

Audit of Charitable Organizations

1. Maharashtra Public Trusts Act, 1951 ('the MPT Act')

A. Statutory Compliances

The direct provisions governing the accounts and audit are contained in Chapter V of the MPT Act. By virtue of an amendment in the year 1972, the heading of the chapter is 'Budget, Accounts and Audit'. The relevant sections are Section 31A to 34.

(a) Section 31A - Preparation and submission of Budget:

i) Section 31A makes it compulsory for a trustee to prepare and submit a budget to the Charity Commissioner (Rule 16A and Format in Schedule VIIA). Interestingly, unlike the Companies Act, 2013 (which casts obligations on the 'company'), the Maharashtra Public Trusts Act refers directly to the 'Trustee' and not the Trust. Section 31A for example states that 'A trustee shall submit.....' There is no indication of collective responsibility.

ii) Section 31A read with Rule 16A of the Bombay Public Trusts Rules, 1951 says that, Budget shall be submitted by a trustee of a Public Trust to the Charity Commissioner at least **One Month** before commencement of each Accounting Year. It is applicable to a Trust which has an annual income exceeding Rs.5,000 in the case of a trust for a Public religious purpose, and Rs.10,000 in other cases.

(b) Section 32 - Maintenance of Books of Account:

Every Trustee of a public trust shall keep regular accounts of the following:

- a. All Receipts,
- b. Movable and Immovable Properties,
- c. All encumbrances created on Trust Property,
- d. Payments and Alienations made on behalf of the Public Trust of which he is a trustee in.

Circular No.97 dt.13.09.1956 states that in the ordinary course, the accounts of public trusts conducting different institutions (e.g. schools, branches etc.) should be consolidated. However, it is permissible to file the separate accounting returns if filed at one time. However, the demand for contribution u/s 58 will be raised on the entire amount of contribution assessable on the total income of the principal trust (including its constituent units).

Circular No.105 dt. 01.10.1958, requires that the 'movables of value' such as ornaments, gold, silver, utensils, bullion and other valuable articles should be valued after every 10

years and a foot-note as to such value should be given in the balance sheet. These movables do not include shares, securities and other movables, representing trust investments meant purely for return of dividend, interest, etc. This applies only to religious trusts. Trustees should take care of adequately insuring such valuables.

(c) Section 33 - Audit:

i) Section 33 talks of Balancing and Auditing of accounts. The accounts kept under section 32 shall be balanced each year on the thirty-first day of March or such other day, as may be fixed by the Charity_Commissioner.

ii) The accounts shall be audited annually by a person who is a Chartered Accountant within the meaning of the Chartered Accountants Act, 1949 or by such person as the State Government may, subject to any conditions, authorize in this behalf. Provided that no such person is in any way interested in, or connected with, the public trust. As per rule 21, Audit should be completed within a period of 6 months from the date of completion of accounting year.

(d) Section 34 - Duty of Auditor:

i) Section 34 deals with Auditor's duty to prepare balance sheet and to report irregularities, etc. This is rather noteworthy. It is a common belief that the auditee concern should prepare and draw up the final accounts. However, this section clearly casts this burden on the Auditor. It is the duty of the auditor to prepare a balance sheet and income and expenditure account and deliver it with his report, to the trustees [Sec. 34(1)].

ii) It shall be the duty of the auditor to forward the copy of the same along with copy of the audit report to the trustees and to the Deputy/Assistant Charity Commissioner of the region or the Charity Commissioner, if the Charity Commissioner requires him to do so. Furthermore, subsection 1A states that it shall be the duty of the Trustee to file a copy of Balance Sheet and Income and Expenditure Account forwarded by the auditor to the Charity Commissioner as stated above.

iii) Subsection 2 states that the auditor shall in his report specify all cases of irregular, illegal or improper expenditure, or failure to recover money or of loss or waste of money or other property thereof and state whether such expenditure, failure, omission, loss or waste was caused in consequence of breach of trust, or misapplication or any other misconduct on the part of the trustees, or any other person.

