

Samaj Pragati Sahayog

Summary of Significant Accounting Policies and Other Explanatory Information as at 31st March, 2021

I. Organization Background

Samaj Pragati Sahayog (the Society) is a Society registered under the Societies Registration Act, 1960, having its registered office at New Delhi.

The Society is also registered under the FCRA Act 1976 bearing registration number 063230006. Section 11 of FCRA Act provided for deemed registration of existing Societies under the FCRA ACT 2010 for a period of five years from the date of FCRA 2010 coming into force. As per details, FCRA registration of the society has been renewed for a period of five years from 1st January 2022 to 31st December 2026.

The Society has also been granted an exemption under Section 12A of the Income Tax Act, 1961, vide approval no AADTS7699NE20214 dated 28th May 2021.

II. Significant Accounting Policies

(i) Basis of accounting

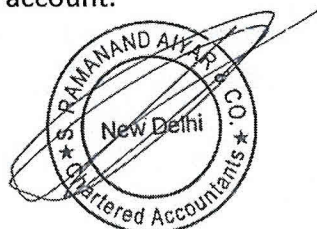
The accounts have been prepared on a going concern basis under historical cost convention, on an accrual basis, in accordance with applicable accounting standards issued by the ICAI to the extent applicable. The accounting policies have been consistently applied by the Society.

(ii) Use of estimates

The preparation of financial statements requires the management of the Society to make estimates and assumptions that affect the reported balances of assets and liabilities (including contingent liabilities) and reported amounts of income and expenses during the period. The Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates and the difference between the actual and estimates are recognized in the periods in which the actual amounts are known/materialize.

(iii) Property, Plant & Equipment Funds

Property, Plant & equipment purchased out of the grants are charged off to the respective donors. These assets are capitalized and an equal amount is transferred to Property, Plant & equipment funds account for control purposes. Depreciation on assets purchased out of grants received is debited to Property, Plant & Equipment funds account. Accordingly, any sale/disposal are also adjusted from the Property, Plant & Equipment Funds account.



(iv) Property, Plant & equipment

Property, Plant & Equipment are stated at cost less accumulated depreciation/ amortization and impairment loss, if any. Cost of acquisition includes taxes, duties, freight and other incidental expenses relating to acquisition and installation.

Property, plant & equipment costing individually five thousand or less are charged to Income & Expenditure Account in the year of purchase.

Depreciation is not provided for Assets acquired as a part of any programme/project expenses.

(v) Depreciation & amortization

Depreciation is charged on Written Down Value Method on a pro rata basis over the estimated useful lives of the Property, Plant & Equipment mentioned below: -

S.no.	Particulars	Life (In Years)
1.	Building	40
2.	Air Conditioners	5
3.	Electrical Fittings	7
4.	Computers	3
5.	Office Equipments	3
6.	Furniture & Fixture	10
7.	Vehicles	5
8.	Medical Equipments	5

(vi) Impairment

Management periodically assesses using external and internal sources whether there is an indication that an asset may be impaired. Impairment in an asset occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. The impairment loss to be expensed is determined as the excess of the carrying amount over the higher of the assets net sales price or present value as determined above.



(vii) Investments

Long term investments are stated at Cost and are suitably adjusted to recognize permanent diminution in the value, if any. Current investments are value at cost or net realizable value, whichever is lower, computed category wise.

(viii) Foreign Exchange transactions

Foreign currency transactions are recorded at the rates prevailing at the date on which the transactions take place. Monetary assets and liabilities, if any, are translated at the year end rates of exchange. Exchange differences are appropriately dealt with in Income & Expenditure Account.

(ix) Employee benefits

Defined contribution plan

Contribution to the provident fund and family pension fund is made in accordance with the provisions of the Employees Provident Fund and Miscellaneous Provisions Act, 1952 and is recognized as an expense in the Income and Expenditure Account on an accrual basis.

(x) Income Recognition

(a) Grant income and donations:

Donations and Grants, whether local or from foreign donor, received through cheques/demand drafts/NEFT/RTGS are accounted on the date of realization.

(b) Interest Income:

Interest income on fixed deposits is recognized at the time of its maturity. However, tax deducted at source by the bank on interest accrued is accounted as interest on the basis of tax deduction certificate issued by bank.



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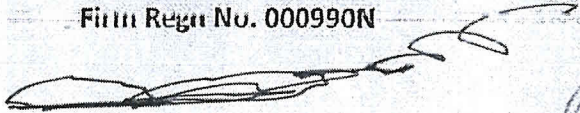
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(xi) Expenditure

Grants made to projects carried out through partner agencies are recognised as expenditure upon receipt of utilization statements.

In terms of our report of even date annexed


For S. Ramanand Aiyar & Co.
Chartered Accountants
Firm Regn No. 000990N

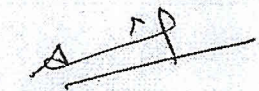


R. Balasubramanian
Partner
Membership No. 080432



For and on behalf of Samaj Pragati
Sahayog


Shobhit Jain
Secretary


Shirish Yogi
Treasurer

Place : New Delhi
Date:

