

**SCHEDULE NA 1- NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR
P.Y.E. 31/03/2022**

Overview

Karnataka Arya Vysya Mahasabha ® (KAVMS) is a society registered under the provisions of Karnataka Societies & Registration Act of 1961 vide registration no 21/10-07-1915 and is a 'Non-profit organisation'.

Registration U/s 12A was granted on 25th September, 1974 in the erstwhile name "Akhila Mysore Aryavysya Maha Sabha". Registration U/s 80G was granted on 13th January, 2010.

A. Significant Accounting Policies

a. Basis of preparation of financial statements:

The Balance Sheet and Statement of Income and Expenditure are prepared under the historical cost convention and the accounting is on accrual basis. In the absence of any authoritatively established accounting principles for the specialized aspects related to charitable trusts which do not carry out any commercial activity, these statements have been prepared in accordance with the significant accounting policies as described below. The financial statements are prepared in Indian Rupees and rounded off to the nearest Rupee.

b. Use of estimates:

The preparation of the financial statements in conformity with the significant accounting policies requires that the Board of Trustees of the Trust ('BOT') make estimates and assumptions that affect the reported amounts of income and expenditure of the year and reported balances of assets and liabilities. Accrual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

c. Recognition of Revenue:

Life Membership Fee:

All contributions received towards Life Trustees are designated as corpus donations in accordance with the bye laws.

General Dpnations:

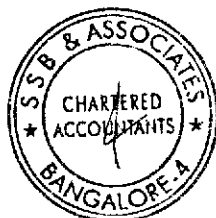
Donations received in Cash/Cheque/through bank transfer, other than those received with specific directions, are recognised as income when the donation is received.

Corpus Donations:

Donations received with a specific mandate will form part of the corpus of the trust at all times and directly reflected as corpus Fund in the Balance sheet.

Event Related Receipts:

Income from receipts of any programs is recognised as and when the associated obligation is performed and right to receive money is established.



For Karnataka Arya Vysya Mahasabha (R)

A. P. Srinivas
President

A. Srinivas
Treasurer

Amara Jyothi Receipts:

It is a beneficial scheme where on death of any Amarajyothi Group Member, Maximum of Rs. 5,00,000/- (subject to the number of people enrolled in each Amarajyothi Scheme) will be paid to the nominee.

To subscribe to the scheme, Rs, 2000/- will be collected from each life member, in which Rs. 500 will be designated as Administration Charges and remaining amount shall be retained to achieve the objects of the scheme.

Application fee (stopped collecting from FY 2019-20) and Administration fees shall be treated as Income in the year of receipt and the remaining amount received are designated as Amarajyothi Fund in the Balance Sheet, outflow of which will arise on death of any Amarajyothi Member.

Laptop Distributions:

Under this scheme, laptops are distributed to economically backward students, donations received from donors towards this scheme is accounted as Voluntary contribution.

Hostel related receipts and Hunsur Vruddashrama receipts:

The following amounts are recognised as income as and when the right to receive money is established.

1. Hostel Maintenance,
2. Hostel Administration charges,
3. Hunsur Vruddashrama Maintenance
4. Hunsur Vruddashrama Security deposits

Hostel Security Deposit is designated as Liability as it has to be repaid at the time of vacating the hostel.

Rental Income :

Rental amount is recognized monthly over the life of the lease as per the rental agreement entered into with the tenant.

FD interest:

Interest on FD is recognized using the time-proportion method, based on underlying interest rates.

d. Expenses:.

All expenses are recognised as when they are incurred.

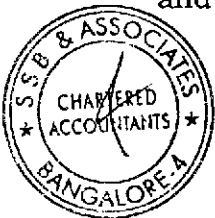
Expenses relating to specific activity are grouped as per activity and are placed under heads specifying the nature of activities.

e. Income and Expenditure Account:

Any Net Surplus/Deficit in the Income and Expenditure account for the period will form part of Non Corpus Fund.

f. Fixed Assets

The cost of fixed assets comprises their purchase price, directly attributable and necessary costs of bringing the assets to their working conditions for intended use and costs of dismantling and restoration.



For Karnataka Arya Vysya Mahasabha (R)

[Signature]
President

[Signature]
Treasurer

The method of depreciation followed is WDV. Fixed assets are shown at Opening WDV at the beginning of the accounting period. And for arriving at the closing WDV, additions, disposals and current year depreciation are reduced from the Opening WDV.

g. Depreciation:

Depreciation on the fixed assets is provided on WDV at the rates prescribed under Income Tax Act, 1961.

h. Investments:

Non-current investments are stated at cost less other than temporary diminution in the value of such investments, if any. Current investments are valued at lower of cost and fair value.

On disposal of the investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the profit and loss account.

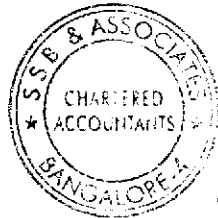
B. Notes to Accounts

1. In the opinion of the management, there is no impairment of Fixed Assets of the organization.
2. A SB A/c has been maintained at Post Office, and the Trust is unable to obtain the statement from Post Office.
3. We are unable to compile the details of Donation received in kind of previous years and we are in the process of doing the same. Hence, during the F.Y 2021-22, the same is not reflected in Books of Accounts.
4. All the known liabilities are provided for in the accounts except liabilities of contingent nature, which may be met as and when, they actually arise.
5. Trust has launched a scheme called Vidyartimithra during F.Y 2018-19 and continued for FY 2021-22, where interest free loans are given by M/s. Vasavi Credit Co-Operative Society for which the Trust has provided guarantee. In case of any default by the students who are granted loan, Mahasabha will be liable to repay the loan amount to M/s. Vasavi Credit Co-Operative Society. Since the exact amount cannot be quantified, we have not made any provisions relating to the same.
6. Previous Year's figures have been reclassified and regrouped wherever necessary to confirm to those of the current year.

**For SSB & Associates
Chartered Accountants**

For Karnataka Arya Vysya Mahasabha Trust®

P. N. Surya Prakash
**P N Surya Prakash
PARTNER**



R.P. Ravishankar
**R.P. Ravishankar
(President)**

NS Srinivasa Murthy
**NS Srinivasa Murthy
(Treasurer)**

Membership. No. 020139

Firm Reg No. 010372S

Place: Bangalore

Date: 29th September 2022

UDIN: 22020139AWOPJG3320