



## **AUDITOR'S REPORT**

I have audited the accompanying financial statements of "The Hejamady KodiVidya Prasara Foundation (Regd.)" (formerly known as The Hejamadi Kodi Vidya Prasara Ex-Students Association), Hejamady Kodi, which comprise the Balance Sheet as at 31<sup>st</sup> March, 2017 and the Income and Expenditure for the year ended as on that date annexed thereto.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance in accordance with accounting principles generally accepted in India. These Responsibilities Includes the design, implementation and Maintenance of internal control relevant to the preparation and presentation of the financial statement that give a true and fair view and free from material misstatement, whether due to fraud or error

## **Auditor's Responsibility**

My responsibility is to express an opinion on these financial statements based on my audit. I have conducted audit in accordance with the standards on auditing issued by the Institute of Chartered accountants of India. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of the Material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

## OPINION:


1. In my opinion and to the best of my information and according to the explanations given to me the said accounts give a true and fair view in conformity with the Accounting Principles generally accepted in India.
  - a) In case of the Balance Sheet, of the state of the affairs of the association as at 31<sup>st</sup> March 2017.
  - b) In case of the Income and Expenditure Account, of the excess of expenditure over income for the year ended on that date.

## REPORT ON OTHER LEGAL AND STATUTORY REQUIREMENTS:

I report that:

1. I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit;
2. In my opinion, proper books of account have been kept by the Foundation so far as appears from my examination of those books;
3. The Balance Sheet and Income & Expenditure account dealt with by this report are in agreement with the books of account;
4. In my opinion, the Balance Sheet and the Income and Expenditure account dealt with by this report comply with applicable accounting Standards issued by the Institute of Chartered Accountants of India.

*Kailash*  
Kailash



Date: 10-06-2017

Place: Udupi

CHARTERED ACCOUNTANT



**The Hejamady-Kodi Vidya Prasara Foundation(Regd.) Hejamady Kodi**

**Significant Accounting Policies and Notes to The Accounts For The Year  
Ending 31-03-2017:**

**1) Organization Background:**

TheHejamady Kodi Vidya Prasara Foundation (Regd).,Udupi is an association registered under Registrar of Society bearing a Registration Number – UDP-S-23/2012-13.

**2) Significant Accounting Policy:**

**1. System of Accounting:**

The financial statements have been drawn up under the historical cost convention, on an accrual basis in accordance with applicable accounting standards issued by The Institute of Chartered Accountants of India (ICAI) to the extent applicable.

**2. Use of Estimates:**

The Preparation of Financial Statements in conformity with generally accepted accounting principles requires the Management to make estimates and assumptions to arrive at the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Future results could differ from these estimates and the difference between the actual and the estimates are recognized in the periods in which actual amounts are known/materialize.

### **3. Income Recognition:**

The surplus or deficit from alternate channels for revenue recognition is recognized on accrual basis. Interest on fixed deposits is accounted for on accrual basis.

### **4. Fixed Asset:**

All Fixed asset are stated at cost less accumulated depreciation. Cost of Acquisition of fixed assets includes taxes, duties, freight and other Incidentalexpenses relating to acquisition and Installation

### **5. Depreciation:**

Depreciation on fixed asset has been provided on Written Down value Method.

### **6. Investment:**

Long-term Investments are stated at cost and are suitably adjusted to recognize permanent diminution in value, if any.

### **7. Provisions and Contingencies:**

A provision is recognized when the association has the present obligation as a result of past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. A Contingent Liability is disclosed where there is a possible Obligation or a present obligation that may but probably will not, require an outflow of resources.

### **8. Income Tax:**

The Society is exempt from income tax under section 12AA of the income-tax Act, 1961 ("Act") and apart from tax Liability, if any, on anonymous donations under section 115BBC of the Act, no provision for taxation is required.

### **9. Opening Balance:**

The figures compiled in the financial statements are based on audited records of the year ending 31<sup>st</sup> March 2016.

Date: 10-06-2017

Place: Udupi



Kailash  
CHARTERED ACCOUNTANT

## **The Hejamady-Kodi Vidya Prasara Foundation(Regd.) Hejamady Kodi**

### **Notes Forming the Part of the Report**

1. Provision with respect to TDS amounting Rs. 1,183 include Rs 1083 of earlier year and Rs100 relates to Financial year 2016-17 has been properly accounted in the books of accounts.
2. Donation amounting Rs. 51,61,368 after adjusting Donation receivable of Rs 23,000 pertaining to the previous year 2015-16 has been capitalized and transferred to Building Fund.
3. Donation amounting Rs. 5, 45,000 received during the year 2016-17 has been capitalized and transferred to Child Education Sponsorship Fund. As per Income Tax Act Donations received towards Child Education Sponsorship Fund which is in the nature of Capital Receipts have to be kept in the separate account. But the Donation received during the year 2016-17 has not been kept in separate account.
4. The Excess of Expenditure over Income for the year ended 31.03.2017 is Rs.7, 62,645 and is deducted From General Fund.
5. Depreciation is charged on written down value method on a pro rata basis over the estimated useful lives of the assets at the following rates:

