

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of **INDIA LITERACY PROJECT**

Report on the Financial Statements

We have audited the accompanying financial statements of Foreign Contribution Account, Local Fund Account and Consolidated Account for the year ended 31st March, 2013 of **INDIA LITERACY PROJECT**, which comprise the Balance Sheet as at March 31, 2013, and the Income and Expenditure Account and Receipts and Payments Account for the year ended as on that date.

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 of the organization. This responsibility includes design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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 material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the organization's 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion and to the best of our information and according 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 the Company as at March 31, 2013;
- (b) in the case of the Income and Expenditure Account, of the excess of Expenditure over Income for the year ended on that date; and
- (c) in the case of the Receipts and Payments Account, of the receipts and payments for the year ended on that date.

Place: Bangalore
Date: 27.06.2013



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

K. N. Prabhashankar
Partner
Membership No. 019575

INDIA LITERACY PROJECT
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2013

LIABILITIES	DETAILS	TOTAL	ASSETS	DETAILS	TOTAL
Corpus Fund		1,000	FIXED ASSETS - As per schedule 'A'	79,295	
			Less: Depreciation for the year	<u>13,100</u>	66,195
Excess of Income over Expenditure:			Rental Deposit		96,260
As per last Balance Sheet	2,022,252		Telephone Deposit		2,000
Less: Excess of Expenditure over Income			Advances to staff		4,416
for the year	<u>19,314</u>	2,002,938	Interest Receivable		78,611
			TDS Receivable		33,519
			Cash & Bank Balances:		
			Cash on Hand	11,823	
			HDFC A/C	1,111,895	
			Fixed Deposits in HDFC Bank	<u>599,218</u>	1,722,936
		<u>2,003,938</u>			<u>2,003,938</u>

for India Literacy Project:

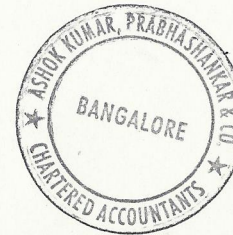


Mr. Pramod Sridharamurthy

Place: Bangalore
Date: 27.06.2013



Mr. H.S. Sudhira



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



K. N. Prabhaskar
Partner
Mem. No. 019575

INDIA LITERACY PROJECT
CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2013

EXPENDITURE	AMOUNT	INCOME	AMOUNT
ILP Hyderabad Projects	489,539	Donations	1,400,108
MDLS Project Expenses	853,077	FC Donations	132,608
DALD Art Camps Expenses	47,535	FC Donations - HYD	285,660
Fund Raising Event Expenses	71,462	ILP USA Grants	584,328
Project Support - SPACE	480,000	Bank Interest	109,410
KH Project	1,779		
Salary - Program Coordinator	177,500		
Workshops and Consultations	54,819		
Adminstrative & Other Expenses	342,618	Excess of Expenditure over Income	19,314
Depreciation	13,100		
	2,531,428		2,531,428

for India Literacy Project:



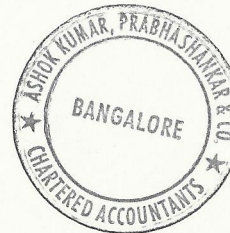
Mr. Pramod Sridharamurthy

Place: Bangalore
Date: 27.06.2013



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K. N. Prabhashankar
Partner
Mem. No. 019575

INDIA LITERACY PROJECT
CONSOLIDATED RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2013

