



**INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS**

To,

The Members of  
M/S. COMMUNITY RECONSTRUCTION OF SOCIAL SERVICE

**Report on the Financial Statements:**

We have audited the accompanying financial statements of **M/S. COMMUNITY RECONSTRUCTION OF SOCIAL SERVICE**, Velkur Village & Post, G.D. Nellore Mandal, Chittoor District - 517 125. A.P. ("the Society"), which comprise the Balance Sheet as at March 31, 2017 vide "**Project: CROSS - FCS BIOGAS**" and the Statement of Income and Expenditure for the year then ended and a summary of significant accounting policies.

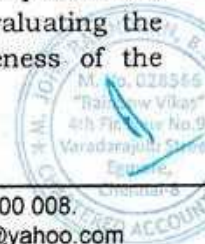
**Management's Responsibility for the Financial Statements:**

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 Society in accordance with the accounting principles generally accepted in India. This responsibility includes the 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 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 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 Society 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 the accounting policies used and the reasonableness of the



accounting estimates made by the 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 aforesaid financial statements give the information in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of Balance Sheet, of the state of affairs of the Society as at March 31,2017, and
- (b) In the case of the Statement of Income and Expenditure, of the Excess of Expenditure over Income for the year ended on that date.

We further report that:

- a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b. In our opinion, proper books of accounts have been kept by the Society so far as appears from the examination of those books.
- c. The Balance Sheet and the statement of Income and Expenditure dealt with by this report are in agreement with the books of accounts.

**For John Ravindran & Co.,  
Chartered Accountants  
(Firm Registration Number. 005833S)**



**M. John Ravindran  
Proprietor  
Membership Number. 028566**

Place: Chennai  
Date: 26.07.2017

**COMMUNITY RECONSTRUCTION OF SOCIAL SERVICE**

Velkur Village, G.D Nellore Mandal 517125

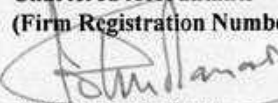
**Project: CROSS-FCS BIOGAS**

**Receipts and Payments account for the year ended 31st March 2017**

Receipts	Amount	Payments	Amount
<b>Opening Balance:</b>		<b>Bio Gas Project Expenses:</b>	
Cash at Bank	1,131.11	Bricks for Bio Gas Plant	64,02,312.00
Advance received from Fair Climate Services Pvt. Ltd	187,60,000.00	Sand for Bio Gas Plant	36,79,020.00
Bank Interest	52,717.00	Hardware for Bio Gas Plant	19,62,876.00
<b>Loans and Advances:</b>		Jelly for Bio Gas Plant	6,12,330.00
TDS Deducted	3,500.00	Stones for Bio Gas Plant	3,23,072.00
		Gobar Filling for Bio Gas Plant	1,38,000.00
		Biogas Kits	80,493.00
		Revalidation Fee	52,732.00
		Village Volunteers Stipends	2,18,250.00
		Fuel and Maintenance of Truck	79,786.00
		Fuel and Maintenance of Motorcycles	2,54,005.00
		Office Running Costs & Administration	1,75,981.00
		Staff Salaries	18,11,732.00
		Staff Family Insurance	92,115.00
		Staff Welfare	31,774.00
		Audit Fees	35,000.00
		Bank Charges	3,767.32
		<b>Fixed Assets</b>	
		Motor Cycle	1,23,700.00
		Camera	13,000.00
		GPS Machine	9,700.00
		Tubular Batteries	68,000.00
		<b>Loans and Advances:</b>	
		Advance repiad ADATS	13,60,000.00
		Excavation advance	12,77,500.00
		Rental Advance	6,000.00
		TDS Paid	3,500.00
		<b>Closing Balance:</b>	
		Cash in Hand	132.00
		Cash at Bank	2,570.79
<b>Total</b>	<b>188,17,348.11</b>	<b>Total</b>	<b>188,17,348.11</b>

REFERRED TO IN MY REPORT OF EVEN DATE

For John Ravindran & Co.,  
Chartered Accountants  
(Firm Registration Number. 005833S)

  
M. John Ravindran  
Proprietor  
(Membership No. 028566)



Place: Chennai  
Date: 26.07.2017

**COMMUNITY RECONSTRUCTION OF SOCIAL SERVICE**

Velkur Village, G.D Nellore Mandal 517125

Project: CROSS-FCS BIOGAS

Income and Expenditure account for the year ended 31st March 2017

Expenditure	Amount	Income	Amount
<b>Bio Gas Project Expenses:</b>		Bank Interest	52,717.00
Bricks for Bio Gas Plant	64,02,312.00	Excess of Expenditure over Income	159,97,891.66
Sand for Bio Gas Plant	36,79,020.00		
Hardware for Bio Gas Plant	19,62,876.00		
Jelly for Bio Gas Plant	6,12,330.00		
Stones for Bio Gas Plant	3,23,072.00		
Gobar Filling for Bio Gas Plant	1,38,000.00		
Biogas Kits	80,493.00		
Revalidation Fee	52,732.00		
Village Volunteers Stipends	2,18,250.00		
Fuel and Maintenance of Truck	79,786.00		
Fuel and Maintenance of Motorcycles	2,54,005.00		
Office Running Costs & Administration	1,75,981.00		
Staff Salaries	18,11,732.00		
Staff Family Insurance	92,115.00		
Staff Welfare	31,774.00		
Audit Fees	35,000.00		
Bank Charges	3,767.32		
Depreciation	97,363.34		
<b>Total</b>	<b>160,50,608.66</b>	<b>Total</b>	<b>160,50,608.66</b>

