

**AUDIT REPORT
&
AUDITED FINANCIAL
STATEMENTS**

FOR THE YEAR 2013-14

OF

MANUVIKASA(R)

**AT :KARJAGI, PO: BALUR, TQ: SIDDAPUR,
DIST: NORTH KANARA-581 340
KARNATAKA, INDIA**

Auditors:

M/S. UDAYA SHETTY & CO.

**CHARTERED ACCOUNTANTS
SECOND FLOOR, DR SHIVASWAMY BUILDING
DEVIKERE, SIRSI (N.K.)-581 401
KARNATAKA, INDIA
*Tel: 08384-228725***

CA. Manjunath S. Shetty

B.Com., LL.B.(Spl.) F.C.A. D.I.S.A. (ICAI)
Partner



UDAYA SHETTY & CO.

Chartered Accountants

Second Floor, Dr. Shivaswamy Building, Devikere, Sirsi-581401 (N.K.)

Tel & Fax : 08384-228725, Cell : 9845707931

e-mail : camsshetty@yahoo.co.in

AUDIT REPORT

We have audited the attached Balance Sheet of MANUVIKASA (Regd.), PO: KARJAGI, TQ: SIDDAPUR, DIST: NORTH KANARA-581 340 - KARNATAKA, INDIA, as at **31st March 2014** and also the Income and Expenditure Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the management of **MANUVIKASA (R)**. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statements presentation. We believe that our audit provides reasonable basis for our opinion.

In our opinion and to the best of our information and accounting to the explanations given to us, the financial statements give a true and fair view in conformity with the accounting principles generally accepted in India.

- (a) in the case of the Balance Sheet, of the state of affairs of **MANUVIKASA (R)**, as at 31st March 2014, and
- (b) in the case of the Income and Expenditure Account, **of the excess of Income over Expenditure for its accounting year ending on 31st March 2014.**

PLACE :SIRSI

DATE : 25-06-2014



FOR UDAYA SHETTY & CO.
CHARTERED ACCOUNTANTS

MANJUNATH S. SHETTY
PARTNER
M. NO. 214005
FRN: 0053278

FORM NO. 10B
[See rule 17 B]

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 **MANUVIKASA (Regd.)** as at **31-03-2014** and the Income and Expenditure Account for the year ended on that date which is in agreement with the books of account maintained by the said Trust.

We have obtained all the information and explanation, 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 **NIL** of the above named Trust visited by us so far as appears from our examination of the books.

In our opinion and 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 2014**, and
- (ii) in the case of the Income and Expenditure Account, of the excess of Income over Expenditure for the accounting year ending on **31st March 2014**.

PLACE :SIRSI
DATE :25-06-2014



FOR UDAYA SHETTY & CO.
CHARTERED ACCOUNTANTS

(CA. MANJUNATH S. SHETTY)
PARTNER
M. NO. 214005
FRI. 0053275

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 | Rs. 2,05,341/- |
| 2. Whether the trust/institution * 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 | NO |
| 3. Amount of income accumulated or set apart* /finally 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. | YES
Rs.3,69,754/- |
| 4. Amount of income eligible for exemption under section 11(1)(c) (Give details) | NO |
| 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) | Rs.18,89,933/- |
| 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 | YES. The amount is deposited in accounts with scheduled banks i.e. Account No.137601010001994 with Vijaya Bank, Herur and Account No. 30572069717 with SBI, Sirsi |
| 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 | NO |
| 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- | NO |
| (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 | NO |
| (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 | NO |
| (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 | NO |



