

AITHAL ASSOCIATES

CHARTERED ACCOUNTANTS

79/2, "JALADEV", Opp. Jain temple, 3rd Main, 3rd Block, Thyagaraja Nagar, Bangalore - 560 028

Phone: 080-26771427, 26771428, 2678956 Mobile: 9448071136.

Email : csaithal@hotmail.com

FORM NO. 10B

[See Rule 17B]

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 **SWASTI** as at 31st March 2011 and the Income and Expenditure account for the year ended on that date which are in agreement with the books of account maintained by the said Trust.

We have obtained all the information and explanations, 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 of the above-named trust visited by us so far as appears from our examination of the books subject to the comments given below: -

In our opinion and to 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 2011 and
- (ii) In the case of the Income and Expenditure account, of the Excess of income over expenditure for the year ended on 31st March 2011.

The prescribed particulars are annexed hereto

Place **Bangalore**

Date **20th September 2011**

for **AITHAL ASSOCIATES**

CHARTERED ACCOUNTANTS



CA CHANDRA SHEKHAR AITHAL B

Proprietor

M NO.205102

FRN : 007956S

**ANNEXURE
STATEMENT OF PARTICULARS**

1. 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.	6,00,98,048/-
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	1,44,38,104/-
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 /in part only for such purposes.	1,31,53,439/-
4.	Amount of income eligible for exemption under section 11(1)(c) [Give details]	Nil
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)	Nil
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.	Not applicable
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: -	
	(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.	Refer Annexure - A
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. Investment 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 and class of shares held	Nominal value of the investment	Income from the investment	Whether the amount in Col. 4 exceeded 5% of the capital of the concern during the previous year-say. Yes/No
1	2	3	4	5	6
---	---	Not Applicable	---	---	---
Total			NIL	NIL	

Place **Bangalore**
Date **20th September 2011**



for **AITHAL ASSOCIATES**
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Annexure – A : Payments to persons referred to in Sec: 13(3) of Income Tax Act, 1961

Sl. No.	Name of the Party	Nature of Relationship	Nature of Transaction	Amount in Rs
1	2	3	4	5
1	Catalyst Management Services P Ltd	Company in which members of governing board has substantial interest	Professional Charges and reimbursement of expenses	1,00,12,634/-



SWASTI				
19,1st main, 1st Cross, Ashwath Nagar, Bangalore- 560094				
BALANCE SHEET AS AT 31st MARCH 2011				
Particulars	Sch	Amount (in Rs.)		Amount (in Rs.)
		31-Mar-11		31-Mar-10
SOURCES OF FUNDS				
General Reserve				
Opening Balance			9,395,057	6,653,111
Surplus for the year			280,008	2,741,946
Secured Loan from BOI			-	1,350,000
Total			9,675,065	10,745,057
APPLICATION OF FUNDS				
Fixed Assets	1		485,674	539,638
Current Assets, Loans and Advances	2	57,386,594		35,432,934
Less : Current liabilities and Provisions	3	48,197,202		25,227,515
Net working capital (2-3)			9,189,391	10,205,419
Total			9,675,065	10,745,057

Schedules 1 to 11 forming part of financial statements

For Swasti



Siddhi Mankad
Secretary



R. Mohan
Treasurer



Date: 20th September 2011

Place : Bangalore.

Refer to Our report of even date

for AITHAL ASSOCIATES
CHARTERED ACCOUNTANTS





CA CHANDRA SHEKHAR AITHAL B
Proprietor
M NO.205102

SWASTI			
19,1st main, 1st Cross, Ashwath Nagar, Bangalore- 560094			
INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2011			
REVENUE	Sch	Amount (in Rs.) 31-Mar-11	Amount (in Rs.) 31-Mar-10
Work Implementation Receipts		-	18,328,130
Grant Received	4	58,071,275	18,964,970
Social Development Charges	5	7,479,051	12,726,850
Other Income:	6	933,572	273,027
Total Income		66,483,898	50,292,977
EXPENDITURE	Sch	Amount (in Rs.) 31-Mar-11	Amount (in Rs.) 31-Mar-10
Work Implementation Project Expenses		-	17,082,946
Grant Project Expenses	7	55,369,038	18,409,028
Administrative expenses	8	1,667,524	2,548,457
Expenses on Employment	9	1,764,617	1,489,642
Social Development Expenses	10	7,348,747	7,960,999
Depreciation	1	53,964	59,960
Total Expenditure		66,203,890	47,551,032
Excess of Income Over Expenditure (Surplus)		280,008	2,741,945

Schedules 1 to 11 forming part of financial statements

For Swasti


Siddhi Mankad
Secretary

R. Mohan



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SWASTI
19,1st main, 1st Cross, Ashwath Nagar, Bangalore- 560094