RECEIPTS	DETAILS	AMOUNT	PAYMENTS	DETAILS	AMOUNT
<u>Balance as on 01.04.2012</u>			<u>ILP Hyderabad Projects</u>		
Cash in hand	16,183		Office Expenses	7,876	
HDFC - SB a/c	1,183,892		Office Rent	66,000	
Fixed Deposit	<u>599,218</u>	1,799,293	Pustakam Project	37,463	
			Salaries	177,600	
			Scholarships	<u>200,600</u>	489,539
<u>Donations</u>			<u>MDLS</u>		
Donation - Bangalore	1,164,115		Library	245,280	
Donation - Hyderabad	235,993		Scholarships	106,854	
FC Donations	132,608		MDLS Project Expenses	89,919	
FC Donations - HYD	285,660		MDLS Salaries	188,067	
ILP USA Grants	<u>584,328</u>	2,402,705	MDLS Training, Exposure, Monitoring	147,379	
			MDLS - A. Narayanapura	<u>75,578</u>	853,077
Advance Recovered		119,717			
<u>Other Receipts</u>					
Bank Interest		109,410			
			DALD Art Camps Expenses		47,535
			Fund Raising Event Expenses		71,462
			Project Support - SPACE		480,000
			KH Project		1,779
			Salary - Program Coordinator		177,500
			Workshops and Consultations		54,819
			<u>Administrative & Other Expenses</u>		
			Admin - Salary	73,548	
			Rent	110,000	
			Telephone and Internet	39,478	
			Postage and Courier	3,083	
			Stationery, Printing and Photocopying	9,784	
			Staff Welfare	3,360	
			Office Maintenance	22,665	
			Comuter Maintainance	16,242	
			Utilities: Electricity and Water	4,993	
			Books, Newspapers and Periodicals	4,894	



Fund Raising Event	19,383	
Board Meeting	1,708	
Travelling & Conveyance	24,838	
Audit fees	8,427	
Bank Charges	215	342,618
<u>Fixed Assets</u>		
Furniture	17,500	
External Hard Disk	5,064	22,564
Advance to Staff		107,650
Interest Receivable		51,431
Tax Deducted at Source		8,215
<u>Balance as on 31.03.2013</u>		
Cash in hand	11,823	
HDFC - SB a/c	1,111,895	
Fixed Deposits	599,218	1,722,936
		<u>4,431,124</u>
	<u>4,431,124</u>	

for India Literacy Project:



Mr. Pramod Sridharamurthy



Mr. H.S. Sudhira

Place: Bangalore
Date: 27.06.2013

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
ACCOUNTING YEAR ENDED 31ST MARCH 2013
DETAILS TO CONSOLIDATED BALANCE SHEET

Rental Deposits

Rent Advance - Bangalore	84,260
Rent Advance - Hyderabad	12,000
	<u>96,260</u>

Advances to Staff

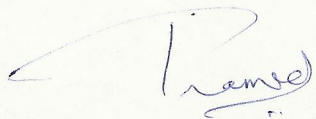
Advances to Malathi	1,614
Advance to MDLS, Gubbi.	302
Advance to Suchitra	2,500
	<u>4,416</u>

TDS Receivable

F.Y- 2010-11	20,570
F.Y- 2011-12	4,735
F.Y- 2012-13	8,215
	<u>33,519</u>

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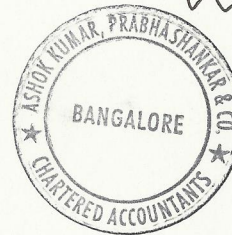


Mr. Pramod Sridharamurthy

Place: Bangalore
Date: 27.06.2013



Mr. H.S. Sudhira



K. N. Prabhashankar
Partner
M.No.019575

INDIA LITERACY PROJECT
ACCOUNTING YEAR ENDED 31ST MARCH 2013
DETAILS TO CONSOLIDATED RECEIPTS AND PAYMENTS ACCOUNT

Advance Recovered

Advance to Harish	4,406
Advances to Malathi	42,884
Advance to MDLS, Gubbi.	4,040
Advance to Reena Choudhury	46,387
Advance to Sarojamma	1,500
Advance to Suchitra	17,500
Advance to Shivaraj. C	3,000
	<u>119,717</u>

Advance to Staff

Advance to Harish	406
Advances to Malathi	43,020
Advance-MDLS, Gubbi.	4,224
Advance - Reena Choudhury	40,000
Advance to Suchitra	20,000
	<u>107,650</u>

for India Literacy Project

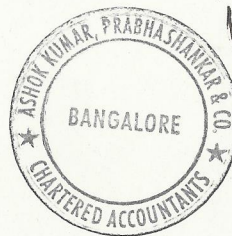
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Mr. Pramod Sridharamurthy