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/institution 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 | NO |
| 2. Whether any land, building or other property of the * trust/institution 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 | NO |
| 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 | YES.
Professional Fees paid to
Managing Trustee -
Rs.3,0,2000/- |
| 4. Whether the services of the * trust/institution were made available to any such person during the previous year? If so, give details thereof together with remuneration or compensation received, if any | NO |
| 5. Whether any share, security or other property was purchased by or on behalf of the * trust/institution during the previous year from any such person? If so, give details thereof together with the consideration paid | NO |
| 6. Whether any share, security or other property was sold by or on behalf of the * trust/institution during the previous year to any such person? If so, give details thereof together with the consideration received | NO |
| 7. Whether any income or property of the * trust/institution 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 | NO |
| 8. Whether the income or property of the * trust/institution was used or applied during the previous year for the benefit of any such person in any other manner? If so, give details | NO |



III. INVESTMENTS 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
1	2	3	4	5	6
	NIL	NIL	NIL	NIL	NA
Total	NIL	NIL	NIL	NIL	NIL

PLACE : SIRSI
DATE : 25-06-2014



FOR UDAYA SHETTY & CO.
CHARTERED ACCOUNTANTS

(CA. MANJUNATH S. SHETTY)
PARTNER
M. NO. 214066
FRN: 0053275

MANUVIKASA (R)

AT: KARJAGI, PO: BALUR, TQ: SIDDAPUR, DIST: NORTH KANARA-581 340
KARNATAKA, INDIA

BALANCE SHEET

AS AT 31ST MARCH 2014

LIABILITIES	AMOUNT	ASSETS	AMOUNT
DESIGNATED AND Trust / Corpus/ General Fund		FIXED ASSETS	
Opening Balance 403,184.76		Opening Balance 90,866.00	
Add: Additions during the year 16,616.00		Add: Additions 205,341.00	
Add: Surplus during the year 2,465,028.20	2,884,828.96	Less: Depreciation (59,060.00)	237,147.00
CURRENT LIABILITIES		DEPOSITS	
Microgram SHG Assistance 1,160,982.00	1,160,982.00	Office Rent Deposit	
Unutilised Grant -Give Foundation USA 364.85	364.85	Opening Balance 35,000.00	
TDS Payable 2,750.00	2,750.00	Add: Additions during the year 15,000.00	50,000.00
Professional Tax Payable 150.00	150.00	Telephone Deposit (As per last B/S) 500.00	
		Earnest Money Deposit	
		Opening Balance -	
		Add: Additions during the year 6,000.00	6,000.00
		Fixed Deposit in Vijaya Bank	
		Opening Balance -	
		Add: Additions during the year 64,014.00	64,014.00
		Accrued Interest on above 4,040.00	
		RECEIVABLES	
		Microgram SHG Assistance receivable from SHGs 1,167,078.00	
		CASH AND BANK BALANCE	
		Cash in hand 118.00	
		Cash at bank	
		Canara Bank, Sirsi 1,000.00	
		Vijaya Bank, Herur 204,200.45	
		Vijaya Bank, Sirsi 6,930.00	
		Vijaya Bank, Kansur 15,605.00	
		SBI, Sirsi 2,292,443.36	
TOTAL	4,049,075.81	TOTAL	4,049,075.81

Place: SIRSI
Date: 25-06-2014

"Examined and Found Correct
Subject to Our Report of even date attached"

For and On Behalf of MANUVIKASA (R)


Managing Trustee


Trustee



FOR UDAYA SHETTY & CO.
CHARTERED ACCOUNTANTS


(CA. MANJUNATH S. SHETTY)
PARTNER
M. NO. 214005
FRN: 0053275

MANUVIKASA (R)