iv) Quite intriguingly, Rule 21 states that the Auditor shall forward a copy of balance sheet, etc. to the Charity Commissioner within a fortnight of the audit. There is an apparent contradiction and I believe that the Rules cannot override the provisions of the Act.

v) Rule 19 prescribes the format of the Audit Report. Unlike, Section 227 of the Companies Act the report is not in the nature of averments and expression of opinions as to the maintenance of accounts, true and fair view etc. The report is in the form of a questionnaire. (Refer **Annexure 1** for Format of Audit Report)

B. Other Certificates/Services :

Apart from the normal audit of accounts and report thereon under the MPT Act and IT Act, the Auditor is also expected to perform the following verifications/functions:

i) **Certifying the statement of contribution (Form IX C)** payable to the Charity Commissioner under the MPT Act. Care should be taken that in respect of specific programs or fund raising activities, only the surplus there from should be included in the income. Contribution is payable on 'income' and not on 'receipts'. All establishment expenses, however, are not deductible. **However, the contribution cannot be recovered by the Charity Commissioner in the state of Maharashtra as per the interim order of the Hon. Bombay High Court dated 25/09/2009 till further order is issued by the High court on this matter.**

ii) **Certifying the 'Corpus donations'** in the context of the contribution payable u/s 58. For this, the format of the corpus direction letters should be carefully prepared and verified. Interests on such donations are however, liable for contribution even if the same may be taken to Balance Sheet directly. However, by virtue of sub-clause iii of clause II of Schedule IX-C (Contribution Statement) Interest on Sinking Fund and Depreciation Fund is deductible from the amount liable for contribution. A format for such certificate has been prescribed by Charity Commissioner. (Refer *Annexure 2*)

iii) **Issuing 'Utilization Certificate' for various grants received.** Here, the Auditor must carefully study the terms of the grant. At the same time, the normal accounting principle cannot be lost sight of such as capital and revenue. In practice, trusts are often required to show the spending to qualify themselves for the grant. However, actual funds are not available for disbursement. This may result into the showing of an overdrawn bank balance although there is no formal overdraft facility.

iv) An auditor is often expected to guide the trustees as to the routine secretarial work (minutes, etc) and submission of forms (like Change Report in Schedule III, Change in the Constitution, etc.).

v) One interesting point in respect of the contribution u/s 58, is that a trust is exempted from payment of contribution if its objects are exclusively medical or exclusively secular education or for benefit of women, scheduled tribes, etc. However, it is denied exemption if it has combined objects of medical and education, etc.

vi) Apart from answering the prescribed questionnaire of audit report, the auditor is also expected to point out the weaknesses in administration, controls; etc. and any special matters which he feels necessary to report. Subsequent year's audit report has to take cognizance of such shortcomings pointed out by previous audit report.

2. Income Tax Act, 1961 (the IT Act) :

Under the IT Act as well, the role of the auditor is crucial. For understanding this, we need to know the salient provisions of the IT act in this regard.

(a) Charitable Purpose :

As per section 2(15), Charitable Purpose includes,

- a) Relief for poor,
- b) Education,
- c) Yoga,
- d) Medical Relief,
- e) Preservation of Environment,
- f) Preservation of monuments or places or objects of artistic or historic interest,
- g) Advancement of any other object of general public utility.

Provided that the advancement of any other object of general public utility shall not be a charitable purpose, if it involves the carrying on of any activity in the nature of trade, commerce or business, or any activity of rendering any service in relation to any trade, commerce or business, for a cess or fee or any other consideration, irrespective of the nature of use or application, or retention, of the income from such activity, unless -

- i. Such activity is undertaken in the course of actual carrying out of such advancement of any other object of general public utility; and
- ii. the aggregate receipts from such activity or activities during the previous year, do not exceed twenty per cent of the total receipts, of the trust or institution undertaking such activity or activities, of that previous year.

