

SNEHA DEEP TRUST FOR THE DISABLED

SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2023

1 Significant Accounting Policies

The significant Accounting Policies followed by the Trust are as stated below:

SNEHA DEEP TRUST FOR THE DISABLED (hereinafter referred to "the Trust") is functioning in the State of Karnataka. The Trust is formed for **Educates and Empowers Disabled and underprivileged children**

2. General

The Financial Statements have been prepared on historical cost basis. These statements have been prepared in accordance with the generally accepted accounting principles and the applicable mandatory accounting standards. The preparation required adoption of estimates and assumptions that can affect the reported amounts of revenue and expenditure and the assets and liabilities as well as the disclosure of contingent liabilities. Differences between the actual results and estimates are recognized in the year in which they become known or materialises.

3. Fixed Assets

The Fixed Assets are stated at their original cost of acquisition including taxes, duties, freight and other incidental expenses relating to the acquisition and installation of the concerned assets. The sponsorship /grant received against specific assets have been adjusted against the cost incurred for generating the respective asset.

4. Depreciation

Depreciation has been provided on Fixed Assets under Written Down Value method at the rates and in the manner prescribed under the Income Tax Act,1961.

5. Revenue Recognition

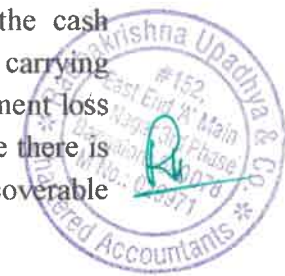
- Receipts are primarily derived in the form of grants/donations received from various donors which is recognized on receipt basis.
- Interest income on deposits is recognized on an accrual basis based on the interest certificate received from Bank.
- Other Income & Expenditure are accounted on an receipt basis.

6. Income Tax

Income Tax and Deferred Tax Asset /Liability has not been recognised, due to the exemptions available under sections 11 and 12 of the Income Tax Act.

7. Impairment of Assets

The Trust assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the trust estimates the recoverable amount of the asset. If such recoverable amount of the asset or recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the income and expenditure account. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable



amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

9. Foreign Exchange transactions:

Transactions in foreign currencies are recorded at the rate of exchange in force at the time of occurrence of the transactions.

8. Provisions, Contingent Liabilities and Contingent Assets

- 1) A provision is recognised when the trust has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A Contingent Asset is neither recognised nor disclosed in the financial statements.
- 2) In the opinion of the Trustees, the current assets, loans & advances will realise a value not less than the amounts stated in the Balance Sheet, if realised in the ordinary course of business.
- 3) The Corpus Fund includes fund assigned by the executive committee as corpus.
- 4) The balance with the banks in current accounts and fixed deposits were confirmed by the respective banks.

	Current Year	Previous Year
5) Contingent liabilities not provided for in the Accounts:	Nil	Nil

9. Other Notes:

1. We have resorted to test check whenever found necessary.
2. Records necessary to certify personal nature of expenses are not maintained.
3. Some of the entries were verified online on computer. Hence verification of audit will not appear in case of some of entries on hard copies of books generated by computer.

As per our report of even date attached

For RADHAKRISHNA UPADHYA & CO.,
CHARTERED ACCOUNTANTS


(RADHAKRISHNA)
Proprietor.
Mem. No. 20029971
(Firm Regn. No. 05642S)

Place: Bangalore
Date: 28/10/2023