Mr. H.S. Sudhira



K. N. Prabhashankar
Partner
M.No.019575

Place: Bangalore
Date: 27.06.2013

INDIA LITERACY PROJECT
ACCOUNTING YEAR ENDED 31ST MARCH 2013

SCHEDULE A - CONSOLIDATED FIXED ASSETS

PARTICULARS	W.D.V AS ON 01.04.2012	ADDITIONS DURING THE YEAR	TOTAL	DEPRECIATION FOR THE YEAR	W.D.V AS ON 31.03.2013
Furniture & Fixtures	16,755	17,500	34,255	2,551	31,704
Office Equipments	33,234		33,234	4,985	28,249
Computers	6,742	5,064	11,806	5,564	6,242
TOTAL	56,731	22,564	79,295	13,100	66,195

for India Literacy Project

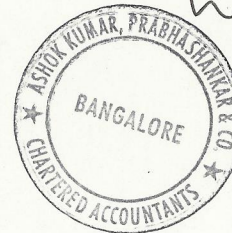
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Place: Bangalore
Date: 27.06.2013

**INDIA LITERACY PROJECT - LOCAL FUND
BALANCE SHEET AS AT 31ST MARCH 2013**

LIABILITIES	DETAILS	TOTAL	ASSETS	DETAILS	TOTAL
Corpus Fund		1,000	FIXED ASSETS - As per schedule 'A'	72,653	
			Less: Depreciation for the year	<u>10,634</u>	62,019
Excess of Income over Expenditure:			Rental Deposit		96,260
As per last Balance Sheet	1,868,111		Telephone Deposit		2,000
Add: Excess of Income over Expenditure for the year	<u>14,062</u>	1,882,174	Advances to staff		4,416
			Interest Receivable		78,611
			TDS Receivable		33,519
			Cash & Bank Balances:		
			Cash on Hand	5,410	
			HDFC A/C	1,001,720	
			Fixed Deposits in HDFC Bank	<u>599,218</u>	1,606,348
		<u>1,883,174</u>			<u>1,883,174</u>

for India Literacy Project

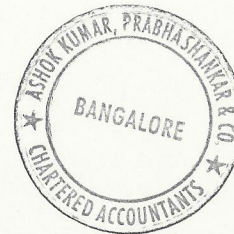


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INDIA LITERACY PROJECT - LOCAL FUND
INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2013

EXPENDITURE	AMOUNT	INCOME	AMOUNT
ILP Hyderabad Projects	184,164	Donations	1,400,108
MDLS Project Expenses	577,580	Bank Interest	100,297
DALD Art Camps Expenses	47,535		
Fund Raising Event Expenses	71,462		
Project Support - SPACE	480,000		
Workshops & Consultations	26,819		
Administrative & Other Expenses	88,149		
Depreciation	10,634		
Excess of Income over expenditure	14,062		
	1,500,405		1,500,405

for India Literacy Project



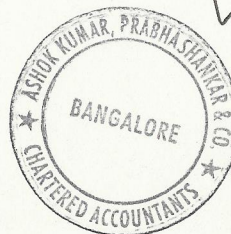

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Advance to Staff	80,630
Interest Receivable	51,431
Tax Deducted at Source	8,215

Balance as on 31.03.2013

Cash in hand	5,410	
HDFC - SB a/c	1,001,720	
Fixed Deposits	599,218	1,606,348

3,239,832

3,239,832

for India Literacy Project

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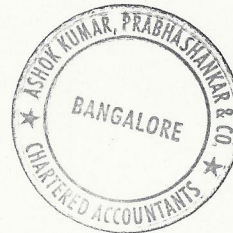


Mr. Pramod Sridharamurthy

Place: Bangalore
Date: 27.06.2013



Mr. H.S. Sudhira



K. N. Prabhashankar
Partner
Mem. No. 019575

INDIA LITERACY PROJECT-LOCAL FUND
ACCOUNTING YEAR ENDED 31ST MARCH 2013
DETAILS TO BALANCE SHEET

Rental Deposits

Rent Advance - Bangalore	84,260
Rent Advance - Hyderabad	12,000
	<u>96,260</u>

Advances to Staff

Advances to Malathi	1,614
Advance to MDLS, Gubbi.	302
Advance to Suchitra	2,500
	<u>4,416</u>

