

**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, 2011 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, 2011;
  - ii) in the case of the Income and Expenditure Account, of the surplus 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 : 03.06.2011

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

**BALANCE SHEET AS AT 31.03.2011**

<b>Particulars</b>	<b>Sch. No.</b>	<b>As at 31.03.2011</b>	<b>As at 31.03.2010</b>
<b><u>SOURCES OF FUNDS</u></b>			
1. Corpus fund	1	11,560,257.00	10,055,840.00
2. Specific purpose grant/subsidy/sponsorship	2	7,022,867.00	7,022,867.00
		<b>18,583,124.00</b>	<b>17,078,707.00</b>
<b><u>APPLICATIONS OF FUNDS</u></b>			
<b><u>1. Fixed Assets</u></b>	<b>3</b>		
Gross Block		12,486,678.14	10,663,220.03
Less : Depreciation		977,024.65	1,145,091.00
Net Block		11,392,007.55	9,518,129.03
2. Workin progress - Building		-	521,983.00
3. Investment in Mutual Funds		555,478.59	2,010,571.00
<b><u>4. Current Assets, Loans &amp; Advances</u></b>	<b>4</b>		
a. Receivables		59,000.00	-
a. Cash and bank balances		5,774,887.92	3,951,446.15
b. Loans and advances		115,320.00	61,031.00
		<b>5,949,207.92</b>	<b>4,012,477.15</b>
<b><u>5. Less Current Liabilities &amp; Provisions</u></b>	<b>5</b>		
Current liabilities		198,257.00	56,089.00
Net Current Assets		5,750,950.92	3,956,388.15
6. Income & Expenditure A/c - Excess of expenditure over income		884,686.94	1,071,635.82
		<b>18,583,124.00</b>	<b>17,078,707.00</b>
7. Notes on Accounts	9		

**As Per Our Report of Even Date Attached**

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

**K.P.PADMAKUMAR**  
 VICE CHAIRMAN

**V.SATHYANARAYANAN**  
 TREASURER

**UMESH L.BHAT**  
 PARTNER  
**M.No:211364**

PLACE : COCHIN  
 Date : 03.06.2011

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

**INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31.03.2011**

Particulars	Sch. No.	For the year ended	
		31.03.2011	31.03.2010
<b><u>INCOME</u></b>			
Fees Received		2,145,206.00	1,937,597.00
Donation Received		2,400,528.45	1,487,712.40
Grant from Kerala Government		1,056,000.00	-
Sponsorship from Panchayat		1,163,477.00	549,680.00
Sponsorship for learning disability project		300,000.00	-
Financial assistance from Governer's grant		125,000.00	-
Interest received		352,594.35	242,849.46
Profit from mutual fund		20,220.11	15,877.00
Income from fund raising programme		719,500.00	-
Other Income- Vocational Income		24,305.00	-
-Miscellaneous		694,319.00	217,086.00
		<b>9,001,149.91</b>	<b>4,450,801.86</b>
 <b><u>EXPENDITURE</u></b>			
Direct Expenses	6	6,208,004.26	3,365,944.50
Administrative Expenses	7	1,274,027.00	936,089.50
CDEIRC Expenses	8	230,415.00	394,051.15
Bank Charges		7,084.00	4,044.53
Loss on Sale of Fixed Assets		117,645.94	-
Depreciation	3	977,024.65	1,145,091.00
		<b>8,814,200.85</b>	<b>5,845,220.68</b>
<b>Net Surplus/(Deficit) for the Year</b>		<b>186,949.06</b>	<b>(1,394,418.82)</b>
Surplus/(Deficit) Brought forward from earlier years		(1,071,636.00)	322,783.00
<b>Balance of Deficit transferred to Balance Sheet</b>		<b>(884,686.94)</b>	<b>(1,071,635.82)</b>

Notes on Accounts 9

**As Per Our Report of Even Date Attached**

**FOR G JOSEPH & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
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PLACE : COCHIN  
Date : 03.06.2011