(b) Registration u/s 12A and 12AA

- i) Section 12A prescribes the conditions for registration and section 12AA prescribes the procedure for registration of a trust.
- ii) If a trust registered u/s 12A or a trust which is granted registration u/s 12AA adopts /undertakes modification of its objects which do not conform with to the conditions of granting registration, it will have to apply for fresh registration within a period of 30 days from such adoption of modification.
- iii) An Auditor should ensure that such compliance is done in a timely manner.

(c) Audit Report - Form 10B and 10BB

Section 12A(b)

- i) Section 12A(b) states that, When the total income of any trust computed without giving effect to provisions of section 11 and section 12 exceeds the maximum amount not chargeable to income tax in any previous year, the accounts of the said trust shall be audited by an accountant defined u/s 288 and such duly signed audit report shall be submitted along with the return of income for the relevant assessment year.
- ii) Rule 17B of the Income Tax Rules, 1962 states that The report of audit of the accounts of a trust or institution which is required to be furnished under clause (b) of section 12A, shall be in Form No. 10B.(Refer *Annexure 3* for Format of form 10B)

Section 10(23C)

- i) As per the tenth proviso to section 10(23C) of the IT Act, where the total income of an entity referred to in sub-clause (iv) or (v) or (vi) or (via), without giving effect to the provisions of the said sub-clauses, exceeds the maximum amount which is not chargeable to income tax in any previous year, such entity shall get its accounts audited by a Chartered Accountant and furnish the audit report along with return of income.
- ii) Rule 16CC of the Income Tax Rules, 1962 states that the report of audit of accounts of an entity mentioned above which is required to be furnished under the tenth proviso to section 10(23C), shall be in Form No. 10BB.(Refer *Annexure 4* for Format of form 10BB)

3. Accounting Standards

A list of accounting standards, which are mandatory or relevant to a charitable organization, is given in *Annexure 5*. It is to be noted that, almost all accounting standards will be applicable if a trust is carrying on a business. A few specific issues with Accounting Standards are discussed below :

(a) AS 12 – Accounting for Government Grants

(i) AS 12 deals with accounting for Government Grants which also include grants from international agencies. There are two approaches for accounting of government grants:

- I. Capital Approach,
- II. Income Approach.

(ii) The capital approach means that the Government grant should be treated like shareholders' funds; while as per the Income Approach, grants are treated as income over a systematic period. Decision should be taken on the basis of the characteristics of each grant.

(iii) Non-monetary grants (in kind) should be accounted for at a nominal value, even if there is no cost.

(iv) Grants received for specific fixed assets also can be accounted for in two ways viz.

1. as a reduction of cost of fixed assets; or

2. crediting it to 'Deferred Government Grant' account and credit to revenue on a systematic, rational basis, parallel to depreciation. Grants related to non-depreciable assets are credited to capital reserve.

(b) AS 10 – Property, Plant and Equipment

(i) AS 10 has prescribed three models of recording Fixed Assets in books of accounts:

- (a) Historical Cost Model,
- (b) Revaluation Model,
- (c) Fair Value Model.

(ii) AS 10 w.e.f. 1st April 2017 has given recognition to Biological Assets as well, so a trust may recognize Biological Assets such as Livestock, Trees etc.

(iii) AS 10 merely prescribes the method of recording Fixed Assets and calculating depreciation, It does not prescribe the RATES of depreciation. So, a trust can adopt different rates of depreciation other than the rates based on their useful life. Hence, many trusts use the rates prescribed under Income Tax for depreciation.

(iv) It should be noted that if a trust takes benefit of Full Cost of Acquisition while computing income u/s 11 of Income Tax Act, then the depreciation gets disallowed. This is purely related to Income Tax Computation, a Trust has to provide Depreciation in books of accounts to reflect a true and fair view of the financial position.

(v) If any asset is gifted/donated to the trust, then it should be recorded at Nominal value i.e. Re.1 or Rs.100. Alternatively, if the donor also provides the documentary evidence regarding its cost, the trust may adopt that cost for accounting purpose. In the absence of this specific information, trust may also get the asset valued and record accordingly.