TDS Receivable

F.Y- 2010-11	20,570
F.Y- 2011-12	4,735
F.Y- 2012-13	8,215
	<u>33,519</u>

for India Literacy Project

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M.No.019575

Place: Bangalore
Date: 27.06.2013

INDIA LITERACY PROJECT-LOCAL FUND
ACCOUNTING YEAR ENDED 31ST MARCH 2013
DETAILS TO RECEIPTS AND PAYMENTS ACCOUNT

Advance Recovered

Advance to Harish	4,406
Advances to Malathi	15,864
Advance to MDLS, Gubbi.	4,040
Advance to Reena Choudhury	46,387
Advance to Sarojamma	1,500
Advance to Suchitra	17,500
Advance to Shivaraj. C	3,000
	<u>92,697</u>

Advance to Staff

Advance to Harish	406
Advances to Malathi	16,000
Advance-MDLS,Gubbi.	4,224
Advance - Reena Choudhury	40,000
Advance to Suchitra	20,000
	<u>80,630</u>

for India Literacy Project

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M.No.019575

Place: Bangalore
Date: 27.06.2013

INDIA LITERACY PROJECT - LOCAL FUND
ACCOUNTING YEAR ENDED 31ST MARCH 2013

SCHEDULE A - FIXED ASSETS

PARTICULARS	W.D.V AS ON 01.04.2012	ADDITIONS DURING THE YEAR	TOTAL	DEPRECIATION FOR THE YEAR	W.D.V AS ON 31.03.2013
Furniture & Fixtures	16,755	17,500	34,255	2,551	31,704
Office Equipments	33,234	-	33,234	4,985	28,249
Computers	5,164	-	5,164	3,098	2,066
TOTAL	55,153	17,500	72,653	10,634	62,019

for India Literacy Project

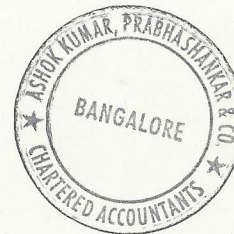


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K. N. Prabhashankar
Partner

Mem. No. 019575

**INDIA LITERACY PROJECT - FCRA
BALANCE SHEET AS AT 31ST MARCH 2013**

LIABILITIES	DETAILS	TOTAL	ASSETS	DETAILS	TOTAL
Excess of Income over Expenditure: As per last Balance Sheet	154,141		FIXED ASSETS - As per schedule 'A'	6,642	
Less: Excess of Expenditure Over Income for the year	33,376	120,764	Less: Depreciation for the year	2,466	4,176
			Cash & Bank Balances:		
			Cash on Hand	6,413	
			HDFC A/C	110,175	116,588
		120,764			120,764

for India Literacy Project

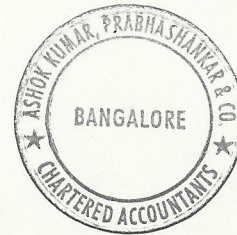


Mr. Pramod Sridharamurthy

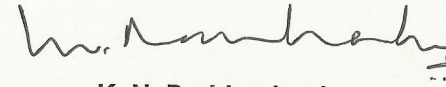
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K. N. Prabhaskar
Partner
Mem. No. 019575

INDIA LITERACY PROJECT - FCRA
INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2013

EXPENDITURE	AMOUNT	INCOME	AMOUNT
ILP Hyderabad Expenses	305,375	FC Donations	132,608
MDLS Expenses	275,497	FC Donations - HYD	285,660
KH Project	1,779	ILP USA Grants	584,328
Salary - Program Coordinator	177,500	Bank Interest	9,113
Workshops and Consultations	28,000		
Administrative & Other Expenses	254,469		
Depreciation	2,466	Excess of Expenditure over Income	33,376
	<u>1,045,086</u>		<u>1,045,086</u>

for India Literacy Project



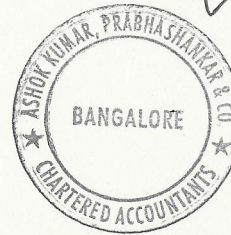
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INDIA LITERACY PROJECT - FCRA
RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2013

