

ADVANCED TECHNICAL TRAINING INSTITUTE

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE 18

SIGNIFICANT ACCOUNTING POLICIES

1. The accounts are prepared under Historical Cost Convention unless otherwise stated and generally on the accrual method of accounting.
2. **REVENUE RECOGNITION**
 - 2.1 Fees from students (Except tuition fee), sales of admission forms, royalty and interest on savings bank account are accounted for on cash basis. Tuition fees collected separately for each semester is accounted for on cash basis however tuition fees received in advance as on 31st march 2019 has been shown under the head advances as a liability.
3. **FIXED ASSETS AND DEPRECIATION.**
 - 3.1 Fixed assets are stated at cost of acquisition including inward freight, duties and taxes and incidental and direct expenses related to acquisition, installation and commissioning.
 - 3.2 Gifts / donated assets are valued at the declared value where available; if not available, the value is estimated based on the present market value adjusted with reference to the physical condition of the assets. They are set up by credit to Capital Fund and merged with the Fixed Asset on the Institution. Depreciation is charged as rates applicable to the respective assets.
 - 3.3 Fixed Assets are valued at cost less accumulated depreciation. Depreciation on fixed assets is provided on Written Down Value method at the following rates:-

Sl. No	TANGIBLE ASSETS	RATE
1	Land	0%
2	Buildings	10%
3	Hostel Equipment	15%
4	Library Books	15%
5	Machinery & Equipments	15%
6	Computers & Accessories	40%
7	Furniture & Fixtures	15%
8	Sports Equipments	15%
9	Vehicle	15%
10	Lab Equipment	15%
11	UPS & Battery	15%
12	Software	40%
13	CCTV Camera	15%
14	Biometric	40%
15	Sound System	40%



3.4 Depreciation is provided for the whole year on additions during the year.

3.5 Where an assets is fully depreciated, it will be carried at a residual value of Re 1 in the Balance Sheet and will not be further depreciated. Thereafter depreciation is calculated on the additions of each year separately at the rate of depreciation applicable for the asset head.

3.6 Assets created out of Earmarked fund and funds Sponsored Projects, where the ownership of such assets vests in the Institutions are setup by credit to Capital Fund and merged with Fixed Assets of the Institutions. Depreciation is charged at the rates applicable to the respective rates. Assets created out of sponsored project funds where the ownership is retained by the sponsors but held and used by the Institution are separately disclosed in the Notes on Accounts.

3.7 Assets, the individual vale of each of which is Rs 2,000.00 or less (except Library Books) are treated as Small Value Assets, 100% depreciation is provided in respect of such assets at the time of their acquisition. However physical accounting and control are continued by the holders of such assets.

4. INTANGIBLE ASSETS:-

4.1 Expenditure on acquisition of software has been separated from computers and peripherals, as apart from being intangible of obsolescence in respect of these is very high. Depreciation is provided in respect of software at a higher rate of 40% as against depreciation of 20% provided in respect of Computers & Peripherals.

5. STOCKS:

Expenditure on purchase of chemicals, glassware, publications and other stores is accounted as revenue expenditure. The closing stock as on 31st March 2019 has not been accounted for.

6. RETIREMENT BENEFITS

Retirement benefits i.e. ,Employees Provident Scheme and Contributory Provident Fund Scheme has been adopted by the Institute whereby a percentage is deducted from the salary and the same amount is contributed by the Institute. The accounts and the fund is maintained by the Institute.

7. EARMARKED/ENDOWMENT FUNDS

Funds received for specific purposes have been kept as Earmarked funds. The Receipt and Expenditure are accounted for on cash basis. The unspent balance is kept in the bank account.

7.1 CORPUS/ CAPITAL FUND

A Capital Fund is maintained by the Institute. The fund is made up of the value of grants utilized for the purpose of fixed assets during the year and the excess of income over expenditure as on 31st March.

