826							0
PURCHASES OF COMMODITIES RESOLD	9827							0
MOTOR VEHICLE INTEREST AND LEASING COSTS	9829							0
5% YARDAGE DEDUCTION ADD BACK		0	0	0	0	0	0	0
ALLOWANCE ON ELIGIBLE CAPITAL PROPERTY	9935							0
CAPITAL COST ALLOWANCE	9936							0
MIA-PRIOR YEAR	9937							0
OIA-PRIOR YEAR	9938							0
OTHER-LOSS/GAIN ON DISPOSAL OF CAPITAL ASSETS	9896							0
OTHER- AMORTIZATION FROM FINANCIAL STATEMENTS	9896							0
OTHER	9897							0
OTHER	9897							0
OTHER	9897							0
OTHER	9897							0
OTHER	9897							0
OTHER	9897							0
								0
								0
								0
<b>TOTAL</b>	9950	0	0	0	0	0	0	0
<b>GROSS FARM EXPENSES</b>	9968	0	0	0	0	0	0	0

Name: **0**

PIN: **0**

**ACCRUAL TO CASH CONVERSION WORKSHEET**

								0
<b>GROSS FARM INCOME</b>	9951	0	0	0	0	0	0	0
<b>GROSS FARM EXPENSES</b>	9968	0	0	0	0	0	0	0

<b>NET FARM INCOME BEFORE ADJUSTMENTS</b>	9942	0	0	0	0	0	0	0
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<b>OIA-CURRENT YEAR</b>	9941							0
<b>MIA-CURRENT YEAR</b>	9942							0

<b>NET INCOME</b>	9946	0	0	0	0	0	0	0
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**RECONCILIATION**

NET INCOME/LOSS AS PER WORKSHEET		0					0
Enter Net Income/Loss as per financial Statements					Net Income/Loss Per T2Schedule 1		
Difference should be zero		0					0

CAIS margin Cash	0
CAIS margin Accrual	0
Amount to adjust	0

**Reconciliation to CAIS Program Supplementary Information Form - Program Year**

**Part 4b Deferred Income and Receivables**

Allowable	Non - Allow	Total		
A/R open	0 A/R open	0	0	Enter opening receivables as per supplementary
A/R close	0 A/R close	0	0	Opening Receivables from A to C worksheet
A/P open	0 A/P open	0	0	Difference (should equal 0)
A/P close	0 A/P close	0	0	Enter closing receivables as per supplementary
Open inputs	0 Open inputs	0	0	Closing receivables from A to C worksheet
Close inputs	0 Close inputs	0	0	Difference (should equal 0)

**PART 4a Purchased Inputs Valuation**

**Part 4c Accounts Payable**

Enter opening Inputs as per supplementary		Enter opening payables as per supplementary	
Opening inputs from A to C worksheet	0	Opening payables from A to C worksheet	0
Difference (should equal 0)	0	Difference (should equal 0)	0

Enter closing Inputs as per supplementary		Enter Closing payables as per supplementary	
Closing inputs from A to C worksheet	0	Closing payables from A to C worksheet	0
Difference (should equal 0)	0	Difference (should equal 0)	0