RECEIPTS	DETAILS	AMOUNT	PAYMENTS	DETAILS	AMOUNT
<u>Balance as on 01.04.2012</u>			<u>ILP Hyderabad Expenses</u>		
Cash in hand	3,496		Google Project-Salaries	33,000	
HDFC - SB a/c	149,067	152,563	Office Expenses - HYD	2,555	
<u>Donations</u>			Pustakam Project	26,920	
FC Donations	132,608		Salaries - HYD	72,300	
FC Donations - HYD	285,660		Scholarships -HYD	170,600	305,375
ILP USA Grants	584,328	1,002,597	<u>MDLS Expenses</u>		
<u>Other Reciepts</u>			MDLS - A. Narayanapura	75,578	
Bank Interest		9,113	MDLS Program Salaries	148,067	
Advance Recovered		27,020	MDLS Project Expenses	13,682	
			MDLS Training, Exposure, Monitoring	38,170	275,497
			KH Project		1,779
			Salary - Program Coordinator		177,500
			Workshops and Consultations		28,000
			<u>Adminstrative & Other Expenses</u>		
			Rent	110,000	
			Telephone and Internet	39,478	
			Postage and Courier	3,015	
			Stationery, Printing and Photocopying	9,664	
			Staff Welfare	2,640	
			Office Maintenance	21,165	
			Comuter Maintainance	16,242	
			Utilities: Electricity and Water	4,993	
			Books, Newspapers and Periodicals	4,369	
			Fund Raising Event	19,383	
			Board Meeting	1,708	
			Travelling & Conveyance	21,597	
			Bank Charges	215	254,469
			<u>Fixed Assets</u>		
			External Hard Disk		5,064



Advance to Staff

27,020

Balance as on 31.03.2013

Cash in hand

6,413

HDFC - SB a/c

110,175

116,588

1,191,292

1,191,292

for India Literacy Project



Mr. Pramod Sridharamurthy

Place: Bangalore

Date: 27.06.2013



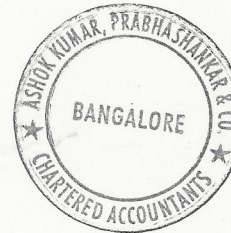
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INDIA LITERACY PROJECT - FCRA
ACCOUNTING YEAR ENDED 31ST MARCH 2013
DETAILS TO RECEIPTS AND PAYMENTS ACCOUNT

Advance Recovered

Advances to Malathi

27,020

Advance to Staff

Advances to Malathi

27,020

for India Literacy Project

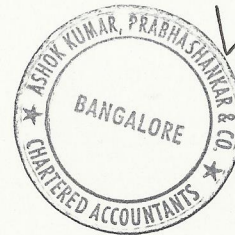
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Mr. H.S. Sudhira



K. N. Prabhaskar
Partner
M.No.019575

Place: Bangalore
Date: 27.06.2013

INDIA LITERACY PROJECT - FCRA
ACCOUNTING YEAR ENDED 31ST MARCH 2013

SCHEDULE A - FIXED ASSETS


PARTICULARS	W.D.V AS ON 01.04.2012	ADDITIONS DURING THE YEAR	TOTAL	DEPRECIATION FOR THE YEAR	W.D.V AS ON 31.03.2013
Computer Hardware	-	5,064	5,064	1,519	3,545
Computer Software	1,578	-	1,578	947	631
TOTAL	1,578	5,064	6,642	2,466	4,176

for India Literacy Project




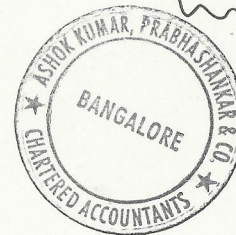
Mr. Pramod Sridharamurthy

Place: Bangalore
Date: 27.06.2013



Mr. H.S. Sudhira

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