(vi) Depreciation on the asset which is created out of specific funds should be adjusted against the fund only instead of taking a hit to Income & Expenditure account.

4. Foreign Contribution Regulation Act, 2010 (FCRA).

Provisions of FCRA, 2010 and Rules relating to a Trust :

- (a) Receipt & Payment A/c, Income and Expenditure A/c and Balance Sheet needs to be prepared and filed online in form FC – 4(Annual Return).
- (b) Intimation of donations received in kind such as articles, vehicles, medicines etc. should be filed online in form FC – 1.
- (c) Since prior permission is obtained for accepting foreign donations and bank account is specified therein, if organization wants to change the designated bank account then intimation should be submitted in form FC – 6C, justifying the reasons necessitating such a change.
- (d) Financial Year of the trust can be any of the four dates mentioned in the paper but for the purpose of FCRA records it should be 1st April to 31st March.
- (e) Even though accounts of a Trust need not be audited for incomes received below Rs. 5,000/-, FCRA does not give such an exemption and therefore even a small amount received would need Auditor's Certification in form FC – 4.
- (f) Change in Name or/and Address of trust needs to be filed in form FC – 6A within 30 days.
- (g) Time limit for filing FC – 4(Annual Return) is 31st December.
- (h) Central Government has a powers to get the accounts audited, can seize currency, articles etc. by confiscation.

Conclusion

In good old days, the provisions of various laws were not that harsh in respect of Charitable Trusts. The approach of the Regulators also used to be rather lenient. However, the times have changed. Now, due to several amendments, each and every compliance has to be done strictly within stipulated time. The consequences of any delay can be disastrous and the entire exemption may be lost. Auditor should proactively keep on advising the trustees about their obligations **in writing**. Merely because the income of a charitable trust is exempt, auditors should not take things lightly. There are many disciplinary cases of misconduct coming up in respect of trusts on account of lapses or casual approach on the part of the auditors. Members would be well advised to be absolutely cautious and diligent while rendering any service to Charitable Trusts.

Annexure 1

REPORT OF AN AUDITOR RELATING TO ACCOUNTS AUDITED UNDER SUB-SECTION [2] OF SECTION 33 & 34 AND RULE 19 OF THE BOMBAY PUBLIC TRUSTS ACT.

Trust Registration No.

Name of the Public trust:

For the year ending March 31, 20XX

(a)	Whether accounts are maintained regularly and in accordance with the provisions of Act and the rules ;	
(b)	Whether receipts and disbursements are properly and correctly shown in the accounts;	
(c)	Whether the cash balance and vouchers in the custody of the manager or trustee on the date of audit were in agreement with the accounts;	
(d)	Whether all books, deeds, accounts, vouchers or other documents or records required by the auditor were produced before him.	
(e)	Whether a register of movable and immovable properties is properly maintained, the changes therein are communicated from time to time to the regional office, and the defects and inaccuracies mentioned in the previous audit report have been duly complied with;	
(f)	Whether the Manager or trustee or any other person required by the auditor to appear before him did so and furnished the necessary information required by him;	
(g)	Whether any property or funds of the Trust were applied for any object or purpose other than the object or purpose of the Trust;	
(h)	The amounts of outstanding for more than one year and the amounts written off, if any;	
(i)	Whether tenders were invited for repairs or construction involving expenditure exceeding Rs.5,000/-	

(j)	Whether any money of the Public trust has been invested contrary to the provisions of Section 36;	
(k)	Alienations, if any, of the immovable property contrary to the provisions of Sections 36 which have come to the notice of the Auditor	
(l)	All cases of irregular, illegal or improper expenditure, or failure or omission to recover monies or other property belonging to the public trust or of loss and waste of money or other property thereof, and Waste was caused in consequence of breach of trust or is application or any other misconduct on the part of the trustees or any other person while in the management of the trust.	
(m)	Whether the budget has been filed in the form provided by rule 16A;	
(n)	Whether the maximum and minimum number of the trustees is maintained	
(o)	Whether the meetings are held regularly as provided In such instrument;	
(p)	Whether the minute books of the proceedings of the meeting is maintained;	
(q)	Whether any of the trustees has any interest in the investment of the trust;	
(r)	Whether any of the trustees is a debtor or creditor of the trust;	
(s)	Whether the irregularities pointed out by the auditors in the accounts of the previous year have been duly complied with by the trustees during the period of audit;	
(t)	Any special matter, which the auditor may think fit or necessary to bring to the notice of the Deputy/assistant Charity Commissioner.	