Sl.No	Particulars	Rate
1	Furniture	10%
2	Computer	60%
3	Sign Board	10%
4	School Bell	10%
5	Mobile Phone	15%
6	Office Equipments	10%
7	Audio Video Classroom set	15%




6. Cash and Cash equivalents Comprises of Cash at Bank and Cash in Hand.

Sl. No	Particulars	As at March 31, 2017	As at March 31, 2016
1	Syndicate Bank Hejamady	30,066	7,51,870
2	Syndicate Bank Mumbai	18,18,318	7,21,549
3	Syndicate Bank SBNo: 157/3952	4,65,026	17,486
4	Syndicate Bank- RTE Bank A/c	526	-
5	Cash in Hand	2,862	1,300
	<b>Total</b>	<b>23,16,798</b>	<b>14,92,206</b>

7. For the Financial Year 2016-17 "The Hejamady Kodi Vidyaprasara Foundation (Regd)", the administrative body and "Vidya Prasara Vidya Mandira", the educational institution, is considered together in the financial statements.

Date: 10-06-2017  
Place: Udupi

  
 Kailash  
 CHARTERED ACCOUNTANT



**The Hejamadi Kodi Vidya Prasara Foundation ®**  
(Formerly Known As The Hejamadi Kodi Vidya Prasara Ex-Students Association ®)

**Hejamady Kodi Udupi**

**Receipts And Payments Account For The Year Ended 31.03.2017**

RECEIPTS	AMOUNT	PAYMENTS	AMOUNT
To Opening Balance		By Work In Progress-Building Construction	32,36,611
Cash In Hand	1,300	By Purchase Of Furnitures	2,56,315
Cash At Bank		By Audio Vedio Classroom Set	2,69,025
Syndicate Bank Hejamady	7,51,870	By Sports Items-Stores	27,697
Syndicate Bank Mumbai	7,21,549	By Annual General Meeting Expenses	14,500
Syndicate Bank SB A/c No:157/3952	17,486	By Salaries	13,96,963
To Membership Fees	11,000	By Incentive to Teachers	27,000
To Admission Fees Collected	10,33,800	By Staff Welfare Expenses	5,084
To Donations Received		By Electricity Expenses	12,765
Building Fund	51,84,368	By Application Fees towards FCRA	2,000
Child Education Sponsorship Fund	5,45,000	By Purchase Of Books,Uniforms And	
To Books,Uniform And Shoe Charges		Shoes For Students	5,36,893
Collected From Students	5,22,265	By Printing And Stationaries	63,501
To Application Fees Collected	3,315	By Travelling Expenses	66,464
To RTE Fees Refunded	95,162	By Telephone Expenses	11,316
To Interest On SB	64,389	By Property Tax -Grama Panchayat	16,080
To Sale of books	8,690	By Postage Charges	1,360
		By Annual Day Expenses	86,496
		By Prize Distributuion Expenses	21,800
		By Professional Charges	6,000
		By Bank Charges	1,429
		By Office Equipment	16,540
		By Registration Renewal Charges	5,000
		By Programme Expenses	23,050
		By Consultants Fees Paid	10,000
		By Outstanding Advertising Charges paid	8,500
		By Repairs and Maintenance	30,231
		By Advance towards labour charges	4,50,000
		By TDS Payment	8,474
		By Office Expenses	8,616
		By Miscellaneous Expenses	23,686
		By Closing Balance	
		Cash In Hand	2,862
		Syndicate Bank Hejamady	30,066
		Syndicate Bank Mumbai	18,18,318
		Syndicate Bank SB A/c No:157/3952	4,65,026
		Syndicate Bank-RTE bank account	526
			23,16,798
<b>TOTAL</b>	<b>89,60,195</b>	<b>TOTAL</b>	<b>89,60,195</b>

Date :10-06-2017

Place: Udupi



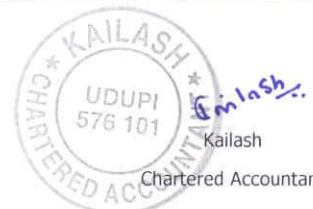
President



Secretary



Treasurer



Kailash

Chartered Accountant

**The Hejamadi Kodi Vidya Prasara Foundation ®**  
(Formerly Known As The Hejamadi Kodi Vidya Prasara Ex-Students Association ®)