# ADARSH CHARITABLE TRUST

## SCHEDULES ATTACHED TO AND FORMING PART OF THE ACCOUNTS

	As at 31.03.2011	As at 31.03.2010
		<b>Schedule - 1</b>
<b>CORPUS FUND</b>		
At the beginning of the year	10,055,840.00	9,505,840.00
Add: Received during the year	1,504,417.00	550,000.00
At the end of the year	11,560,257.00	10,055,840.00
		<b>Schedule - 2</b>
<b><u>Specific Purpose Grant\Subsidy\Sponsorship</u></b>		
Sponsorship for EDUSAT	37,000.00	37,000.00
Non recurring Grant from Govt. of Kerala	1,000,000.00	1,000,000.00
Donation for Building	3,161,963.00	3,161,963.00
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	91,169.00
Sponsorship for Medical Expenses	6,185.00	6,185.00
	7,022,867.00	7,022,867.00
		<b>Schedule -4</b>
<b><u>CURRENT ASSETS, LOANS &amp; ADVANCES</u></b>		
<b><u>A. Current Assets</u></b>		
<b><u>Receivables</u></b>	59,000.00	-
<b><u>Cash and bank balances</u></b>		
Balance with Scheduled Banks		
- in Current Accounts	810,598.67	282,621.15
- in Fixed Deposit Accounts	4,962,945.25	3,667,715.00
Cash in hand	1,344.00	1,110.00
	5,833,887.92	4,951,446.15
<b><u>B. Loans and Advances</u></b>		
Deposits	18,260.00	3,260.00
Tax Deducted at Source	22,821.00	22,821.00
Prepaid Expenses	18,798.00	2,000.00
Medical Loan to staff	22,700.00	7,950.00
Other Advances	32,741.00	25,000.00
	115,320.00	61,031.00
<b>Total ( A+B )</b>	<b>5,949,207.92</b>	<b>5,012,477.15</b>
		<b>Schedule -5</b>
<b><u>CURRENT LIABILITIES &amp; PROVISIONS</u></b>		
<b><u>Current Liabilities</u></b>		
<b><u>Sundry Creditors</u></b>		
-For Capital Goods	74,867.00	-
CDEIRC Rent Payable	13,000.00	-
ESI Payable	55,581.00	8,616.00
PF Payable	31,074.00	24,719.00
TDS Payable	12,705.00	-
Electricity charges Payable	-	385.00
Audit fee payable	11,030.00	11,030.00
Expenses Payable	-	11,339.00
	198,257.00	56,089.00

**ADARSH CHARITABLE TRUST**

Annexure - 3

**Statement Showing Computation of Depreciation 2010-11**

Items	WDV as on 31.03.2010	Deletions/subsi dy/sponsorship	Additions during		Total	Rate of Depreciation		Depreciation for the year			Loss on Sale of Fixed Assets	WDV as on 31.03.2011
			1 <sup>st</sup> Half	2 <sup>nd</sup> Half		1 <sup>st</sup> Half	2 <sup>nd</sup> Half	1 <sup>st</sup> Half	2 <sup>nd</sup> Half	Total		
Land & Land development	1,460,034.00	-	-	-	1,460,034.00	0.00%	0.00%	-	-	-	-	1,460,034.00
Building	4,583,602.74	-	-	3,061,234.11	7,644,836.85	10.00%	5.00%	458,360.27	153,061.71	611,421.98	0.00	7,033,414.87
Furniture & Fittings	345,656.35	-	23,383.00	36,169.00	405,208.35	10.00%	5.00%	36,903.94	1,808.45	38,712.39	0.00	366,495.97
Electrical Equipments & Fittings	223,166.70	-	-	-	223,166.70	10.00%	5.00%	22,316.67	0.00	22,316.67	0.00	200,850.03
Office Equipments	112,563.95	-	-	-	112,563.95	15.00%	7.50%	16,884.59	0.00	16,884.59	0.00	95,679.36
Vehicles	1,263,454.45	1,180,000.00	-	900,000.00	983,454.45	15.00%	7.50%	12,518.17	0.00	12,518.17	(117,645.94)	853,290.35
Medical Equipments	496,295.40	144,000.00	72,400.00	119,563.00	544,258.40	15.00%	7.50%	63,704.31	8,967.23	72,671.54	0.00	471,586.87
Computer & Accessories	67,346.68	-	-	34,800.00	102,146.68	60.00%	30.00%	40,408.01	10,440.00	50,848.01	0.00	51,298.67
Generator	213,883.77	-	-	-	213,883.77	15.00%	7.50%	32,082.57	0.00	32,082.57	0.00	181,801.20
Plant & Machinery	752,124.99	-	45,000.00	-	797,124.99	15.00%	7.50%	119,568.75	0.00	119,568.75	0.00	677,556.24
	<b>9,518,129.03</b>	<b>1,324,000.00</b>	<b>140,783.00</b>	<b>4,151,766.11</b>	<b>12,486,678.14</b>			<b>802,747.27</b>	<b>174,277.38</b>	<b>977,024.65</b>	<b>(117,645.94)</b>	<b>11,392,007.55</b>