Annexure 2

CORPUS CERTIFICATE AS PRESCRIBED BY THE CHARITY COMMISSIONER

To,

The Charity Commissioner,

C E R T I F I C A T E

We, hereby certify that Rs. _____/- (Rs. In words) received towards trust fund during the accounting year _____ have been credited to the said fund and are shown as such in the balance sheet of the trust as on _____ .

We further confirm that we have checked the correspondence between the donors and the trust in respect of the abovementioned contributions according to the provisions of Sect. 58 (explanation 2) of the Bombay Public Trusts Act, 1950.

We also certify that the said amount of Rs. _____/- (Rs. In words) have been deposited in the bank account of the trust.

Date :
Accountants

Chartered

Place :

Annexure 3

FORM NO. 10B

[See Rule 17B]

Audit Report under section 12A (b) of the Income-tax Act, 1961 in the case of charitable or religious trusts or institutions

We have examined the balance sheet of [name and PAN of the trust or institution] as at 31st March 2019 and the Profit and loss account for the year ended on that date which are in agreement with the books of account maintained by the said Trust or institution.

We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of the audit. In our opinion, proper books of account have been kept by the head office and the branches of the above-named Trust visited by us so far as appears from our examination of the books, and proper Returns adequate for the purposes of audit have been received from branches not visited by us subject to the comments given below: -

In our opinion and to the best of our information, and according to information given to us the said accounts give a true and fair view: -

- (i) in the case of the balance sheet, of the state of affairs of the above named Trust as at 31st March 2019 and
- (ii) in the case of the profit and loss account, of the profit or loss of its accounting year ending on 31st March 2019.

The prescribed particulars are annexed hereto.

ANNEXURE

STATEMENT OF PARTICULARS

I. Application of income for charitable or religious purposes.

1.	Amount of income of the previous year applied to charitable or religious purposes in India during that year.	
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2.	Whether the Trust has exercised the option under clause (2) of the Explanation to section 11 (1)? If so, the details of the amount of income deemed to have been applied to charitable or religious purposes in India during the previous year	
3.	Amount of income accumulated or set apart for application to charitable or religious purposes, to the extent it does not exceed 15 per cent of the income derived from property held under trust wholly for such purposes.	
4.	Amount of income eligible for exemption under section 11(1)(c) [Give details]	
5.	Amount of income, in addition to the amount referred to in item 3 above, accumulated or set apart for specified purposes under section 11(2)	
6.	Whether the amount of income mentioned in item 5 above has been invested or deposited in the manner laid down in section 11(2)(b)? If so, the details thereof.	
7.	Whether any part of the income in respect of which an option was exercised under clause (2) of the Explanation to section 11(1) in any earlier year is deemed to be income of the previous year under section 11(1B)? If so, the details thereof	
8.	Whether, during the previous year, any part of income accumulated or set apart for specified purposes under section 11(2) in any earlier year: -	
(a)	has been applied for purposes other than charitable or religious purposes or has ceased to be accumulated or set apart for application thereto, or	

	(b) has ceased to remain invested in any security referred to in section 11(2)(b)(i) or deposited in any account referred to in section 11(2)(b)(ii) or section 11(2) (b) (iii) or	
	(c) has not been utilized for purposes for which It was accumulated or set apart during the period for which it was to be accumulated or set apart, or in the year immediately following the expiry thereof? If so, the details thereof.	