**Hejamady Kodi Udupi**

**Income and Expenditure Account for the period Ended 31.03.2017**

Expenditure	Amount	Income	Amount
<b>EXPENDITURE OF SCHOOL</b>		By Admission Fees	10,42,880
To Salaries to teachers and school staff	15,29,813	By Application Fees	3,315
To Incentive to Teachers	27,000	By Books, Uniform And Shoe Charges Collected From Students	5,22,265
To Opening Stock of Books, Uniforms and Shoes for Students	3,71,872	By RTE Fees Refunded	95,162
Add: Purchases	1,92,321	By Bank Interest on SB	64,389
	5,64,193	By Bank Interest on FD	1,28,152
Less: Sale of books	8,690	By Discount Received	2,300
Less: Closing Stock of Books, Uniforms and Shoes for Students	27,300	By Excess of Expenditure over Income	7,62,645
	5,28,203		
To Annual Day Expenses of school	1,08,496		
To Staff Welfare Expenses	5,084		
To Professional Charges	6,000		
To Printing And Stationery for school	54,271		
To Postage charges	188		
To Rates and Taxes	16,080		
To Telephone Expenses	12,291		
To Travelling Expenses	7,192		
To Bank Charges	410		
To Electricity Charges	14,032		
To Programme Expenses	14,950		
To Sports Items-Stores	27,697		
To Office Expenses	8,616		
To Repairs and Maintenance	28,225		
To Depreciation of school assets	71,679		
To Miscellaneous Expenses for school	18,945		
<b>Total Expenditure of School</b>	<b>24,79,172</b>		
<b>OTHER EXPENDITURE</b>			
To Annual General Meeting Expenses	14,500		
To Price Distribution Expenses	21,800		
To Printing and Stationery	9,230		
To Postage Charges	1,172		
To Travelling Expenses	37,272		
To Professional Charges	10,000		
To Application Fee towards FCRA	2,000		
To Bank Charges	1,019		
To Programme Expenses	8,100		
To Registration Renewal Charges	5,000		
To Consultants Fees Paid	10,000		
To Repairs and maintenance	2,006		
To Depreciation	15,096		
To Miscellaneous Expenses	4,741		
<b>Total Other expenditure</b>	<b>1,41,936</b>		
<b>Total</b>	<b>26,21,108</b>	<b>Total</b>	<b>26,21,108</b>

Date :10-06-2017

Place: Udupi

President

Secretary

Treasurer

Chartered Accountant



**The Hejamadi Kodi Vidya Prasara Foundation ®**  
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**Hejamady Kodi Udupi**  
**Balance Sheet As On 31.03.2017**

Liabilities	Amount	Assets	Amount
<b>General Fund</b>		<b>Fixed Assets</b>	
Opening Balance	-6,12,563	Capital Work-In-Progress	
Less: Excess Of Expenditure	7,62,645	Opening balance	1,52,73,997
Over Income		Add: Additions	34,79,837
			1,87,53,834
<b>Building Fund</b>		<b>Other Fixed Assets (Schedule 1)</b>	
Opening Balance	1,76,93,824		6,30,628
Add: Additions	51,61,368	Donations Receivable	35,000
	2,28,55,192		
<b>Child Education Sponsorship Fund</b>		<b>Deposits</b>	
Opening Balance	8,50,000	Fixed Deposit	10,10,000
Add: Additions	5,45,000	Add: Accrued Interest On F D	1,22,430
	13,95,000		11,32,430
Life Membership Fees	34,500	<b>Current Assets, Loans &amp; Advances</b>	
Add : Additions	11,000	Advance towards labour charges	4,50,000
	45,500	TDS	8,074
<b>Current Liabilities And Provisions</b>		Stock Of Books, Uniforms And	27,300
Accounts Payable	2,81,306	Shoe For Students	4,85,374
TDS Payable	1,183		
Professional Charges Payable	16,000	<b>Cash and Bank Balances</b>	
Provision For Expenses	1,35,092	Cash In Hand	2,862
		Cash at Bank :	
		Syndicate Bank Hejamady	30,066
		Syndicate Bank Mumbai	18,18,318
		Syndicate Bank SB A/c No:157/3952	4,65,026
		Syndicate Bank RTE account	526
			23,13,936
<b>Total</b>	<b>2,33,54,064</b>	<b>Total</b>	<b>2,33,54,064</b>


Date :10-06-2016

Place: Udupi

  
President

  
Secretary

  
Treasurer

  
Kailash  
Chartered Accountant

The Hejamadi Kodi Vidya Prasara Foundation ®

Schedule 2

Fixed Assets:

Particulars of depreciation allowable as per the Income-tax Act, 1961 for the year ended 31st March, 2017

SR.No.	Description of Asset/Block of assets	Written down value as at April 01, 2016	Additions during the year		Actual Cost/ Net Written Down Value	Rate	Depreciation			Total Depreciation	Written down value as at March 31, 2017
			180 days and above	Less than 180 days			On Opening written down	180 days and above	Less than 180 days		
1	Furniture	1,65,785	2,43,215.00	-	4,09,000	10%	40,900		-	40,900	3,68,100
2	Computer	4,374			4,374	60%	2,624		-	2,624	1,750
3	Sign Board	3,339		13,100.00	16,439	10%	334		655.00	989	15,450
4	School Bell	1,003			1,003	10%	100		-	100	902
5	Mobile Phone	1,022			1,022	15%	153		-	153	869
6	Office Equipments		16,540.00		16,540	10%	-	1,654.00	-	1,654	14,886
7	Audio Video Classroom Set		2,69,025.00		2,69,025	15%	-	40,353.75	-	40,354	2,28,671
<b>Total</b>		<b>1,75,523</b>	<b>5,28,780</b>	<b>13,100</b>	<b>7,17,403</b>		<b>44,112</b>	<b>42,008</b>	<b>655</b>	<b>86,775</b>	<b>6,30,628</b>

(Amount in Rupees)