AT :KARJAGI, PO: BALUR, TQ: SIDDAPUR, DIST: NORTH KANARA-581 340
KARNATAKA, INDIA

RECEIPTS AND PAYMENTS ACCOUNT

FOR THE YEAR ENDING ON 31ST MARCH 2014

RECEIPTS	AMOUNT	PAYMENTS	AMOUNT
To Opening Balance		By Programme Expenditure through Give India	
Cash in hand	7,622.00	Programme to meet Basic Necessities of an Orphan Child	398,979.00
Cash at bank		Programme for Construction of Water Harvesting Structure	139,500.00
Vijaya Bank, Herur	135,442.45	Sponsoring Uniforms, School Materials and Scholarships	111,599.00
Vijaya Bank, Sirsi	6,661.00		
SBI, Sirsi	127,093.31	By Programme Expenditure through Give Foundation USA	
To Donation/Grants from Give India		Programme to meet Basic Necessities of an Orphan Child	12,182.00
Help an orphan child	384,400.00	Programme for Construction of Water Harvesting Structure	25,500.00
Help to construct a water harvesting structure	136,000.00	Sponsoring Clothing and School Supplies for a poor child	5,280.00
Sponsor clothing and school supplies for a poor child	102,080.00		
To Donation/Grants from Give Foundation USA		By Expenditure through Fidelity Charitable Gift Fund	
Help an orphan child	13,209.86	Recurring Expenditure:	
Help to construct a water harvesting structure	43,700.98	Development of Water Springs and Tank	1,092,329.00
Sponsor clothing and school supplies for a poor child	5,594.36	Development of SRI Plots	57,038.00
To Grants from Fidelity Charitable Gift Fund	5,062,660.00	Capacity Building Training and Awareness	62,587.00
To Grants from Centre for Environment Education/ UNDP	755,200.00	Conducting Field Day	44,714.00
To Grants from Canara Bank to Provide Basic Materials to Students	136,400.00	Attending Seminar and Workshops	20,139.00
To Assistance from LIC for distribution of Scholarship to students	65,400.00	Programme Monitoring Cost	12,233.00
To General /Corpus Fund From Give India	14,256.00	Staff Training and Capacity Building	5,117.00
Others	2,360.00	Professional Fees	234,000.00
To General Fund from Give Foundation USA	8,864.85	Salaries	950,748.00
		Travelling Expenditure	167,595.00
		Audit Fees	12,360.00
		Electricity and Water Charges	6,706.00
		Legal and Professional Charges	5,968.00
		Maintenance Cost	32,650.00
		Printing and Stationery	21,144.00
		Rent	53,000.00
		Telephone Charges	11,674.00



To General Grants and Contributions	1,550,050.00	Non-Recurring Expenditure:	
To Other Income		Office Equipments	16,400.00
Bank Interest	45,284.00	Computer and Accessories	14,000.00
To Assistance from Microgram for SHGs	1,695,000.00	By Programme Expenditure through Centre for Environment Education/ UNDP	
To Tax Deducted at Source	58,810.00	Development of Tanks	407,500.00
To Collection From SHGs	552,922.00	Promotion of Smokeless Chulas	182,000.00
To Professional Tax Deducted From Employees	1,650.00	Capacity Building of Staff	10,703.00
		Manpower	80,750.00
		Nursery	6,570.00
		Others	2,240.00
		Miscellaneous	41,846.00
		By Basic Materials Provided to Students through Grants from Canara Bank	130,905.00
		By Distribution of Scholarships out of Assistance from LIC	72,200.00
		By SHG Programme Expenses	14,077.00
		By Environmental Programme Expenditure through Give 2 Asia	
		Rejuvenation and Development of Water Springs and Tanks	119,000.00
		Printing and Stationery	160.00
		By Programme Expenditure through General Fund from Give Foundation USA	
		Programme for Construction of Water Harvesting Structure	8,500.00
		By Other Programme Expenses	
		Rural Development Activities	10,123.00
		Distribution of Scholarships and Programme for Rejuvenation of Water Springs and Wet Lands	1,124,000.00
		By Administrative and General Expenses	
		Advertisement and Publicity	2,350.00
		Legal and Professional charges	6,742.00
		Honorarium to Volunteers	2,000.00
		Miscellaneous expenses	13,709.00
		Newspapers and Periodicals	4,099.00
		Office Rent	9,000.00
		Postage and Telephone	2,231.00
		Printing and Stationery	6,073.00
		Repairs and Maintenance	9,750.00
		Travelling and Conveyance	23,265.00