II. Application or use of income or property for the benefit of persons referred to in section 13 [3]

1.	Whether any part of the income or property of the Trust was lent, or continues to be lent in the previous year to any person referred to in section 13(3) [hereinafter referred to in this Annexure as such person]? If so, give details of the amount, rate of interest charged and the nature of security, if any	
2.	Whether any land, building or other property of the Trust was made, or continued to be made, available for the use of any such person during the previous year? If so, give details of the property and the amount of rent or compensation charged, if any.	
3.	Whether any payment was made to any such person during the previous year by way of salary, allowance or otherwise? If so, give details.	
4.	Whether the services of the Trust were made available to any such person during the previous year? If so, give details thereof together with remuneration or compensation received, if any.	

5.	Whether any share, security or other property was purchased by or on behalf of the Trust during the previous year from any such person? If so, give details thereof together with the consideration paid	
6.	Whether any share, security or other property was sold by or on behalf of the Trust during the previous year to any such person? If so, give details thereof together with the consideration received.	
7.	Whether any income or property of the Trust was diverted during the previous year in favour of any such person? If so, give details thereof together with the amount of income or value of property so diverted.	
8.	Whether the income or property of the Trust was used or applied during the previous year for the benefit of any such person in any other manner? If so, give details.	

III. Investment held at any time during the previous year(s) in concerns in which persons referred to in section 13(3) have a substantial interest.

Sl No	Name and address of the concern	Where the concern is a company, Number and class of shares held	Nominal value of the investment	Income from the investment	Whether the amount in Col. 4 exceeded 5 per cent of the capital of the concern during the previous year-say, Yes/No
Total					

Annexure 4

FORM NO. 10BB

[See rule 16CC]

Audit report under section 10(23C) of the Income-tax Act, 1961, in the case of any fund or trust or institution or any university or other educational institution or any hospital or other medical institution referred to in sub-clause (iv) or sub-clause (v) or sub-clause (vi) or sub-clause (via) of section 10(23C).

- (i) I have examined the Balance Sheet as at 31st March 2019 and the income and expenditure account for the year ended on that date attached herewith of (name of fund or trust or institution or any university or other educational institution or any hospital or other medical institution).
- (ii) I certify that the Balance Sheet and the Income and Expenditure Account are in agreement with the books of account maintained by the head office and branches.
- (iii) Subject to comments below
 - (a) I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of the audit.
 - (b) In my opinion, proper books of account have been kept by the head office and branches of the above-named fund, or trust, or institution or any university or other educational institution or any hospital or other medical institution so far as appears from my examination of the books of account.
 - (c) In my opinion and to the best of my information and according to the information given to me , the said accounts read with notes thereon, if any, give a true and fair view -
 - (1) In the case of the Balance Sheet, of the state of affairs of the above-named fund, or trust, or institution or any university or other educational institution or any hospital or other medical institution as at 31st March 2019 and
 - (2) In the case of , for the year ended on that date.

Comments:

ANNEXURE

Statement of particulars

PART A-GENERAL

1	Name of the fund or trust or institution or any university or other educational institution or any hospital or other medical institution.	
2	Address	
3	Permanent Account Number	
4	Assessment Year	2019-2020
5	Sub-clause of section 10(23C) under which the fund or trust or institution or any university or other educational institution or any hospital or other medical institution is seeking exemption.	
6	Number and date of notification/approval of the fund or trust or institution or any university or other educational institution or any hospital or other medical institution.	

