



AUDITOR'S REPORT

We have audited the attached Balance Sheet of **DEVELOPMENT FOCUS, No.917, 9th B Main, 3rd Cross, Kalyan Nagar, BANGALORE – 560 043** as at 31st March 2012 and also the Income and Expenditure Account and Receipts and Payment Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Trust'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. 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 disclosure 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 and report that:

1. We have obtained all the necessary information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
2. In our opinion, proper books of accounts have been kept by the Trust, so far, as appears from our examination of the books;
3. The Balance Sheet, and the Income and Expenditure Account and the Receipts and Payments dealt with by this report are in agreement with the books of account.
4. In our opinion and to the best of our information and according to the explanations given to us, the accounts give the relevant information required and give a true and fair view: -
 - (a) In the case of the Balance Sheet, of the state of affairs of the Trust as at 31st March 2012.
 - (b) In the case of the Income and Expenditure Account, of the excess of the income over expenditure for the year ended on 31st March 2012.
 - (c) In the case of Receipts and Payments of the Receipts and Payments for the year ended on 31st March 2012.

For R.K. Khanna & Associates
Chartered Accountants

(S. Manju George)
Partner



Place: Bangalore
Date: 6th June 2012

DEVELOPMENT FOCUS
BALANCE SHEET AS AT 31ST MARCH 2012

	Rupees	Rupees
<u>SOURCES OF FUNDS:</u>		
GENERAL FUND		
As per Last Balance Sheet..	2,19,99,662.76	
Transfer from Endowment fund	-	
Excess of Income over Expenditure transferred from Income & Expenditure Account...	4,92,641.73	2,24,92,304.49
ENDOWMENT FUND		1,29,322.00
DEPRECIATION FUND		10,74,000.00
STAFF WELFARE FUND		15,605.00
		2,37,11,231.49
<u>APPLICATION OF FUNDS:</u>		
FIXED ASSETS		
Per Schedule "A"		14,15,568.43
INVESTMENTS		
Endowment Fund...	1,62,289.46	
General Fund...	1,71,81,365.00	
Depreciaton Fund...	8,00,000.00	1,81,43,654.46
CURRENT ASSETS		
Deposits...	2,03,000.00	
Loans and Advances...	2,06,828.50	
Cash and bank Balances...	39,57,517.10	
CURRENT LIABILITIES		
Current Liabilities...	2,15,337.00	
NET CURRENT ASSETS		41,52,008.60
		2,37,11,231.49
ACCOUNTING POLICY...SCHEDULE 'B'		

Schedules A and B form part of this Balance Sheet...
Per our report of even date attached...

For R.K.KHANNA & ASSOCIATES
Chartered Accountants

S. Manju George

(S. MANJU GEORGE)
Partner



Bangalore

Date : 6th June 2012

For DEVELOPMENT FOCUS

Thomas Paul

(THOMAS PAUL)
Managing Trustee

G. Gladys Sumithra

(DR. D. GLADYS SUMITHRA)
Trustee

DEVELOPMENT FOCUS

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2012

	For the year ended 31-03-2012	
	Rupees	Rupees
INCOME:		
Donations ...	2,27,97,221.88	
Small Funding Project...	3,43,667.00	
Interest Income...	18,57,368.35	
Capital gain on redemption of Mutual Fund...	-	
Others Income...	1,245.00	2,49,99,502.23
		2,49,99,502.23
EXPENDITURE :		
Skills Training		
Direct Poverty Reduction...	8,38,967.00	
Strengthening Civil Society...	4,37,547.00	
Lobby and Advocacy....	1,299.00	
Administration Cost....	2,23,517.00	15,01,330.00
Capacity Building		
Direct Poverty Reduction...	4,70,927.50	
Strengthening Civil Society...	8,69,904.00	
Lobby and Advocacy....	3,581.00	13,44,412.50
Project Monitoring Expenses		
Direct Poverty Reduction...	34,19,411.00	
Strengthening Civil Society...	9,17,859.00	
Lobby and Advocacy....	11,59,526.00	
Administration Cost....	8,92,714.00	63,89,510.00
Direct Project Support		
Mulnivasi Shikhya Jyothi....	4,84,380.00	
Cluster Programmes....	1,36,00,623.00	
"World Teacher" Programme...	7,14,677.00	1,47,99,680.00
preciation...	2,31,928.00	2,31,928.00
		2,42,66,860.50
Appropriation to Depreciation Fund...		2,40,000.00
Excess of Income over Expenditure carried to General Fund....		4,92,641.73

ACCOUNTING POLICY...SCHEDULE 'B'

Schedule B forms part of this Income and Expenditure Account...

Per our report of even date attached...

