

AUDITORS REPORT

INDIA LITERACY PROJECT

We have audited the attached Receipts and Payments account and Income and Expenditure account for the year ended 31st March 2012 and the Balance Sheet as on that date of **India Literacy Project**. These financial statements are the responsibility of the Institution's management. 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. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material mis-statement. 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 the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We report that:

1. The attached statements are the true summary of the transactions entered in the books of accounts produced to us for audit.
2. We have obtained all the information and explanations, which to our best of our knowledge and belief were necessary for the purpose of our audit.
3. In our opinion proper books of account as required by law have been kept by the Institution, so far as it appears from the examination of such books.
4. The Balance Sheet and Income and Expenditure account referred to in this report are in agreement with the books of account.

For Ashok Kumar, Prabhashankar & Co.
Chartered Accountants
Firm Regn. No.004982S



K.N. Prabhashankar

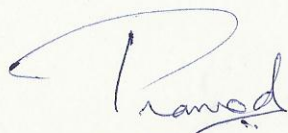
K.N.Prabhashankar
Partner
M.No.019575

Date: 09.07.2012
Address: S-2, Narayana,
25, Mission Road,
Shama Rao Compound
Bangalore - 560 027

INDIA LITERACY PROJECT
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2012

LIABILITIES	DETAILS	TOTAL	ASSETS	DETAILS	TOTAL
Corpus Fund		1,000	FIXED ASSETS - As per schedule 'A'	71,424	
			Less: Depreciation for the year	<u>14,693</u>	56,731
Excess of Income over Expenditure:			Rental Deposit		84,260
As per last Balance Sheet	1,579,394		Telephone Deposit		2,000
Add: Excess of Income over Expenditure for the year	<u>442,858</u>	2,022,252	Tax Deducted at Source		25,305
			Rent Advance-Hyderabad		12,000
			Advances to staff		16,483
			Interest Receivable		27,180
			Cash & Bank Balances:		
			Cash on Hand	16,183	
			HDFC A/C- Local Fund	1,034,825	
			HDFC A/c-FCRA	149,067	
			Fixed Deposits in HDFC Bank	<u>599,218</u>	1,799,293
		<u>2,023,252</u>			<u>2,023,252</u>

for India Literacy Project:



Mr. Pramod Sridharamurthy

Place: Bangalore
Date: 09.07.2012



Mr. H.S. Kiran Kumar



To be read with our report of even date
for **Ashok Kumar, Prabhashankar & Co.**
Chartered Accountants
Firm Reg. No.004982S



K. N. Prabhashankar
Partner
Mem. No. 019575

INDIA LITERACY PROJECT
CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2012

EXPENDITURE	AMOUNT	INCOME	AMOUNT
ILP Hyderabad Projects	341,201	Donations	3,811,692
MDLS Project Expenses	675,626	Bank Interest	82,567
Workshops and Consultations	43,303	FC Donations	81,243
Project Support Expenses:		ILP USA Grants	242,027
Education OF children in Sedam- CDF	1,438,726		
Education of Children in Kudligi - SNEHA	400,000		
Education of visually impaired children in Warangal - SPACE	228,000		
DALD Art Camp Expenses	98,646		
Scholarship (Puraskara)	293,233		
Adminstrative & Other Expenses	241,243		
Depreciation	14,693		
Excess of Income over expenditure	442,858		
	4,217,529		4,217,529

for India Literacy Project:



Mr. Pramod Sridharamurthy



Mr. H.S. Kiran Kumar



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Chartered Accountants
Firm Reg. No.004982S



K. N. Prabhaskar
Partner
Mem. No. 019575

Place: Bangalore
Date: 09.07.2012

INDIA LITERACY PROJECT
CONSOLIDATED RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2012

