

# **RAM NARAYAN EDUCATION SOCIETY**

## **ANNEXURE-A**

### **Statement of Significant Accounting Policies & Notes on Accounts**

**(Annexed & forming part of the financial statements for the year ended 31<sup>st</sup> March, 2020)**

#### **A. SIGNIFICANT ACCOUNTING POLICIES**

##### **I. BASIS OF ACCOUNTING**

These financial statements have been prepared to comply in all material aspects with applicable accounting principles generally accepted in India, to the extent possible.

The Financial Statements have been prepared on an cash basis. The Accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

##### **II. USE OF ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates

##### **III. REVENUE RECOGNITION:**

The Society follows the mercantile system of accounting and Statement of Income & Expenditure unless otherwise stated, is being recognized on cash basis. The society is recording its income on receipt and expenses on payment basis. The interest on unsecured loans taken by the society if not paid annually is computed on accrual basis and interest income on FDR is computed on accrual basis.

##### **IV. ACCOUNTING FOR TAXES ON INCOME**

The Society has not made provision for taxation during the year, because surplus arises is exempt under provisions of section of Income Tax Act, 1961.

##### **V. FIXED ASSETS & DEPRECIATION:**

All the fixed assets have been valued at cost. The cost includes freight, duties, taxes, processing charges for availing of term loans & Interest on borrowed capital for acquisition of fixed assets and construction of college building before the assets were ready to be put to use. The society has not provided any depreciation during the current financial year.

##### **VI. INVESTMENTS:**

Investments are valued at cost less provision for diminution, other than temporary, if any, in the value of such investment.



**B. NOTES TO ACCOUNTS**

**I. CONTINGENT LIABILITIES & ASSETS:**

There is no contingent liabilities and assets as certified by management as on 31st March, 2020

In terms of our separate report  
of even date attached.

**FOR JAIN MAYANK & ASSOCIATES  
CHARTERED ACCOUNTANTS  
(F.R.No.009884N)**

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**(CA.MAYANK GOYAL)  
M.NO. 88618  
PLACE : NEW DELHI  
DATED 01 DEC 2020**

**FOR RAM NARAYAN EDUCATION SOCIETY**

*Rajesh Goyal*

**(RAJESH GOYAL)  
TREASURER**

*Pankaj Goyal*

**(P.R.GOYAL)  
PRESIDENT**