SCHEDULE 1 : FIXED ASSETS

Asset particulars	Gross Block			Depreciation Block			Net Block- WDV	
	As on 01.04.10	Additions	Deletions	As on 31.03.11 01.04.10	Rate of DEPN	For the year	As on 31.03.11	As on 31.03.10 31.03.11
Air Conditioner	54,878	-	-	22,752	10%	3,213	25,965	32,126 28,913
Office Equipments	442,684	-	-	96,167	10%	34,652	130,819	346,517 311,865
Furniture and fixtures	214,303	-	-	53,308	10%	16,100	69,408	160,995 144,896
Total Assets	711,865	-	-	172,227	-	53,964	226,191	539,638 485,674

Schedules 1 to 11 forming part of financial statements

For Swasti

Siddhi Mankad

Secretary

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Proprietor
M NO.205 102



SWASTI			
SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2011			
Sch No 2.	CURRENT ASSETS, LOANS AND ADVANCES		
	Particulars	Amount in Rs as on 31st March 2011	Amount in Rs as on 31st March 2010
	Cash and Bank balances:		
	Cash in Hand	5,468	5,215.00
	Balances in Bank	9,566,845	7,605,901.00
	Fixed Deposit in Nationalised Bank	29,985,104	6,485,104.00
	Sub Total- Cash and Bank	39,557,417	14,096,220
	Accounts Receivables	11,915,383	16,336,700.00
	Advances and Deposits		
	Staff advances	746,751	104,176.00
	Advance others	1,181,426	1,014,456.00
	Deposits	1,968,115	1,447,095.00
	Tax Deducted At Source	1,703,831	2,254,050.00
	Accrued Interest	313,671	180,237.00
	Sub Total- Advances and Deposits	5,913,794	5,000,014
	Grand Total	57,386,594	35,432,934

Sch No.3	CURRENT LIABILITIES AND PROVISIONS		
	Particulars	Amount in Rs as on 31st March 2011	Amount in Rs as on 31st March 2010
	Advance received for Programmes	25,638,490	8,720,681
	Sundry Creditors	9,536,516	6,605,043
	Expenses and Salary payable	12,870,411	9,620,783
	Credit balance in Staff Advance	151,786	203,800
	Others	-	77,208
	Total	48,197,202	25,227,515

Schedules 1 to 11 forming part of financial statements

For Swasti

Siddhi Mankad
Secretary

R.Mohan
Treasurer

Date: 20th September 2011
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SWASTI
SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31.03.2011

SCHEDULES- INCOME AND EXPENDITURE

Sch No.4	Grant Received	As on 31st March 2011
	Grant received in local Currency Comprehensive HIV district programme-Link Workers Scheme in the district of Raichur	3,005,003
	Total	3,005,003
	Grant Received in FC Grant receipt from Action Research and Implementation programme Grant receipt from Learning Systems	51,692,337 3,373,935
	Total	55,066,272
	Total Grant Received	58,071,275

Sch No.5	Social Development Charges received	As on 31st March 2011
	United Nations Children's Fund-(UNICEF-DSA-TS)	1,375,192
	UNAIDS- Nepal (UNAIDS-UN-Nepal)	789,887
	Action AID TSF-(TSF-NCASC-FM-Trg)	503,522
	Action AID/TSF- (TSF-PSI-R9-WS)	124,386
	International Centre for Research on Women-ICRW-IPV Toolkit	193,394
	Karnataka State Aids Prevention Society-(KSAPS-JAT)	44,000
	United Nation Development Programme- (UNDP-CB-HIV)	825,213
	PACE- (PACE-TECH-CSR)	27,000
	The National AIDS Control Organisation-(NACO-CB-)	991,064
	Vrutti	65,277
	United Nations Children's Fund-(UNICEF-TS-61- District)	2,540,116
	Total	7,479,051

Sch No.6	Other Income	As on 31st March 2011
	Bank Interest-Local	170,710
	Bank Interest-FC	648,767
	Interest on IT	82,840
	Exchange Gain	1,255
	Registration charges received	28,000
	Donation Received	2,000
	Total	933,572

EXPENSES SCHEDULES

Sch No.7	Grant Project Expenses Schedule	As on 31st March 2011
	Grant project Expenses-Local Comprehensive HIV district programme-Link Workers Scheme in the district of Raichur	3,005,003
	Total	3,005,003
	Grant Project Expenses FC Grant expenses for Action Research and Implementation programme Grant project Expenses for Learning Systems	49,696,012 2,668,023
	Total	52,364,035
	Total Grant Expenses	55,369,038



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Sch 8	Swasti Admin Expenses	As on 31st March 2011
	Administration Expenses	427,854
	Training and workshop	365,890
	Board meeting	28,880
	Professional fees	348,142
	Rates and taxes	3,453
	Bank charges	700
	Recruitment Cost	16,880
	Audit fees	35,000
	Telephone and fax	287,062
	Travel and Conveyance	99,653
	Societies registration fees	54,010
	Total Adminsitrative expenses	1,667,524

Sch 9	Social Development Expenses	As on 31st March 2011
	Project Expenses	1,708,887
	Technical support for Social Development Charges	5,639,860
	Total Social Development Expenses	7,348,747

Sch 10	Expenses on Employment	As on 31st March 2011
	Insurances-Staff	202,679
	Meeting expenses	9,866
	Salaries for other staff	893,241
	Salaries for SSS staff	581,941
	Staff welfare expenses	68,840
	Stipend	8,050
	Total Expenses on Employment	1,764,617

For Swasti

Siddhi Mankad
Secretary

R.Mohan
Treasurer



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Proprietor
M NO.205 102

Date: 20th September 2011
Place : Bangalore.