RECEIPTS	DETAILS	AMOUNT	PAYMENTS	DETAILS	AMOUNT
Balance as on 01.04.2011			ILP Hyderabad Projects		
Cash in hand	34,482		Fund Raising Event	93,041	
HDFC - SB a/c	772,571		Office Expenses	94,430	
Fixed Deposit	564,045	1,371,098	Pustakam Project	19,730	
			Salaries	134,000	341,201
Donations			MDLS		
Donation - Bangalore	3,192,420		Library		
Donation - Hyderabad	619,272		Library Expenses	3,290	
FC Donations	81,243		Library:Books	5,078	
ILP USA Grants	242,027	4,134,961	Library: Grants to Partners	215,310	
			Library:Trg, Exposure, Monitoring	1,034	
Advance Recovered			MDLS Project Expenses	212,994	
Advance-ILP Hyd	15,376		MDLS Program Salaries	111,000	
Advance-MDLS, Gubbi.	4,217		MDLS Trg, Exposure, Monitoring	126,920	675,626
Reena Chaudhary	91,459	111,052			
Other Reciepts			Workshops & Consultations		43,303
Bank Interest		82,567	Project Support Expenses		
Interest Receivable		18,378	Education OF children in Sedam- CDF	1,438,726	
			Education of Children in Kudligi - SNEHA	400,000	
			Education of visually impaired children in Warangal - SPACE	228,000	2,066,726
			DALD Art Camps Expenses		98,646
			Scholarship		
			Scholarships-ILP Hyd	163,100	
			Post 10th Scholarships	19,896	
			Scholarships - Disbursals	110,237	293,233
			Fixed Assets		
			Purchase of DVD writer	945	
			Purchase of Camera and Mobile	17,500	
			Computer Software	2,254	20,699



Advances Given

Advance - ILP Hyd	15,236	
Advance - Reena Choudhury	79,601	
Advance to Harish	4,000	
Advance-MDLS,Gubbi.	4,335	
Advance to Shivaraj. C	3,000	106,172
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Adminstrative & Other Expenses

Rent	51,500	
Audit fees	8,273	
Capacity Building of Staff	14,500	
Fund Raising Event Expenses	116,217	
Bank Charges	529	
Books, Newspapers and Periodicals	1,538	
FCRA Registration Fee	2,000	
Local Conveyance	11,572	
Office Maintenance	3,645	
Postage and Courier	3,036	
Staff Welfare	3,505	
Stationery, Printing and Photocopy	3,163	
Trustee Meeting	6,878	
Telephone & Internet	13,272	
Utilities: Electricity and Water	1,615	241,243
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Interest Receivable		27,180
TDS on FD interest		4,735

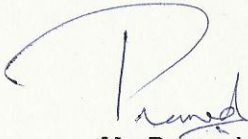
Balance as on 31.03.2012

Cash in hand	16,183	
HDFC - SB a/c	1,183,892	
Fixed Deposits	599,218	1,799,293
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5,718,057

5,718,057

for India Literacy Project:



Mr. Pramod Sridharamurthy



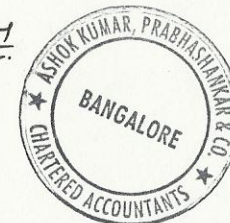
Mr. H.S. Kiran Kumar,

To be read with our report of even date
for Ashok Kumar,Prabhashankar & Co.

Chartered Accountants
Firm Reg. No.004982S



K. N. Prabhashankar
Partner
Mem. No. 019575



Place: Bangalore
Date: 09.07.2012

INDIA LITERACY PROJECT - LOCAL FUND
BALANCE SHEET AS AT 31ST MARCH 2012

LIABILITIES	DETAILS	TOTAL	ASSETS	DETAILS	TOTAL
Corpus Fund		1,000	FIXED ASSETS - As per schedule 'A'	69,170	
			Less: Depreciation for the year	<u>14,017</u>	55,153
Excess of Income over Expenditure: As per last Balance Sheet	1,579,394		Rental Deposit		84,260
Add: Excess of Income over Expenditure for the year	<u>288,718</u>	1,868,111	Telephone Deposit		2,000
			Rent Advance-Hyderabad		12,000
			Advances to staff		16,483
			Interest Receivable		27,180
			TDS Receivable		
			F.Y- 2010-11	20,570	
			F.Y- 2011-12	<u>4,735</u>	25,305
			Cash & Bank Balances:		
			Cash on Hand	12,687	
			HDFC A/C	1,034,825	
			Fixed Deposits in HDFC Bank	<u>599,218</u>	1,646,730
		<u><u>1,869,111</u></u>			<u><u>1,869,111</u></u>

