

# VISHNU DAYA & CO LLP

## CHARTERED ACCOUNTANTS

3rd Floor, Karuna Complex, No. 337, Sampige Road, Malleswaram, Bangalore - 560 003.

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### INDEPENDENT AUDITORS' REPORT TO GENERAL SECRETARY BENGALURU NA VA NIRMANA PARTY

#### Opinion

We have audited the financial statements of Bengaluru Nava Nirmana Party, which comprise the balance sheet as at March 31st 2023, Income and Expenditure Account and the Cash flow statements for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the entity as at March 31st 2023, and of its financial performance for the year then ended in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI).

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing issued by ICAI. Our responsibilities under those standards are further described in the responsibilities for the Audit of the Financial Statements section of our report. We are independent of the entity in accordance with the Code of Ethics issued by ICAI and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the state of affairs, results of operations of the entity in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the entity's financial reporting process.

#### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to be obtain reasonable assurance about whether the financial statements as whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and



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maintain professional scepticism throughout the audit. We also:

- a. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the association's internal control.
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the association's ability to continue as a going concern. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.

However, future events or conditions may cause the association to cease to continue as a going concern.

We communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide that management with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

for Vishnu Daya & Co LLP  
Chartered Accountants  
ICAI Firm's registration number: 008456S /S200092



Guruprasad  
Partner  
ICAI Membership No. 219250

Place: Bangalore  
Date: 04/07/2023

(This document is certified using the UDIN facility of ICAI and can be verified at [www.udin.icai.org](http://www.udin.icai.org) with reference number: 23219250BGRPGI6219 )





**BENGALURU NAVA NIRMANA PARTY**

#101, Brigade paramount, 5, Old Madras Road, C.V.Raman Nagar, Bengaluru -560 093

**Balance Sheet as at March 31st, 2023****Amount in Rs**

Particulars	Note	As at March 31, 2023	As at March 31, 2022
<b>SOURCES OF FUNDS</b>			
Corpus Fund	2a	1,04,900	74,200
General Fund	2b	(4,35,966)	3,81,245
<b>Current Liabilities and Provisions</b>			
Sundry Creditors	3	3,63,919	1,39,928
Statutory liabilities	4	11,465	23,867
Expenses Payable	5	1,54,761	11,624
<b>Total</b>		<b>1,99,079</b>	<b>6,30,864</b>
<b>APPLICATION OF FUNDS</b>			
<b>Current Assets</b>			
Balances with Banks	6	1,76,208	1,05,671
Loans & Advances	7	22,870	5,25,193
<b>Total</b>		<b>1,99,079</b>	<b>6,30,864</b>

Significant accounting policies and notes

1

As per our report of even date enclosed

for Vishnu Daya & Co LLP.,  
Chartered Accountants  
Firm Registration Number: 008456S/S200092



Guruprasad  
Partner  
Membership Number. 219250

Place: Bangalore  
Date : 04/07/2023

For Bengaluru Nava Nirmana Party



General Secretary



Treasurer



**BENGALURU NAVA NIRMANA PARTY**

#101, Brigade paramount, 5, Old Madras Road, C.V.Raman Nagar, Bengaluru -560 093

**Income and Expenditure Account for the year ended March 31, 2023**

Particulars	Note	Year ended March 31, 2023	Year ended March 31, 2022
<b>INCOME</b>			
Donations	8	56,78,255	53,52,616
<b>Total</b>		<b>56,78,255</b>	<b>53,52,616</b>
<b>EXPENDITURE</b>			
Election & Campaign Expenditure	9	27,80,749	2,47,684
Employee Costs	10	17,87,325	24,96,746
Other expenses	11	19,27,391	27,90,383
<b>Total</b>		<b>64,95,466</b>	<b>55,34,812</b>
<b>Excess Expenditure Over Income</b>		<b>(8,17,211)</b>	<b>(1,82,196)</b>

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General Secretary



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**BENGALURU NAVA NIRMANA PARTY**  
#101, Brigade paramount, 5, Old Madras Road, C.V.Raman Nagar, Bengaluru -560 093  
**Cash Flow Statement for the Year ended March 31, 2023**

