

AUDITORS' REPORT

To
The Members of
ADARSH CHARITABLE TRUST
X/584B, PUTHIYA ROAD, KUREEKAD,
COCHIN -682 305

We have examined the attached Balance Sheet as at 31st March, 2010 of ADARSH CHARITABLE TRUST and the Income and Expenditure Account for the year ended on that date and report as under:

1. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
2. In our opinion, proper books of account as required by law have been kept by the Trust so far as it appears from our examination of the books.
3. The Balance Sheet and Income and Expenditure Account dealt with by this report are in agreement with the Books of Account.
4. In our opinion and to the best of our information and according to the explanations 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 Trust as at 31st March, 2010;
 - ii) in the case of the Income and Expenditure Account, of the deficit for the year ended on that date

For G.JOSEPH & ASSOCIATES
Chartered Accountants
(Firm Reg.No.006310S)

UMESH.L.BHAT
Partner
M.No.211364

PLACE : COCHIN - 20
DATE : 21/05/2010

ADARSH CHARITABLE TRUST

X/584B, PUTHIYA ROAD, KUREEKAD-682 305

BALANCE SHEET AS AT 31.03.2010

Particulars	Sch. No.	As at 31.03.2010	As at 31.03.2009
<u>SOURCES OF FUNDS</u>			
1. Trust Fund	1	17,078,707.00	12,341,975.00
2. Loan Funds			
i. Unsecured Loans	2	-	100,000.00
		17,078,707.00	12,441,975.00
<u>APPLICATIONS OF FUNDS</u>			
1. Fixed Assets	3		
Gross Block		10,663,220.03	10,631,007.00
Less : Depreciation		1,145,091.00	1,065,574.00
Net Block		9,518,129.03	9,565,433.00
2. Workin progress - Building		521,983.00	-
3. Investment in Mutual Funds		1,010,571.00	-
4. <u>Current Assets, Loans & Advances</u>	4		
a. Receivables		-	439,300.00
b. Cash and bank balances		4,951,446.15	3,295,218.00
c. Loans and advances		61,031.00	106,287.00
		5,012,477.15	3,840,805.00
5. <u>Less Current Liabilities & Provisions</u>	5		
Current liabilities		56,089.00	641,480.00
Net Current Assets		4,956,388.15	3,199,325.00
6. Income & Expenditure A/c - Excess of expenditure over income		1,071,635.82	(322,783.00)
		17,078,707.00	12,441,975.00
7. Notes on Accounts	12		

As Per Our Report of Even Date Attached

FOR G JOSEPH & ASSOCIATES
CHARTERED ACCOUNTANTS
(Firm Reg. No.006310S)

K.NEELAKANTAN
CHAIRMAN

O.M.MAHADEVAN
TREASURER

UMESHL.BHAT
PARTNER
M.No:211364

PLACE : COCHIN
Date : 21/05/2010

ADARSH CHARITABLE TRUST
X/584B, PUTHIYA ROAD, KUREEKAD-682 305

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31.03.2010

Particulars	Sch. No.	For the year ended	
		31.03.2010	31.03.2009
<u>INCOME</u>			
Fees Received		1,937,597.00	1,151,350.00
Donation Received		1,487,712.40	1,418,099.00
Sponsorship from Panchayat		549,680.00	1,089,416.00
Interest received		242,849.46	184,957.00
Profit from mutual fund		15,877.00	-
Other Income- Vocational Income		-	5,771.00
-Miscellaneous		217,086.00	651,879.00
		4,450,801.86	4,501,472.00
<u>EXPENDITURE</u>			
Direct Expenses	6	3,367,936.00	1,227,294.00
Administrative Expenses	7	692,333.00	944,891.00
Employee Remuneration & Benefits	8	241,765.00	2,209,457.00
School Bag Expenses	9	-	13,323.00
Paper Bag Expenses	10	-	23,720.00
CDEIRC Expenses	11	394,051.15	355,771.00
Bank Charges		4,044.53	4,520.00
Depreciation	3	1,145,091.00	1,065,574.00
		5,845,220.68	5,844,550.00
Net Surplus/Deficit for the Year		(1,394,418.82)	(1,343,078.00)
Surplus Brought forward from earlier years		322,783.00	1,665,861.00
Balance of Deficit transferred to Balance Sheet		(1,071,635.82)	322,783.00
Notes on Accounts	12		

As Per Our Report of Even Date Attached

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CHARTERED ACCOUNTANTS
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ADARSH CHARITABLE TRUST