PART B - APPLICATION OF INCOME FOR CHARITABLE OR RELIGIOUS OR EDUCATIONAL OR PHILANTHROPIC PURPOSES

7.	Nature of charitable/religious/educational/philanthropic activity [as referred to in sub-clauses (iv),(v),(vi) or (via) of section 10(23C)]	
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8.	Total income of the previous year of the fund or trust or institution or any university or other educational institution or any hospital or other medical institution	
9.	Amount of income of the previous year applied during the year wholly and exclusively to the objects for which it is established	
10	Amount of income of the previous year accumulated for application, wholly and exclusively, to the objects for which it is established, to the extent it does not exceed 15% of income of that year.	
11	Amount of income, exceeding 15% of income of the year, accumulated in accordance with clause (a) of the third proviso to section 10(23C).	
12	(a) Whether, during the previous year, any part of the income, not exceeding 15% of income accumulated in any earlier year, was applied for purposes other than to the objects for which it is established or has ceased to be accumulated for application thereto?	
	(b) If the answer to (a) above is 'yes', then give details of income so applied or ceased to be so accumulated	
13	(a) Whether, during the previous year, any part of the income of any earlier year exceeding 15% of the income, that was accumulated in accordance with clause (a) of the third proviso to section 10(23C) in that year, was applied for purposes other than to the objects for which it is established or has ceased to be accumulated for application thereto?	

	(b) If the answer to (a) above is 'yes', then give details of income so applied or ceased to be so accumulated	
14	(a) Whether, during the previous year, any part of the income of any earlier year exceeding 15% of the income, that was accumulated in accordance with clause (a) of the third proviso to section 10(23C) in that year, was not utilized for purposes for which it was accumulated during the period for which it was to be accumulated?	
	(b) If the answer to (a) above is 'yes', then give details thereof, together with amount of income not so utilized.	

PART C- OTHER INFORMATION

15.	(a) Whether any funds, other than the assets or voluntary contributions referred to in clause (b) of the third proviso to section 10(23C), were invested or deposited for any period during the previous year, otherwise than in the forms and modes specified in sub-section (5) of section 11.	
	(b) If the answer to (a) above is 'yes', then give details as under:	
16.	In relation to any income being profits and gains of business, -	
	(a) whether the business was incidental to the attainment of the objectives of the fund or trust or institution or university or other educational	

	institution or hospital or other medical institution?	
	(b) whether separate books of account were maintained in respect of such business?	
	(c) if the answer to (a) and/or (b) above is 'no', then state the amount of such income.	
17.	(a) whether during the previous year, any part of the accumulated income was paid or credited to any trust or institution registered under section 12AA or to any fund or trust or institution or any university or other educational institution or any hospital or other medical institution referred to in sub-clause (iv) or sub-clause (v) or sub-clause (vi) or sub-clause (via) of clause (23C) of section 10?	
	(b) if the answer to (a) above is 'yes', then give details thereof, together with the amount of income so paid or credited.	
18.	(a) whether any voluntary contribution, other than voluntary contribution in cash or voluntary contribution of the nature referred to in clause (b) of the third proviso to section 10(23C), was held during the previous year, otherwise than in any of the forms or modes specified in sub-section (5) of section 11, after the expiry of one year from the end of the previous year in which such voluntary contribution was received?	
	(b) if the answer to (a) above is 'yes', then give details thereof, including the amount of such voluntary contribution.	

19.	(a) whether any anonymous donation referred to in section 115 BBC was received during the year?	
	(b) if the answer to (a) above is 'yes', then state the amount of such anonymous donation.	

Annexure 5

ACCOUNTING STANDARDS

Following Accounting Standards are applicable to Non Corporate Entities including Charitable Trusts (non- profit making).

AS Number	Subject
AS – 1	Disclosure of Accounting Policies
AS – 2	Valuation of Inventories
AS – 4	Contingencies and Events Occurring After the Balance Sheet Date
AS – 5	Net Profit or Loss for the period, prior period items and changes in Accounting Policies
AS – 7	Accounting for Construction Contracts
AS – 9	Revenue Recognition
AS –10	Property, Plant and Equipment
AS – 11	The Effects of Changes in Foreign Exchange Rates
AS – 12	Accounting for Government Grants
AS – 13	Accounting for Investments
AS – 15	Employee Benefits
AS – 16	Borrowing Costs
AS – 18	Related Party Disclosures

AS – 19	Leases
AS – 26	Intangible Assets

Note : It may be noted that if a trust is engaged in any business, then all the relevant standards will apply.