**Amount in Rupees**

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Surplus / (Deficit) for the year	(8,17,211)	(1,82,196)
Add :-Deprecation	-	-
Operating Surplus / (Deficit) before working Capital Changes	<b>(8,17,211)</b>	<b>(1,82,196)</b>
Increase / (Decrease) in current Liabilities	3,54,726	(2,09,853)
(Increase) / Decrease in Inventories	-	-
(Increase) / Decrease in Loans & Advances	5,02,323	(5,25,193)
Net Cash flow from operating Activities (A)	<b>39,838</b>	<b>(9,17,242)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchases of Fixed Assets / CWIP	-	-
Sale of Fixed Assets	-	-
Net Cash flow from Investing Activities (B)	-	-
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase / (Decrease) in Corpus Fund	30,700	60,000
Increase / (Decrease) in Secured / unsecured Loan	-	-
Net Cash flow from Financing Activities (C)	<b>30,700</b>	<b>60,000</b>
Net increase / (Decrease) in Cash and Cash equivalents (A+B+C)	70,538	(8,57,242)
Cash and Cash equivalents at the beginning of the Period	1,05,671	9,62,913
<b>Cash and Cash equivalents at the end of the Period</b>	<b>1,76,208</b>	<b>1,05,671</b>
<b>Components of Cash and Cash equivalents</b>		
Cash in Hand	-	-
Balance with Banks	1,76,208	1,05,671
<b>Total Cash and Cash equivalents</b>	<b>1,76,208</b>	<b>1,05,671</b>

As per our report of even date enclosed

for Vishnu Daya & Co LLP.,  
Chartered Accountants  
Firm Registration Number: 008456S/S200092

*Guruprasad*

Guruprasad  
Partner  
Membership Number. 219250

Place: Bangalore  
Date : 04/07/2023

For Bengaluru Nava Nirmana Party

*N. Sulka*

General Secretary

*Salithambal V*

Treasurer





**BENGALURU NAVA NIRMANA PARTY**

#101, Brigade paramount, 5, Old Madras Road, C.V.Raman Nagar, Bengaluru -560 093

**Receipts And Payments Account for the year ended March 31, 2023**

Amount in Rupees

Particulars	Sch	Year ended March 31, 2023	Year ended March 31, 2022
<b>Receipts</b>			
Donations		57,85,726	63,47,289
Fees & Subscriptions		30,700	60,000
		<b>58,16,426</b>	<b>64,07,289</b>
<b>Payments</b>			
Employee Costs		15,59,788	24,83,037
Bank Charges		5,470	354
Administrative & Other Expenses		40,74,959	38,18,228
		<b>56,40,217</b>	<b>63,01,619</b>
<b>Balance</b>		<b>1,76,208</b>	<b>1,05,671</b>
<b>Balance per Books</b>			
Cash and Bank		1,76,208	1,05,671
		<b>1,76,208</b>	<b>1,05,671</b>

As per our report of even date enclosed

for Vishnu Daya & Co LLP,  
Chartered Accountants  
Firm Registration Number: 008456S/S200092



Guruprasad  
Partner  
Membership Number. 219250

Place: Bangalore  
Date : 04/07/2023

For Bengaluru Nava Nirmana Party



General Secretary



Treasurer



**BENGALURU NAVA NIRMANA PARTY**

#101, Brigade paramount, 5, Old Madras Road, C.V.Raman Nagar, Bengaluru -560 093

**SIGNIFICANT ACCOUNTING POLICIES**

**Note 1**

**Background**

Bengaluru Nava Nirmana Party has been registered under the Representation of the People Act, 1951, as a Political Party with election commission of India with effect from 5th October, 2020 bearing registration no.56/291/2019-2020/PPS-1.

**a. Accounting Convention**

The Financial Statements are prepared to comply in all material respects with the Accounting standards and Guidance Note issued by the Institute of Chartered Accountants of India to the extent applicable. The financial statements have been prepared under historical cost convention on accrual basis.

**b. Revenue Recognition**

The party recognizes its receipts from voluntary donations whether general or specific on receipt basis while all expenditure are recognised on accrual basis.

**c. Fixed Assets**

Fixed Assets are stated at their cost of acquisition less depreciation. Cost of acquisition of fixed assets includes freight, duties, taxes and all incidental expenses relating to the acquisition.

**d. Depreciation/Amortization**

Depreciation is provided using Written Down Value method, as per the Income tax Act, 1961 and has been provided consistently.

**e. Investments**

Investments have been classified into current investments and are carried in the financial statements at the lower of cost and fair value determined either on an individual investment basis or by category of investment, but not on an overall (or Global) basis. Investment Classified Long term investments are carried at cost in the Balance Sheet. However provision for diminution shall be made to recognize a decline, other than temporary, in the value of investment, such reduction benefit determined and made for each investment individually”

**f. Use of Estimates**

The preparation of financial statement in conformity with generally accepted accounting principles required management to make estimates and assumptions that affects the reported amount of asset and liabilities and disclosures at the date of the financial Statements. Although these estimates are based upon management’s best knowledge of current events and action, actual results could differ from these estimates.

**g. Provisions**

A Provision is recognized when the party has present obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on the best estimates required to settle the obligation at the balance sheet date. These are viewed at each balance sheet date and are adjusted to reflect the current best estimates.

**h. Cash Flow Statement**

Cash Flow Statement is prepared as per indirect method as referred to in AS -3 “Cash Flow Statement”.



