

NATIONAL HRD NETWORKS - BANGALORE CHAPTER

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS

[A] SIGNIFICANT ACCOUNTING POLICIES

1. Going Concern Concept

The accounts of the Bangalore Chapter of National HRD Network have been prepared on the Going Concern Concept.

2. Basis for preparation of financial statements

The financial statements have been prepared under the historical cost convention in accordance with the Generally Accepted Accounting Principles (GAAP), as adopted consistently by the chapter. All income and expenditure having a material bearing on the financial statement are recognized on an accrual basis.

3. Revenue Recognition

The Chapter has been generally following mercantile basis of accounting recognizing income on accrual basis. Annual Membership Fees is being accounted on receipt basis and membership is for a period of one year from the date of receipt of the annual membership fees.

4. Expenditure

Expenses are accounted for on an accrual basis and provision is made for all known losses and liabilities.

Provision for expenses includes the provision for Audit fee of Rs. 25281.

5. Investments

Investments are stated at cost of acquisition and includes interest accrued..

6. Depreciation

Depreciation has been provided at the rates prescribed under the income tax rules.

7. Contingent Liabilities

No provision has been made for liabilities which are of a contingent nature but, where material, these are disclosed by way of separate note.

During the period 50% Service Tax liability from October 2007 till December 2012 and 50% of the same amounting to Rs. 8, 35,089/- was paid out of the Reserves.

[B] NOTES TO THE ACCOUNTS

1. Contingent Liabilities

- (i) There were no claims against the company that were not acknowledged as debts.
 - (ii) There were no contracts remained to be executed on capital account and were not provided for;
2. Previous year's figures have been regrouped to corresponding to the groupings this year.