for India Literacy Project



Mr. Pramod Sridharamurthy

Place: Bangalore
Date: 09.07.2012



Mr. H.S. Kiran Kumar

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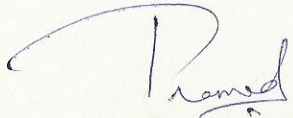



K. N. Prabhaskar
Partner
Mem. No. 019575

INDIA LITERACY PROJECT - LOCAL FUND
INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2012


EXPENDITURE	AMOUNT	INCOME	AMOUNT
ILP Hyderabad Projects	341,201	Donations	3,811,692
MDLS Project Expenses	607,040	Bank Interest	80,526
Workshops and Consultations	14,000		
Project Support Expenses:			
Education OF children in Sedam- CDF	1,438,726		
Education of Children in Kudligi - SNEHA	400,000		
Education of visually impaired children in Warangal - SPACE	228,000		
DALD Art Camp Expenses	98,646		
Scholarship (Puraskara)	293,233		
Adminstrative & Other Expenses	168,638		
Depreciation	14,017		
Excess of Income over expenditure	288,718		
	3,892,218		3,892,218

for India Literacy Project



Mr. Pramod Sridharamurthy

Place: Bangalore
Date: 09.07.2012

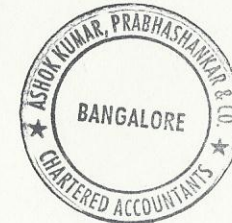


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K. N. Prabhashankar
Partner
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INDIA LITERACY PROJECT - LOCAL FUND
RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2012

RECEIPTS	DETAILS	DETAILS	AMOUNT	PAYMENTS	DETAILS	DETAILS	AMOUNT
Balance as on 01.04.2011				ILP Hyderabad Projects			
Cash in hand		34,482		Fund Raising Event		93,041	
HDFC - SB a/c		772,571		Office Expenses		94,430	
Fixed Deposit		<u>564,045</u>	1,371,098	Pustakam Project		19,730	
				Salaries		<u>134,000</u>	341,201
Donations				MDLS			
Donation - Bangalore		3,192,420		Library			
Donation - Hyderabad		<u>619,272</u>	3,811,692	Library:Books	5,078		
				Library: Grants to Partners	215,310		
Advance Paid					Library:Trg, Exposure, Monitoring	<u>1,034</u>	221,422
Advance-ILP Hyd		15,376		MDLS Project Expenses		208,698	
Advance-MDLS, Gubbi.		4,217		MDLS Salaries		50,000	
Reena Chaudhary		<u>91,459</u>	111,052	MDLS Trg, Exposure, Monitoring		<u>126,920</u>	607,040
Other Reciepts					Workshops & Consultations		14,000
Bank Interest			80,526	Project Support Expenses			
Interest Receivable			18,378	Education OF children in Sedam- CDF		1,438,726	
				Education of Children in Kudligi - SNEHA		400,000	
				Education of visually impaired children in Warangal - SPACE		<u>228,000</u>	2,066,726
				DALD Art Camps Expenses			98,646
				Scholarship			
				Scholarships-ILP Hyd		163,100	
				Post 10th Scholarships		19,896	
				Scholarships - Disbursals		<u>110,237</u>	293,233
				Fixed Assets			
				Purchase of DVD writer		945	
				Purchase of Camera and Mobile		<u>17,500</u>	18,445
				Advances			
				Advance - ILP Hyd		15,236	
				Advance - Reena Choudhury		79,601	