The balance in the fund which is carried forward is represented by the balance in a separate Bank account, and Fixed Deposits with the Bank and Accrued interest on Fixed Deposits.



8. ENDOWMENT FUNDS

There is no endowment fund maintained by the Institute.

9. GOVERNMENT GRANTS

- 9.1 Government Grants are accounted on realization basis. However a sanction for release of grant pertaining to the financial year is received before 31st March and the grant is actually received in next financial year, the grant is accounted on accrual basis and an equal amount is shown as recoverable from the Grantor.
- 9.2 To the extent utilized towards capital expenditure, (on accrual basis) government grants are transferred to the Capital Fund.
- 9.3 Government grants for meeting Revenue Expenditure (on accrual basis) are treated, to the extent utilized, as income of the year in which they are realized. Unutilized grants (including advances paid out of such grants) are carried forward and exhibited as liability in the Balance Sheet.

10. INVESTMENTS OF EARMARKED FUNDS AND INTEREST INCOME ACCRUED

To the extent not immediately required for expenditure, the amounts available against such funds are deposited for fixed term with Banks, leaving the balance in the Savings Bank Accounts

Interest received, interest accrued and due and interest accrued but not due on such funds are not treated as income of the Institution.

11. SPONSORED PROJECTS

- 11.1 In respect of ongoing Sponsored Projects, the amounts received from sponsors are credited to the head "Current Liabilities and Provisions -Current Liabilities -Other Liabilities -Receipts against ongoing sponsored projects" As and when expenditure is incurred /advances are paid against such projects, or the concerned project is debited with allocated overhead charges, the liability account is debited..

12. INCOME TAX

The income of the Institution is exempt from Income Tax under Section 10(23c) (iiiab) of tax is therefore made in the accounts.



ADVANCED TECHNICAL TRAINING CENTRE
SCHEDULES FORMING PART OF FINANCIAL STATEMENT

SCHEDULE: 19

NOTES TO ACCOUNTS

1. The 'Advanced Technical Training Centre' was formed as a Registered Society.
2. **TAXATION:**
The University is exempt from payment of income tax as per the provision of Section 10(23C)(iiiab) of Income Tax Act, 1961.
3. **FIXED ASSETS:**
 - 3.1 Fixed assets are stated at cost of acquisition including inward freight, duties and taxes and incidental direct expenses related to acquisition, installation and commissioning.
 - 3.2 Capital Expenditure incurred on renovation and construction of new building and structures has been done on land provided by the State Government. The ownership of such land is with the State Government.
4. **DEPRECIATION:**
 - 4.1 Depreciation on fixed assets is provided on Written Down Value method at the following rates:-

Sl. No	TANGIBLE ASSETS	RATE
1	Land	
2	Buildings	0%
3	Hostel Equipment	10%
4	Library Books	15%
5	Machinery & Equipments	15%
6	Computers & Accessories	15%
7	Furniture & Fixtures	40%
8	Sports Equipments	15%
9	Vehicle	15%
10	Lab Equipment	15%
11	UPS & Battery	15%
12	Software	15%
13	CCTV Camera	40%
14	Biometric	15%
15	Sound System	40%



4.1 Depreciation is provided for the whole year on additions during the year

5. **CONTINGENT LIABILITY:**

There is no contingent liability as on the date of Balance Sheet.

6. **PROJECT ACCOUNTS:**

The project accounts have been shown in the schedules to the Financial Statements and the balance as on 31st March 2019 of each project is taken into consideration under current liabilities.

7. **CURRENT ASSETS, LOANS, ADVANCES AND DEPOSITS:**

In the opinion of the Management, the current assets, Loans, Advances and Deposits have a value on realisation in the ordinary course, equal at least to the aggregate amount shown in the Balance Sheet.

8. Schedules I to 18 are annexed to and forms an integral part of the Balance Sheet at 31st March 2019 and the Income and Expenditure account for the year ended on that date.

9. **Previous Figures:**

Previous years' figures have been incorporated as the format of the financial statements have been changed..