For **R.K.KHANNA & ASSOCIATES**

Chartered Accountants



(S. MANJU GEORGE)

Partner

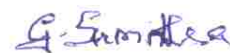


For **DEVELOPMENT FOCUS**



(THOMAS PAUL)

Managing Trustee



(DR. D. GLADYS SUMITHRA)

Trustee

Bangalore

Date : 6th June 2012

DEVELOPMENT FOCUS

RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR
ENDED 31ST MARCH 2012

	For the Year ended 31-03-2012	
	Rupees	Rupees
OPENING BALANCES :		
Cash on Hand...	18,559.58	
Cash at Bank...	64,59,081.29	64,77,640.87
DONATIONS...		2,27,97,221.88
SMALL FUNDING PROJECT...		3,43,667.00
INTEREST INCOME...		18,57,368.35
OTHER INCOME		1,245.00
CURRENT LIABILITIES		
Deducted During the year...	3,00,971.00	
Paid During the year...	(2,98,390.00)	2,581.00
AFF WELFARE FUND		
Deducted During the year...	2,69,273.00	
Paid During the year...	(2,53,550.00)	15,723.00
TOTAL		3,14,95,447.10
<u>PAYMENTS:</u>		
<u>DIRECT EXPENSES</u>		
Catalis		
Direct Poverty Reduction...	8,38,967.00	
Strengthening Civil Society...	4,37,547.00	
Lobby and Advocacy....	1,299.00	
Administration Cost....	2,23,517.00	15,01,330.00
Capacity Building		
Direct Poverty Reduction...	4,70,927.50	
Strengthening Civil Society...	8,69,904.00	
Lobby and Advocacy....	3,581.00	13,44,412.50
Project Monitoring Expenses		
Direct Poverty Reduction...	34,19,411.00	
Strengthening Civil Society...	9,17,859.00	
Lobby and Advocacy....	11,59,526.00	
Administration Cost....	8,92,714.00	63,89,510.00
Direct Project Support		
Mulnivasi Shikhya Jyothi....	4,84,380.00	
Cluster Programmes....	1,36,00,623.00	
" World Teacher" Programme...	7,14,677.00	1,47,99,680.00
C/F		2,40,34,932.50



B/F		2,40,34,932.50
FIXED ASSETS		
Computer & Software...	32,000.00	
Equipment....	(31,820.00)	180.00
LOANS AND ADVANCES		
Received during the year...	(22,67,413.00)	
Paid during the year...	20,88,865.50	(1,78,547.50)
INVESTMENT		
Deducted During the year...	(1,35,00,000.00)	
Paid During the year...	1,71,81,365.00	36,81,365.00
CLOSING BALANCES		
Cash in Hand	3,463.58	
Cash at Bank	39,54,053.52	39,57,517.10
TOTAL		3,14,95,447.10

ACCOUNTING POLICY...SCHEDULE 'B'

Schedules B forms part of this Receipts and Payments...
Per our report of even date attached...

For **R.K.KHANNA & ASSOCIATES**

Chartered Accountants

S. Manju George

(S. MANJU GEORGE)

Partner



Bangalore

Date : 6th June 2012

For **DEVELOPMENT FOCUS**

Thomas Paul

(THOMAS PAUL)

Managing Trustee

Dr. D. Gladys Sumithra

(DR. D. GLADYS SUMITHRA)

Trustee

SCHEDULES FORMING PART OF STATEMENT OF ACCOUNTS

**SCHEDULE A:
FIXED ASSETS**

Description	Rate	WDV as on 01.04.11 Rs.	Additions During the period Rs.	Deletion During the period Rs.	Total Rs.	Depreciation for the period Rs.	WDV as on 31.03.12 Rs.
Skills Training							
Furniture	10%	58,789.15	-	-	58,789.15	5,878.92	52,910.24
Office Equipments	15%	71,000.57	1,150.00	-	72,150.57	10,822.59	61,327.98
Temporary Building	15%	80,828.74	-	-	80,828.74	12,124.31	68,704.43
Computers	60%	977.28	1,700.00	-	2,677.28	1,606.37	1,070.91
Vehicles	15%	4,31,236.22	-	-	4,31,236.22	64,685.43	3,66,550.79
Tools	15%	30,092.13	-	-	30,092.13	4,513.82	25,578.31
Land		2,00,000.00	-	-	2,00,000.00	-	2,00,000.00
Administration							
Furniture & Fixtures	10%	67,585.82	-	36,000.00	31,585.82	3,158.58	28,427.24
Office Equipments	15%	3,44,290.84	730.00	-	3,45,020.84	51,753.13	2,93,267.72
Computers	60%	7,661.13	32,600.00	-	40,261.13	24,156.68	16,104.45
Vehicle	15%	3,54,854.56	-	-	3,54,854.56	53,228.18	3,01,626.38
TOTAL.....		16,47,316.43	36,180.00	36,000.00	16,47,496.43	2,31,928.00	14,15,568.43

SCHEDULE B

ACCOUNTING POLICY FOR THE PERIOD ENDED 31ST DECEMBER 2012

a) Background

Development Focus is a Trust registered on 1st March 2006 to promote education and training in skill formation among children and the poorer sections of society.

b) Method of Accounting

The Trust is maintaining accounts on the accrual basis and recognises income and expenditure on accrual basis.

c) Investments

Investments are valued at cost.

d) Fixed Assets

Fixed Assets are stated at cost of acquisition less depreciation upto the current financial year.

e) Depreciation

Depreciation has been provided on the written down value method at the rates prescribed in the Income Tax Act, 1961.

Signatures to Schedules 'A' and 'B'

R.K. KHANNA & ASSOCIATES

Chartered Accountants



(S. MANJU GEORGE)

Partner

Bangalore

Date : 6th June 2012



For DEVELOPMENT FOCUS



(THOMAS PAUL)

Managing Trustee



(DR. D. GLADYS SUMITHRA)

Trustee