		By Remittance to Microgram	534,018.00
		By Fixed Deposits in Bank	64,014.00
		By Earnest Money Deposit	6,000.00
		By Assistance to SHGs	1,720,000.00
		By Rent Deposit	15,000.00
		By Remittance of TDS	56,060.00
		By Remittance of Professional Tax	1,500.00
		By Acquisition of Fixed Assets	
		Office Equipments	4,200.00
		Furniture and Fixtures	36,894.00
		Computer and Accessories	30,250.00
		Motor Vehicles	103,597.00
		By Closing Balance	
		Cash in hand	118.00
		Cash at bank	
		Canara Bank, Sirsi	1,000.00
		Vijaya Bank, Herur	204,200.45
		Vijaya Bank, Sirsi	6,930.00
		Vijaya Bank, Kansur	15,605.00
		SBI, Sirsi	2,292,443.36
	TOTAL	10,910,660.81	TOTAL
			10,910,660.81

Place: SIRSI
Date: 25-06-2014

For and On Behalf of MANUVIKASA (R)


Managing Trustee

"Examined and Found Correct
Subject to Our Report of even date attached"



FOR UDAYA SHETTY & CO.
CHARTERED ACCOUNTANTS


(CA. MANJUNATH S. SHETTY)
PARTNER
M. NO. 214005
FRN: 0053275


Trustee

MANUVIKASA (R)

AT: KARJAGI, PO: BALUR, TQ: SIDDAPUR, DIST: NORTH KANARA-581 340
KARNATAKA, INDIA

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDING ON 31ST MARCH 2014

EXPENDITURE	AMOUNT	INCOME	AMOUNT
To Programme Expenditure through Give India		By Donation/Grants from Give India	
Programme to meet Basic Necessities of an Orphan Child	398,979.00	Help an orphan child	384,400.00
Programme for Construction of Water Harvesting Structure	139,500.00	Help to construct a water harvesting structure	136,000.00
Sponsoring Uniforms, School Materials and Scholarships	111,599.00	Sponsor clothing and school supplies for a poor child	102,080.00
To Programme Expenditure through Give Foundation USA		By Donation/Grants from Give Foundation USA	
Programme to meet Basic Necessities of an Orphan Child	12,182.00	Help an orphan child	13,209.86
Programme for Construction of Water Harvesting Structure	25,500.00	Help to construct a water harvesting structure	43,700.98
Sponsoring Clothing and School Supplies for a poor child	5,280.00	Sponsor clothing and school supplies for a poor child	5,594.36
To Expenditure through Fidelity Charitable Gift Fund		By Grants from Fidelity Charitable Gift Fund	
Development of Water Springs and Tank	1,092,329.00		5,062,660.00
Development of SRI Plots	57,038.00	By General Fund from Give Foundation USA utilised	8,500.00
Capacity Building Training and Awareness	62,587.00	By Grant from Centre for Environment Education/ UNDP	755,200.00
Conducting Field Day	44,714.00	By Grants from Canara Bank to Provide Basic Materials to Students	136,400.00
Attending Seminar and Workshops	20,139.00	By Assistance from LIC for distribution of Scholarship to students	65,400.00
Programme Monitoring Cost	12,233.00	By General Grants and Contributions	1,550,050.00
Staff Training and Capacity Building	5,117.00	By Other income	
Professional Fees	234,000.00	Bank Interest	49,324.00
Salaries	950,748.00		
Travelling Expenditure	167,595.00		
Audit Fees	12,360.00		
Electricity and Water Charges	6,706.00		
Legal and Professional Charges	5,968.00		
Maintenance Cost	32,650.00		
Printing and Stationery	21,144.00		
Rent	53,000.00		
Telephone Charges	11,674.00		
To Programme Expenditure through Centre for Environment Education/ UNDP			
Development of Tanks	407,500.00		
Promotion of Smokeless Chulas	182,000.00		
Capacity Building of Staff	10,703.00		
Manpower	80,750.00		
Nursery	6,570.00		
Others	2,240.00		
Miscellaneous	41,848.00		