For the year ended  
31.03.2011                      31.03.2010

**Schedule -6**

**DIRECT EXPENSES**

Salary Autism	261,120.00	237,190.00
Salary CBR	53,040.00	123,091.00
Salary Cerebral Palsy	882,378.00	816,459.00
Salary Down Syndrome	116,191.00	27,600.00
Salary Drivers	244,000.00	173,079.00
Salary Bus in charge	72,279.00	66,330.00
Salary Parent Support	-	40,455.00
Salary Probation Staff	501,510.00	128,325.00
Salary Multiple Disability	205,995.00	187,350.00
Salary Learning Disorders	92,100.00	43,629.00
Honararium paid	452,750.00	-
Consultation Fee	167,050.00	117,950.00
Parent Support Group Expenses	150,570.00	159,040.00
Special allowance	88,950.00	22,250.00
Stipend	-	10,300.00
Milk for Children	18,360.00	13,124.00
Home Base Therapy Expences	85,118.00	-
Medical Expenses	129,670.00	2,160.00
Vocation unit expenses	18,279.00	-
NIOS Expenses	11,004.00	716.00
Noon Food Expenses	59,946.00	1,651.00
Echo Check Expenses	11,133.00	5,575.00
Edusat Expenses	-	1,900.00
Van Hire Charges	436,427.00	386,885.00
Vehicle Fuel Charges	586,558.51	439,686.00
Vehicle Repairs & Maintenance	138,710.75	109,987.00
Vehicle Tax & Insurance	58,719.00	86,435.00
Vehicle Expense - Miscellaneous	88,231.00	24,545.00
Seminar expenses	18,593.00	4,045.00
Fund raising programme expenses	296,982.00	-
Scholarship Reimbursement to students	556,724.00	59,250.00
School expenses	129,858.00	27,597.50
Learning Disability project expenses	200,000.00	-
Camp expenses	15,070.00	13,450.00
Transporting Charges	5,970.00	2,250.00
Therapy expenses	22,617.00	-
Electricity Charges	5,946.00	4,160.00
Greeting Card Printing Charges	-	5,000.00
Kitchen Utensils	-	14,925.00
Annual Maintenanc Charges	24,600.00	8,000.00
Insurance	1,555.00	1,555.00
	<b>6,208,004.26</b>	<b>3,365,944.50</b>

For the year ended

**31.03.2011**                      **31.03.2010**

**Schedule -7**

**ADMINISTRATIVE EXPENSES**

Salary & Allowances - Administration	528,353.00	373,956.00
Contribution to Provident Fund and ESI	291,300.00	241,765.00
Arrears to Employee State Insurance	15,000.00	-
Celebration Expenses	86,079.00	-
Cleaning & Maintenance	10,657.00	12,747.00
Office Expenses	25,695.00	20,000.00
Printing & Stationery	68,457.00	67,548.00
Canteen Expense	12,454.00	10,522.00
Generator Expenses	16,602.00	19,666.00
Sovenier Expences	580.00	-
Security charges	25,282.00	31,384.00
APOSA Expenses	160.00	1,037.00
Books & Periodicals	17,276.00	8,869.00
Repairs & Maintenance	83,991.00	35,390.00
Travelling Expense	30,888.00	19,551.50
Postage & Courier	7,219.00	7,985.00
Auditors Remuneration	11,030.00	11,030.00
Advertisement	-	50,000.00
Internet charges	8,919.00	8,597.00
Telephone Charges	8,280.00	13,266.00
Web Designing & maintenance charges	11,000.00	1,500.00
Training Expenses- General	3,233.00	300.00
Miscellaneous expense	11,572.00	976.00
	<b>1,274,027.00</b>	<b>936,089.50</b>

**Schedule -8**

**CDEIRC Expenses**

CDEIRC - Consultation Fee	49,800.00	75,090.00
CDEIRC - Probation Staff Salary	66,640.00	151,671.00
CDEIRC - Rent	78,000.00	86,500.00
CDEIRC - Celebration Account	-	34,848.00
CDEIRC - Printing & Stationery	4,825.00	4,625.00
CDEIRC - Travelling & Conveyance	176.00	-
CDEIRC - Telephone & Internet Charges	20,904.00	13,557.15
CDEIRC - Water & Electricity	3,794.00	3,240.00
CDEIRC - Miscellaneous Expenses	6,276.00	24,520.00
	<b>230,415.00</b>	<b>394,051.15</b>

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

**SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS**

**Schedule - 9**

**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 rehabilitate 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. The sponsorship /grant received against specific assets have been adjusted against the cost incurred for generating the respective asset.

**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.

2 In the opinion of the Trustees, the current assets, loans & advances will realise a value not less than the amounts stated in the 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.

	<b>Current Year</b>	<b>Previous Year</b>
5 Contingent liabilities not provided for in the Accounts:	Nil	Nil

### **6 Auditors remuneration includes:-**

For Audit	11,030	11,030
	<u>11,030</u>	<u>11,030</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.P.PADMAKUMAR**  
VICE CHAIRMAN

**V.SATHYANARAYANAN**  
TREASURER

**Umesh L . Bhat**  
Partner  
M.No.211346

Place :Cochin  
Date : 03.06.2011