

CAIS 2004 - Instructions for Cash to Accrual Worksheet

The Cash to Accrual worksheet is used to adjust your allowable income and expenses to accrual 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 to your financial statements.

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

- The name, PIN and operation number are correct for your operation.
- The accrual information balances to your financial statements.
- 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) are not included in part 4 - a, b, and c of your CAIS supplementary form. Inventories for crops (part 2) and livestock (part 3) are included on the supplementary form, but Change in Quantity, Fair Market Value, and Change in Value columns are not completed. For more information see the 2004 Guide to Completing the Supplementary Form.

On the Cash to Accrual worksheet, cell E3 (amount to adjust in CAIS program) is used when you have reported cash to NISA/CAIS in a year and are required to change to accrual accounting. This number will adjust your CAIS program margin in the corresponding year to accrual 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	100000			100000	50000	50000
LESS 5% YARDAGE DEDUCTION (NEGATIVE NUMBER)		-5000	0	0	-5000	-2500	-2500
5% YARDAGE DEDUCTION - ADD BACK	9600	5000	0	0	5000	2500	2500

Example: Custom feeding expense:

CUSTOM FEEDING EXPENSE	9831	0	50000	100000			50000
LESS 5% YARDAGE DEDUCTION (NEGATIVE NUMBER)		0	-2500	-5000	0	0	-2500
5% YARDAGE DEDUCTION ADD BACK		0	2500	5000	0	0	2500

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.

CASH TO ACCRUAL CONVERSION WORKSHEET

NAME

YEAR

PIN

OP #

AMOUNT TO ADJUST IN CAIS PROGRAM

0

	LINE CODE	CASH BASIS AMOUNT	BEG. INVENT. OR BEG A/P -	END. INVENT. OR END A/P +	BEG. A/R -	END. A/R +	ACCRUAL BASIS
ALLOWABLE INCOME CONVERSION							
AGRICULTURE COMMODITY SALES							0
							0
							0
							0
							0
							0
							0
							0
							0
							0
							0
							0
							0
							0
							0
							0
							0
							0
CUSTOM FEEDING INCOME	9617						0
LESS 5% YARDAGE DEDUCTION (NEGATIVE NUMBER)		0	0	0	0	0	0
WILDLIFE DAMAGE COMPENSATION PAYM.							0
CROP/PRODUCTION INSURANCE							0
REBATES - ALLOWABLE EXPENSES	9574						0
INVENTORY ADJ. FOR INCOME NOT INCLUDED ABOVE							0
TOTAL OPENING ALLOWABLE INVENTORY DEDUCTION							0
TOTAL CLOSING ALLOWABLE INVENTORY ADD BACK							0
INVENTORY ADJ.- IF DONE AT NET AMOUNT							0
							0
TOTAL	9950	0	0	0	0	0	0
NON-ALLOWABLE INCOME CONVERSION							
TOTAL OPENING NON-ALLOWABLE INVENTORY DEDUCTION							0
							0
							0
TOTAL CLOSING NON-ALLOWABLE INVENTORY ADD BACK							0
							0
							0
							0
							0
TOTAL	9951	0	0	0	0	0	0

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 DEDUCTIONS	9600						0
	9600						0
	9600						0
	9600						0
	9600						0
	9600						0
	9600						0
	9600						0
NON -ALLOWABLE ADDITIONS	9600						0
	9600						0
	9600						0
	9600						0
	9600						0
	9600						0
	9600						0
TOTAL	9950	0	0	0	0	0	0
GROSS FARM INCOME	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
LICENCES/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
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	9896						0
OTHER	9897						0
OTHER	9897						0
OTHER	9897						0
OTHER	9897						0
OTHER	9897						0
OTHER	9897						0
OTHER	9897						0
							0
							0
							0
TOTAL	9950	0	0	0	0	0	0
GROSS FARM EXPENSES	9968	0	0	0	0	0	0

Name: 0

PIN: 0

CASH TO ACCRUAL CONVERSION WORKSHEET

								0
GROSS FARM INCOME	9951	0	0	0	0	0	0	0
GROSS FARM EXPENSES	9968	0	0	0	0	0	0	0

NET FARM INCOME BEFORE ADJUSTMENTS	9942	0	0	0	0	0	0	0
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OIA-CURRENT YEAR	9941							0
MIA-CURRENT YEAR	9942							0

NET INCOME	9946	0	0	0	0	0	0	0
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RECONCILIATION

NET INCOME/LOSS AS PER WORKSHEET		0		0
Net Income/Loss Per CRA or T2Sch1			Enter Net Income/Loss as per financial Statements	
Difference should be zero		0		0

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