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SCHEDULES ATTACHED TO AND FORMING PART OF THE ACCOUNTS

	As at 31.03.2010	As at 31.03.2009
Schedule - 1		
<u>TRUST FUND</u>		
Corpus Fund	10,055,840.00	9,505,840.00
<u>Specific Purpose Fund</u>		
Sponsorship for EDUSAT	37,000.00	37,000.00
Government Non recurring Grant	1,000,000.00	-
Building Donation	3,161,963.00	50,000.00
Sponsorship for Kitex Bag Unit	190,500.00	190,500.00
Sponsorship for Echo Check machine	250,000.00	250,000.00
Sponsorship for Paper Bag Unit	250,000.00	250,000.00
Sponsorship for School van	2,036,050.00	2,036,050.00
Sponsorship for Equipments	91,169.00	16,400.00
Sponsorship for Medical Expenses	6,185.00	6,185.00
	<u>17,078,707.00</u>	<u>12,341,975.00</u>
Schedule - 2		
<u>UNSECURED LOANS</u>		
Building loan	-	100,000.00
	<u>-</u>	<u>100,000.00</u>
Schedule -4		
<u>CURRENT ASSETS, LOANS & ADVANCES</u>		
<u>A. Current Assets</u>		
Receivables	-	439,300.00
	<u>-</u>	<u>439,300.00</u>
<u>Cash and bank balances</u>		
Balance with Scheduled Banks		
- in Current Accounts	282,621.15	693,390.00
- in Fixed Deposit Accounts	4,667,715.00	2,591,089.00
Cash in hand	1,110.00	10,739.00
	<u>4,951,446.15</u>	<u>3,295,218.00</u>
<u>B. Loans and Advances</u>		
Deposits	3,260.00	3,260.00
Tax Deducted at Source	22,821.00	20,229.00
Prepaid Expenses	2,000.00	34,098.00
Medical Loan to staff	7,950.00	5,900.00
Other Advances	25,000.00	42,800.00
	<u>61,031.00</u>	<u>106,287.00</u>
Total (A+B)	<u>5,012,477.15</u>	<u>3,401,505.00</u>

	As at	
	31.03.2010	31.03.2009
<u>CURRENT LIABILITIES & PROVISIONS</u>		Schedule -5
<u>Current Liabilities</u>		
Sundry Creditors		
-For Capital Goods	-	386,697.00
Rent Payable	-	8,000.00
ESI Payable	8,616.00	-
PF Payable	24,719.00	23,075.00
Audit Fee Payable	11,030.00	5,518.00
Electricity charges Payable	385.00	679.00
Salary Payable	-	217,511.00
Expenses Payable	11,339.00	-
	56,089.00	641,480.00

	For the year ended	
	31.03.2010	31.03.2009

		Schedule -6
<u>DIRECT EXPENSES</u>		
Salary Autism	237,190.00	-
Salary CBR	123,091.00	-
Salary Cerebral Palsy	816,459.00	-
Salary Down Syndrome	27,600.00	13,381.00
Salary Drivers	173,079.00	-
Salary Bus in charge	66,330.00	-
Salary Parent Support	40,455.00	-
Salary Probation Staff	128,325.00	-
Salary Multiple Disability	187,350.00	-
Salary Learning Disorders	43,629.00	-
Consultation Fee	117,950.00	138,675.00
Parent Support Group Expenses	159,040.00	-
Scholarship Reimbursement to students	59,250.00	18,336.00
Milk for Children	13,124.00	43,337.00
Noon Food Expenses	1,651.00	-
Echo Check Expenses	5,575.00	4,175.00
Edusat Expenses	1,900.00	19,332.00
NIOS Expenses	716.00	5,509.00
Van Hire Charges	386,885.00	334,792.00
Vehicle Expense - Miscellaneous	24,545.00	11,760.00
Vehicle Fuel Charges	439,686.00	375,206.00
Vehicle Repairs & Maintenance	109,987.00	70,274.00
Vehicle Tax & Insurance	86,435.00	69,627.00
Electricity Charges	4,160.00	7,327.00
Insurance	1,555.00	-
Greeting Card Printing Charges	5,000.00	73,547.00
AMC Charges - Lift	8,000.00	-
Music Therapy Seminar	4,045.00	-
Kitchen Utensils	14,925.00	-
Brouchure- Printing charges	-	2,414.00
School expenses	27,597.50	-
Special allowance	22,250.00	-
Stipend	10,300.00	-
Training Expenses- General	300.00	22,019.00
Travelling Expense	19,551.50	14,253.00
Travelling Expnse - CBR	-	3,330.00
	3,367,936.00	1,227,294.00