SWASTI					
#19,1st Main,1st Cross, Ashwath Nagar,Bangalore.					
Receipts and Payment Account for the year ended 31st March 2011					
Receipts		Amount	Payments		Amount
Opening Balances			Application of Money		
Cash	5,215		Grant Project Expenses	49,329,071	
Balance in Bank	7,605,901		Administrative expenses	1,526,391	
Fixed deposit with Bank of India	6,485,104	14,096,220	Expenses on Employment	1,841,825	
Bank Interest received	686,043	686,043	Social Development Expenses	7,400,761	
Donation received	2,000	2,000	Infrastructure Expenses	-	
Grant received during the year	75,899,234	75,899,234	Deposit and Advances	780,346	
Secured loan from BOI		-	Repayment of bank Loan	1,350,000	62,228,393
Social development charges received	10,990,218	10,990,218			
Other income received	112,095	112,095	Closing Balances		
			Cash	5,468	
			Bank	9,566,845	
			Fixed deposit with Bank of India	29,985,104	39,557,417
Total		101,785,810	Total		101,785,810
<div> <div> <p>For Swasti</p> <p><i>Siddhi Mankad</i></p> <p>Siddhi Mankad Secretary</p> <p><i>R.Mohan</i></p> <p>R.Mohan Treasurer</p> <p>Date: 20th September 2011</p> <p>Place: Bangalore</p> </div> <div> <p>Refer to Our report of even date</p> <p>for AITHAL ASSOCIATES CHARTERED ACCOUNTANTS</p> <p><i>CA CHANDRA SHEKHAR AITHAL B</i></p> <p>CA CHANDRA SHEKHAR AITHAL B Proprietor</p> <p>M NO.205 102</p> </div> </div>					

SCHEDULE 11 : **NOTES TO ACCOUNTS & SIGNIFICANT ACCOUNTING
POLICIES FORMING PART OF FINANCIAL STATEMENTS**

1. The Society has commenced with effect from 15th May, 2004. It has been registered with Registrar of Societies, Bangalore District under Karnataka Societies Registration Act 1960 vide registration no. 134: 2004-05 dated 15.05.2004.
2. The Financial Accounts are prepared on historical cost convention.
3. Method of Accounting: Mercantile Method of Accounting is followed.
4. The financial statements are prepared in accordance with the applicable accounting Standards.
5. The Fixed Assets are stated at cost less depreciation charged for the year. Depreciation is calculated @10% p.a, under WDV Method. However, assets purchased out of specific grant receipts for implementing the project have been expensed off during the year of purchase itself.
6. The revenue has been recognized as follows:
 - a) in case of Grant Received (Restricted Fund): To the extent of expenses incurred during the year and agreed percentage towards management cost.
 - b) in case of Social Development Charges : It is charged based on certain pre-determined costs of the society and the income is recognised on completion of activity.
 - c) in case of Bank Interest : on accrual basis.
7. The Society has been registered u/s 12AA(1)(b)(i) of the Income Tax Act, 1961 vide letter No.DIT(E)/12A/Vol.III/S-1453/W-2/2004-05 dt. 08.02.2005 of Director Income Tax (Exemptions). The society has also been recognised u/s. 80G of Income Tax Act, 1961 vide Letter No :DIT (E)/80G(R) /475/W-2/2006-07 dt. 14.08.2006 of Director of Income Tax (Exemptions) for the period 01.04.2006 to 31.03.2009. This has been renewed vide Letter No: DIT(E)BLR/80G(R)/164/AABAS4743A/ITO(E)-3/Vol 2009-2010 dt.05.08.2009 of Director of Income Tax (Exemptions) for the period from Assessment year 2010-11 to 2012-13.
8. No Provision for gratuity has been made during the year.
- 9 Effect of foreign currency translation:
 - Foreign currency transactions are recorded using the exchange rates prevailing on the dates of the respective transactions.
 - All Foreign currency denominated monetary assets and liabilities are translated at the exchange rates prevailing on the balance sheet date. The resultant net exchange differences are recognized in the Income and Expenditure account and disclosed separately
10. Employees Provident Fund , ESI are not applicable to the Society.
11. Contingent Liabilities
Rs 9,99,762 worth of bank guarantee given to Ministry of Health & family Welfare as performance Security

For Swasti
Siddhi Mankad
Secretary



R.Mohan
Treasurer



Refer to Our report of even date

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