Advance to Harish	4,000	
Advance-MDLS, Gubbi.	4,335	
Advance to Shivaraj. C	<u>3,000</u>	106,172

Administrative & Other Expenses

Audit fees	8,273	
Capacity Building of Staff	14,500	
Fund Raising Event Expenses	116,217	
Bank Charges	503	
Books, Newspapers and Periodicals	690	
FCRA Registration Fee	2,000	
Local Conveyance	11,572	
Office Maintenance	540	
Postage and Courier	2,103	
Staff Welfare	2,465	
Stationery, Printing and Photocopy	2,897	
Trustee Meeting	<u>6,878</u>	168,638

Interest Receivable		27,180
TDS on FD interest		4,735

Balance as on 31.03.2012

Cash in hand	12,687	
HDFC - SB a/c	1,034,825	
Fixed Deposits	<u>599,218</u>	1,646,730

5,392,746

5,392,746

for India Literacy Project



Mr. Pramod Sridharamurthy



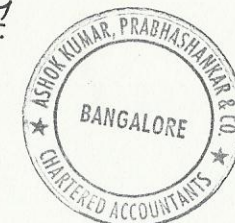
Mr. H.S. Kiran Kumar

Place: Bangalore
Date: 09.07.2012

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Chartered Accountants
Firm Reg. No.004982S



K. N. Prabhaskar
Partner
Mem. No. 019575



INDIA LITERACY PROJECT - LOCAL FUND
ACCOUNTING YEAR ENDED 31ST MARCH 2012

SCHEDULE A - FIXED ASSETS

PARTICULARS	W.D.V AS ON 01.04.2011	ADDITIONS DURING THE YEAR	TOTAL	DEPRECIATION FOR THE YEAR	W.D.V AS ON 31.03.2012
Furniture & Fixtures	18,617	-	18,617	1,862	16,755
Office Equipments	20,143	17,500	37,643	4,409	33,234
Computers	11,965	945	12,910	7,746	5,164
TOTAL	50,725	18,445	69,170	14,017	55,153

for India Literacy Project



Mr. Pramod Sridharamurthy

Place: Bangalore
Date: 09.07.2012



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Chartered Accountants
Firm Reg. No.004982S



K. N. Prabhaskar
Partner

Mem. No. 019575



INDIA LITERACY PROJECT - LOCAL FUND
ACCOUNTING YEAR ENDED 31ST MARCH 2012
DETAILS TO ADDITIONS TO FIXED ASSETS

Particulars	Date of Addition	Date put to use	Amount	Depreciation
1 <u>FURNITURES & FIXTURES - 10%</u>				
Opening Balance			18,617	1,862
Before 30th September 2011			-	-
After 30th September 2011			-	-
			18,617	1,862
2 <u>OFFICE EQUIPMENT-15%</u>				
Opening Balance			20,143	3,021
Before 30th September 2011				
GE phone	19.07.2010	19.07.2010	1,000	150
			A 21,143	3,171
After 30th September 2011				
Sony Cybershot HX9V Camera	11.02.2012	11.02.2012	16,500	1,238
			B 16,500	1,238
			A+B 37,643	4,409
3 <u>COMPUTERS - 60%</u>				
Opening Balance			11,965	7,179
Before 30th September 2011				
DVD writer			945	567
After 30th September 2011			-	-
			12,910	7,746