For the year ended
31.03.2010 31.03.2009

	31.03.2010	31.03.2009
		Schedule -7
<u>ADMINISTRATIVE EXPENSES</u>		
Salary & Allowances - Administration	373,956.00	-
Books & Periodicals	8,869.00	1,165.00
Camp Expense	13,450.00	1,300.00
Canteen Expense	10,522.00	2,799.00
Cleaning & Maintenance	12,747.00	19,078.00
Celebration Expenses	-	21,605.00
Decenial Celebration Expense	-	396,580.00
Generator Expenses	19,666.00	22,577.00
Internet charges	8,597.00	7,054.00
Local Conveyance	-	3,228.00
Medical Expense	2,160.00	-
Miscellaneous expense	976.00	48,895.00
Office Expenses	20,000.00	9,901.00
Photography Charges	-	12,182.00
Postage & Courier	7,985.00	5,343.00
Printing & Stationery	67,548.00	75,436.00
Security charges	31,384.00	-
APOSA Expenses	1,037.00	-
Auditors Remuneration	11,030.00	16,192.00
Advertisement	50,000.00	-
Repairs & Maintenance	35,390.00	271,790.00
Transporting Charges	2,250.00	1,820.00
Telephone Charges	13,266.00	18,446.00
Web Designing & maintenance charges	1,500.00	9,500.00
	692,333.00	944,891.00
		Schedule -8
<u>EMPLOYEE REMUNERATION & BENEFITS</u>		
Salary & Allowance	-	1,350,576.00
Employers contribution to Provident Fund and ESI	241,765.00	131,204.00
Special Charges(Ex-Gratia)	-	5,450.00
Service Charges	-	722,227.00
	241,765.00	2,209,457.00
		Schedule -9
<u>School Bag Expenses</u>		
School Bag Unit - Exps.		2,098.00
School Bag Unit - Remuneration		11,225.00
		-
		13,323.00
		Schedule -10
<u>Paper Bag Expenses</u>		
Paper Bag - Miscellaneous		18,771.00
Paper Bag - Remuneratrion		4,949.00
		-
		23,720.00
		Schedule -11
<u>CDEIRC Expenses</u>		
CDEIRC - Consultation Fee	75,090.00	54,800.00
CDEIRC - Probation Staff Salary	151,671.00	173,767.00
CDEIRC - Miscellaneous Expenses	24,520.00	10,691.00
CDEIRC - Printing & Stationery	4,625.00	3,710.00
CDEIRC - Rent	86,500.00	92,500.00
CDEIRC - Telephone & Internet Charges	13,557.15	15,141.00
CDEIRC - Celebration Account	34,848.00	2,033.00
CDEIRC - Water & Electricity	3,240.00	3,129.00
	394,051.15	355,771.00

ADARSH CHARITABLE TRUST
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SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS

Schedule - 12

1 Significant Accounting Policies

The significant Accounting Policies followed by the trust are as stated below:

Adarsh Charitable Trust (hereinafter referred to "the Trust") was incorporated in the State of Kerala. The Trust is formed for helping the physically haddicapped and mentally retarded persons, to rehabitate patients with cerebral palsy and persons with other disabilities , to give medical assistance to those who are poor, to establish institutions etc for the above purposes and as also for promotion of human values, rights and liberties conducive to human resource development.

a)General

The Financial Statements have been prepared on the historical cost convention. These statements have been prepared in accordance with the generally accepted accounting principles and the applicable mandatory accounting standards. The preparation required adoption of estimates and assumptions that can affect the reported amounts of revenue and expenditure and the assets and liabilities as well as the disclosure of contingent liabilities. Differences between the actual results and estimates are recognised in the year in which they become known or materialises.

b)Fixed Assets

The Fixed Assets are stated at their original cost of acquisiton including taxes, duties, freight and other incidental expenses relating to the acquisition and installation of the concerned assets.

c)Depreciation

Depreciation are charged on fixed assets under Written Down Value Method at at such rates so as to depreciate 95% of the cost of the assets over the estimated life of the asset.

d)Revenue Recognition

Income form Tuition is recognised on accrual basis. Donations are recognised on receipt basis.

e) Employee Benefits

a. Contribution to Provident fund and other recognised fund is charged to Income and Expenditure Account.

f) Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments.

g) Income Tax

Income Tax and Defered Tax Asset /Liability has not been recognised, due to the exemptions available under under sections 11 and 12 of the Income Tax Act.

h) Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating lesses. Operating lease payments are recognised as an expense in the Income and Expenditure account on a straight line basis.

i) Impairment of Assets

The Trust assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the trust estimates the recoverable amount of the asset. If such recoverable amount of the asset or recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the income and expenditure account. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

j) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the trust has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A Contingent Asset is neither recognised nor disclosed in the financial statements.

In the opinion of the Trustees, the current assets, loans & advances will realise a value not less than the amounts stated in the 2 Balance Sheet, if realised in the ordinary course of business.

3 The Corpus Fund includes fund assigned by the executive committee as corpus.

4 The balance with the banks in current accounts and fixed deposits were confirmed by the respective banks.

	Current Year	Previous Year
5 Contingent liabilities not provided for in the Accounts:	Nil	Nil

6 Auditors remuneration includes:-

For Audit	11,030	16,192
	<u>11,030</u>	<u>16,192</u>

7 Previous year figures have been regrouped /reclassified wherever necessary to suit the current year's layout.

As per our report of even date attached

For G. Joseph & Associates
Chartered Accountants
Firm Regn.No.006310S

K.NEELAKANTAN
CHAIRMAN

O.M Mahadevan
Treasurer

Umesh L . Bhat
Partner
M.No.211346

Place :Cochin
Date : 21/05/2010