REFERRED TO IN MY REPORT OF EVEN DATE

For John Ravindran &amp; Co.,

Chartered Accountants

(Firm Registration Number. 005833S)

M. John Ravindran

Proprietor

(Membership No. 028566)

Place: Chennai

Date: 26.07.2017



**COMMUNITY RECONSTRUCTION OF SOCIAL SERVICE**

Velkur Village, G.D Nellore Mandal 517125

Project: **CROSS-FCS BIOGAS**

**Balance Sheet as at 31st March 2017**

Value as at 31-Mar-16	Liabilities	Value as at 31-Mar-17	Assets	Value as at 31-Mar-17
	<b>GENERAL FUND</b>		<b>FIXED ASSETS</b>	5,14,841.56
	Less : Excess of Expenses	(191,92,064.00)	(as per Schedule)	
		159,97,891.66	<b>CURRENT ASSETS</b>	12,77,500.00
	<b>LOANS AND LIABILITY</b>	<u>(351,89,955.66)</u>	Excavation advance	14,000.00
182,50,000.00	Advance received from Fair		Advance Paid to Staff	11,000.00
	Climate Services Pvt. Ltd		Rental Advance	132.00
			Cash in Hand	2,570.79
13,60,000.00	<b>CURRENT LIABILITIES</b>		Cash at Bank	
	Advance from ADATS, Bagepalli		<b>MISCELLANEOUS EXPENDITURE</b>	
			Excess of Expenditure	351,89,955.66
<b>196,10,000.00</b>	<b>TOTAL</b>	<b>370,10,000.00</b>	<b>TOTAL</b>	<b>370,10,000.00</b>

REFERRED TO IN MY REPORT OF EVEN DATE

FOR JOHN RAVINDRAN & CO.,

Chartered Accountants

(Firm Registration Number: 005833S)

*(Signature)*

M. John Ravindran

Proprietor

(Membership No. 028566)

Place: Chennai.

Date: 26.07.2017



*(Signature)*

# COMMUNITY RECONSTRUCTION OF SOCIAL SERVICE

Velkur Village, G.D Nellore Mandal 517125

Project: CROSS-FCS BIOGAS

## Schedule: Fixed Assets:

Sl. No.	Name of the Assets	Rate of Depn	Value as on 31.03.2016	Additions		Total	Depreciation	WDV as on 31.03.2017
				> 182 Days	< 182 Days			
1	Motor Cycles	15%	3,25,948.61	1,23,700.00		4,49,648.61	67,447.29	3,82,201.32
2	Camera	15%	10,590.79	13,000.00		23,590.79	3,538.62	20,052.16
3	Hard Disk	60%	960.00			960.00	576.00	384.00
4	Furniture	10%	27,588.00			27,588.00	2,758.80	24,829.20
5	UPS	60%	14,400.00			14,400.00	8,640.00	5,760.00
6	D Link Wifi Modem	15%	2,167.50			2,167.50	325.13	1,842.38
7	Stabilizer	15%	16,150.00			16,150.00	2,422.50	13,727.50
8	Tubular Batteries	15%		68,000.00		68,000.00	10,200.00	57,800.00
9	GPS Machine	15%		9,700.00		9,700.00	1,455.00	8,245.00
<b>TOTAL</b>			<b>3,97,804.90</b>	<b>2,14,400.00</b>	<b>-</b>	<b>6,12,204.90</b>	<b>97,363.34</b>	<b>5,14,841.56</b>



## NOTES TO BALANCE SHEETS AND INCOME AND EXPENDITURE

### Significant Accounting Policies:

#### a. Basis of accounting and Preparation of Financial Statement :

The Financial Statements are prepared under historical cost convention on accrual basis of accounting complying in all material aspects with applicable Accounting Principles and the Accounting Standard generally accepted in India.

#### b. Revenue Recognition:

Income is recognized on cash basis.

1. All donations are recognized as income and accounted on receipt of donations
2. Government grant is recognized on accrual basis.
3. CROSS is helping the community with construction of bio gas units for reduction of Carbon Emission. Income will be recognized on certification from UNFCC certified DOE on Carbon Emission Reduction (CER). Completed Bio gas units till 31.03.2017 is 1857.

#### c. Fixed Assets

Fixed assets are stated at their historical cost of acquisition or construction, less accumulated depreciation. Cost includes all cost incurred to bring the asset to their working condition and location.

#### d. Employee Benefits:

Financial Statements are prepared on cash basis. Retirement benefits to employees will be recognized and accounted in the year they arise.