**INDIA LITERACY PROJECT - FCRA
BALANCE SHEET As On 31st March 2012**

LIABILITIES	DETAILS	TOTAL	ASSETS	DETAILS	TOTAL
Excess of Income over Expenditure: As per last Balance Sheet	-		FIXED ASSETS - As per schedule 'A'	2,254	
Add: Excess of Income over Expenditure for the year	<u>154,141</u>	154,141	Less: Depreciation for the year	<u>676</u>	1,578
			Cash & Bank Balances:		
			Cash on Hand	3,496	
			HDFC A/C	<u>149,067</u>	152,563
		<u><u>154,141</u></u>			<u><u>154,141</u></u>

for India Literacy Project



Mr. Pramod Sridharamurthy

Place: Bangalore
Date: 09.07.2012

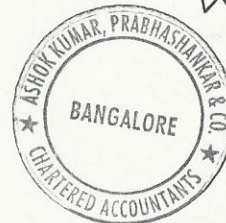


Mr. H.S. Kiran Kumar

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K. N. Prabhashankar
Partner
Mem. No. 019575



INDIA LITERACY PROJECT - FCRA
INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2012

EXPENDITURE	AMOUNT	INCOME	AMOUNT
MDLS Expenses	68,586	Bank Interest	2,041
Workshops and Consultations	29,303	FC Donations	81,243
Administrative & Other Expenses	72,605	ILP USA Grants	242,027
Depreciation	676		
Excess of Income over Expenditure	154,141		
	<u>325,310</u>		<u>325,310</u>

for India Literacy Project



Mr. Pramod Sridharamurthy



Mr. H.S. Kiran Kumar

Place: Bangalore
Date: 09.07.2012

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K. N. Prabhaskar
Partner
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INDIA LITERACY PROJECT - FCRA
RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2012

RECEIPTS	DETAILS	AMOUNT	PAYMENTS	DETAILS	AMOUNT
Balance as on 01.04.2011			MDLS		
Cash in hand	-		Library Expenses	3,290	
HDFC - SB a/c	-	-	MDLS Program Salaries	61,000	
			MDLS Project Expenses	4,296	68,586
Other Receipts			Workshops and Consultations		29,303
Bank Interest		2,041	Administrative & Other Expenses		
Donations			Rent	51,500	
FC Donations	81,243		Bank Charges	26	
ILP USA Grants	242,027	323,269	Books, Newspapers and Periodicals	848	
			Office Maintenance	3,105	
			Postage and Courier	933	
			Staff Welfare	1,040	
			Stationery, Printing and Photocopying	266	
			Telephone and Internet	13,272	
			Utilities: Electricity and Water	1,615	72,605
			Fixed Assets		
			Computer Software		2,254
			Balance as on 31.03.2012		
			Cash-in-hand	3,496	
			HDFC A/c	149,067	152,563
		<u>325,310</u>			<u>325,310</u>

for India Literacy Project



Mr. Pramod Sridharamurthy

Place: Bangalore
Date: 09.07.2012



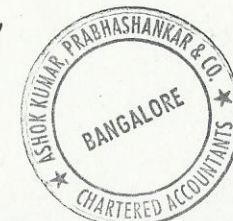
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INDIA LITERACY PROJECT - FCRA
ACCOUNTING YEAR ENDED 31ST MARCH 2012

SCHEDULE A - FIXED ASSETS

PARTICULARS	W.D.V AS ON 01.04.2011	ADDITIONS DURING THE YEAR	TOTAL	DEPRECIATION FOR THE YEAR	W.D.V AS ON 31.03.2012
Computer Software	-	2,254	2,254	676	1,578
TOTAL	-	2,254	2,254	676	1,578

for India Literacy Project



Mr. Pramod Sridharamurthy

Place: Bangalore
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INDIA LITERACY PROJECT - FCRA
ACCOUNTING YEAR ENDED 31ST MARCH 2012
DETAILS TO ADDITIONS TO FIXED ASSETS

Particulars	Date of Addition	Date put to use	Amount	Depreciation
1 <u>COMPUTERS - 60%</u>				
Opening Balance	-	-	-	-
<u>Before 30th Sept. 2011</u>	-	-	-	-
<u>After 30th September 2011</u>				
Computer Software	22-12-2011	22-12-2011	2,254	676
			<u>2,254</u>	<u>676</u>
Total			<u><u>2,254</u></u>	<u><u>676</u></u>

