

## **CORPUS FUND AND INVESTMENT u/s 11(5) IN ITR7**

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I am coming across many queries regarding how to fill the columns related to the Corpus Fund and its Investment in ITR7.

I have prepared a format in excel which helps me in the same. The ITR asks figures till 31-3-2021 and those after 1-4-2021. Hence, we will have to work out the figures on those dates as per the respective Balance Sheets. Let us take some hypothetical example to understand the intricacy for the year ending 31-3-2024.

Once the figures are worked-out as per the Balance Sheet as on 31-3-2021 and 31-3-2024, the rest of the things will fall in sequence. One may change the tables according to own convenience.

There will be changes according to each trust's working as per the actual figures. The examples of likely situations where changes will be required are- loans availed and repaid, corpus/own fund reduced after 31-3-2021 due to deficit etc.

In the above example, the Investment in Immovable Property is more than sufficient to cross tally with Own Funds. Hence, only the required amount is taken from the total investment. In cases there may be bank deposits or other investment u/s 11(5), for which suitable changes in the tables may be made.

In Additional Data to be given with the Balance Sheet, in case of loans availed, the "Corpus Fund Invested / Deposited u/s 11(5)" column, shows the amount to be invested including the loan amount as per Balance Sheet. Normally the loans availed are used for addition to an Asset and thus the investment u/s 11(5) amount to be filled in will include the outstanding amount of loan. In that case the investment will be larger than Own funds and validation rules accept the same and rightly so.

The Form 10B also contains the links from the ITR tables.

In Form 10B, in the Income and Application of Income tables the loan repaid amount will have to be included in the Income as well as Application of Income as the validation rules require this.

I hope this will help many. Suggestions and corrections, if any, in the above are most welcome.

<b>OWN FUNDS</b>		<b>31-03-2021</b>	<b>INVESTMENT</b>	<b>31-03-2021</b>		
Corpus Funds		4,36,00,000	Immovable 1	26,40,00,000	}	
Donations during the year		32,00,000	Immovable 2	17,33,00,000		
Other Earmarked funds		2,75,00,000	Advances & Deposits	24,50,000		
Surplus		32,00,00,000	Bank	2,39,00,000		
			Cash	30,000		
<b>Total Own Funds: X</b>		39,43,00,000	<b>Total funds invested</b>	46,36,80,000		
<b>OWN FUNDS</b>		<b>31-03-2024</b>	<b>INVESTMENT</b>	<b>31-03-2024</b>		
Corpus Funds		6,50,00,000	Immovable	38,41,00,000	}	
Donations during the year		48,46,000	Furniture	17,95,26,000		
Other Earmarked funds		2,78,00,000	Advances & Deposits	5,00,000		
Surplus		42,25,00,000	Bank	1,54,00,000		
			Cash			
<b>Total Own Funds: Y</b>		52,01,46,000	<b>Total funds invested</b>	57,95,26,000		
<b>Own funds from 1-4-2021 (Y-X)</b>		12,58,46,000				
<b>ITR</b>						
<b>SCH</b>						
<b>A</b>	Details of Own Funds			Total		
	(ii) Other than (i) from 1-4-2021		12,58,46,000			
	(iii) Other than (i) till 31-3-2021		39,43,00,000	52,01,46,000		
<b>J(A1)</b>	Corpus Fund	Opening Balance	Rcvd during yr	Cl. 31-3-2024	Investment 11(5)	Other modes
	(ii) Other than (i) from 1-4-2021	12,10,00,000	48,46,000	12,58,46,000	12,58,46,000	-
	(iii) Other than (i) till 31-3-2021	39,43,00,000	-	39,43,00,000	39,43,00,000	-
<b>R</b>	Reconciliation	(i) For Renov	(ii) Oth. than (i)	(iii) Oth. than (i)		
			from 1-4-2021	Till 31-3-2024		
	Closing Sch J(A1)	-	12,58,46,000	39,43,00,000		
	Adjustment: Others	-	-	-		
	Total	-	12,58,46,000	39,43,00,000		
	Own Funds		12,58,46,000	39,43,00,000		
<b>J(B)</b>	Investment as per Sec. 11(5)		Immovable & Property	Bank Deposits		
	(ii) Other than (i) from 1-4-2021	12,58,46,000	12,58,46,000			
	(iii) Other than (i) till 31-3-2021	39,43,00,000	39,43,00,000			
		52,01,46,000	52,01,46,000			