**BENGALURU NAVA NIRMANA PARTY**

#101, Brigade paramount, 5, Old Madras Road, C.V.Raman Nagar, Bengaluru -560

**Notes Forming Part of Balance Sheet****Amount in Rupees**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>Note 2. Corpus Fund</b>		
<b>a. Membership fees</b>		
Opening Balance	74,200	14,200
Add : Current year additions	30,700	60,000
Closing balance	<b>1,04,900</b>	<b>74,200</b>
<b>b. Excess of Income over Expenditure</b>		
Opening Balance	3,81,245	5,63,441
Add : Current year additions	(8,17,211)	(1,82,196)
Closing Balance	<b>(4,35,966)</b>	<b>3,81,245</b>
<b>Total</b>	<b>(3,31,066)</b>	<b>4,55,445</b>
<b>Note 3. Sundry Creditors</b>		
Payable towards expenses	3,63,919	1,39,928
	<b>3,63,919</b>	<b>1,39,928</b>
<b>Note 4. Statutory Liabilities</b>		
TDS Payable	10,465	21,267
PT Payable	1,000	2,600
	<b>11,465</b>	<b>23,867</b>
<b>Note 5. Expenses Payable</b>		
Salary Payable	1,54,761	11,624
	<b>1,54,761</b>	<b>11,624</b>
<b>Note 6. Cash and cash equivalents</b>		
Balances With Banks	1,76,208	1,05,671
Cash in hand	-	-
	<b>1,76,208</b>	<b>1,05,671</b>
<b>Note 7. Loans &amp; Advances</b>		
Advance to Vendor	22,870	5,25,193
	<b>22,870</b>	<b>5,25,193</b>





**BENGALURU NAVA NIRMANA PARTY**

#101, Brigade paramount, 5, Old Madras Road, C.V.Raman Nagar, Bengaluru -560 093

**Notes Forming Part of Income and Expenditure account**

Particulars	Amount in Rupees	
	Year ended March 31, 2023	Year ended March 31, 2022
<b>Note 8. Donations</b>		
<b>Corporates :</b>		
-Other than Electoral bonds	-	60,000
<b>Non-Corporates :</b>		
-Other than Electoral bonds	56,78,255	52,92,616
	<b>56,78,255</b>	<b>53,52,616</b>
<b>Note 9. Election &amp; Campaign Expenditure</b>		
<b>a. General Propaganda expenses by the party</b>		
i). Expenses on media Advertisement :		
-Print and electronic	14,24,192	59,000
-Website	7,00,293	16,250
ii). Expenses on media Publicity material	3,67,328	58,535
iii). Other miscellaneous expenses	2,88,937	1,13,899
	<b>27,80,749</b>	<b>2,47,684</b>
<b>Note 10. Employee costs</b>		
Salaries and Wages	17,87,325	24,96,746
	<b>17,87,325</b>	<b>24,96,746</b>
<b>Note 11. Administrative and General expenses</b>		
Accounting Charges	1,93,900	2,12,400
Bank charges	5,470	354
Covid Relief Expenses (Grocery Distribution)	-	19,01,982
Education Support Expenses	-	25,000
Fund Raising Activity Charges	-	31,467
Donation expenses	23,250	-
Marketing Charges	9,74,543	50,000
Office expenses	10,263	-
Payment Gateway - Transaction charges	85,082	74,670
Professional Charges	8,155	18,694
Public Relations charges	-	59,000
Rental expenses	2,360	-
Remuneration to Auditor	20,000	20,000
Software Maintenance Charges	72,250	1,30,650
Subscription charges	1,02,679	824
Technology Expenses	3,06,692	1,12,353
Telephone expenses	9,362	-
Travel & conveyance	2,000	33,749
Transport expenses	47,075	-
Website Development charges	64,310	1,19,240
	<b>19,27,391</b>	<b>27,90,385</b>



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**BENGALURU NAVA NIRMANA PARTY**

#101, Brigade paramount, 5, Old Madras Road, C.V.Raman Nagar, Bengaluru -560 093

**Notes Forming Part of Income and Expenditure account**

**Other notes**

- a. The Financial Statements are prepared on accrual basis.
- b. Party shall always be indebted to its members and volunteers for the selfless services provided by them. Their services are invaluable and cannot be quantified in monetary terms.
- c. The Party has maintained the record of donations for the amounts above Rs. 20000/-.
- d. Remuneration to Auditor

Name of the Auditor	Amount In Rs
Vishnu Daya & Co LLP	20,000

- e. The Party has no Investments as on Balance sheet Date.
- f. Previous year figures have been regrouped wherever necessary to conform with current year's classification / disclosure

As per our report of even date enclosed,

for Vishnu Daya & Co LLP.,  
Chartered Accountants  
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Guruprasad  
Partner  
Membership Number. 219250

For Bengaluru Nava Nirmana Party



General Secretary



Treasurer

Place: Bangalore  
Date : 04/07/2023