To Basic Materials Provided to Students through Grants from Canara Bank	130,905.00		
To Distribution of Scholarships out of Assistance from LIC	72,200.00		
To SHG Programme Expenses	14,077.00		
To Environmental Programme Expenditure through Give 2 Asia			
Rejuvenation and Development of Water Springs and Tanks	119,000.00		
Printing and Stationery	160.00		
To Programme Expenditure through General Fund from Give Foundation USA			
Programme for Construction of Water Harvesting Structure	8,500.00		
To Other Programme Expenses			
Rural Development Activities	10,123.00		
Distribution of Scholarships and Programme for Rejuvenation of Water Springs and Wet Lands	15,596.00		
	1,124,000.00		
To Administrative and General Expenses			
Advertisement and Publicity	2,350.00		
Legal and Professional charges	6,742.00		
Honorarium to Volunteers	2,000.00		
Miscellaneous expenses	13,709.00		
Newspapers and Periodicals	4,099.00		
Office Rent	9,000.00		
Postage and Telephone	2,231.00		
Printing and Stationery	6,073.00		
Repairs and Maintenance	9,750.00		
Travelling and Conveyance	23,265.00		
To Depreciation on Fixed Assets (Schedule-I)	59,060.00		
To Surplus i.e. Excess of Income Over Expenditure Transferred to Balance Sheet	2,465,028.20		
TOTAL	8,312,519.20	TOTAL	8,312,519.20

Place: SIRSI
Date: 25-06-2014

"Examined and Found Correct
Subject to Our Report of even date attached"

For and On Behalf of MANUVIKASA (R)


Managing Trustee



FOR UDAYA SHETTY & CO.
CHARTERED ACCOUNTANTS


(CA. MANJUNATH S. SHETTY)
PARTNER
M. NO. 214005
FRN: 0053275


Trustee

MANUVIKASA (R)

AT: KARJAGI, PO: BALUR, TQ: SIDDAPUR, DIST: NORTH KANARA-581 340
KARNATAKA, INDIA

Schedule - I
FIXED ASSETS & DEPRECIATION FOR THE YEAR 2013-14

Sl. No.	Particulars	Rate of Depreciation	W.D.V. on 1-04-2013	Additions		Transfer/ Sale	Total	Depreciation	W.D.V. on 31-03-14
				I Half	II Half				
1	Office Equipments	15%	32,683.00	14,700.00	5,900.00	Nil	53,283.00	7,550.00	45,733.00
2	Furniture & Fixtures	10%	42,053.00	29,250.00	7,644.00	Nil	78,947.00	7,512.00	71,435.00
3	Computer & Accessories	60%	16,130.00	44,250.00	-	Nil	60,380.00	36,228.00	24,152.00
4	Motor Vehicle	15%	-	-	103,597.00	Nil	103,597.00	7,770.00	95,827.00
	TOTAL		90,866.00	88,200.00	117,141.00	Nil	296,207.30	59,060.00	237,147.00



NOTES ON ACCOUNTS AND SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Accounting

The Financial Statements are prepared under Merchantile system and are in accordance with the generally accepted Accounting Principles.

2. Fixed Assets

All Fixed Assets are stated at cost of acquisition less depreciation under WDV Method.

3. Depreciation

Depreciation is provided as prescribed in the Income Tax Act, 1961 on WDV Basis.

4. Revenue Recognition

Revenues are recognized on accrual basis.

5. Whenever confirmation of balance is not available, balances as per books of accounts were relied upon.

6. Opening Balances are considered as per Audited Financial Statements of the previous year.

7. All the policies not specifically mentioned herein above are in accordance with the generally accepted accounting principles.

PLACE :SIRSI
DATE :25-06-2014



FOR UDAYA SHETTY & CO
CHARTERED ACCOUNTANTS


ICA. MANJUNATH S. SHI
PARTNER
M. NO. 214005
PIN: 0093278