



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, 2016 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 31,2016, 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: 12.07.2016

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 2016

Receipts	Amount	Payments	Amount
Opening Balance:		Bio Gas Project Expenses:	
Cash at Bank	13,64,923.15	Excavation for Bio Gas Plant	4,12,300.00
Advance received from Fair Climate Services Pvt. Ltd	79,00,000.00	Bricks for Bio Gas Plant	32,00,160.00
Bank Interest	88,582.00	Sand for Bio Gas Plant	15,91,400.00
		Hardware for Bio Gas Plant	12,10,800.00
		Jelly for Bio Gas Plant	1,70,603.00
		Stones for Bio Gas Plant	1,77,268.00
		Gobar Filling for Bio Gas Plant	5,93,000.00
		Fuel and maintenance of Truck	70,160.00
		Fuel and maintenance of Motorcycles	2,06,390.00
		Office Running Costs & Administration	1,38,221.84
		Staff Salaries	14,54,176.00
		Audit Fees	34,200.00
		Bank Charges	2,105.20
		Fixed Assets	
		Furniture	29,040.00
		UPS	36,000.00
		D Link Wifi Modem	2,550.00
		Stabilizer	19,000.00
		Loans and Advances:	
		Rental Advance	5,000.00
		Closing Balance:	
		Cash at Bank	1,131.11
Total	93,53,505.15	Total	93,53,505.15

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: 12.07.2016



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 2016

Expenditure	Amount	Income	Amount
Bio Gas Project Expenses:		Bank Interest	88,582.00
Excavation for Bio Gas Plant	4,12,300.00	Excess of Expenditure over Income	92,59,315.85
Bricks for Bio Gas Plant	32,00,160.00		
Sand for Bio Gas Plant	15,91,400.00		
Hardware for Bio Gas Plant	12,10,800.00		
Jelly for Bio Gas Plant	1,70,603.00		
Stones for Bio Gas Plant	1,77,268.00		
Gobar Filling for Bio Gas Plant	5,93,000.00		
Fuel and maintenance of Truck	70,160.00		
Fuel and maintenance of Motorcycles	2,06,390.00		
Office Running Costs & Administration	1,38,221.84		
Staff Salaries	14,54,176.00		
Audit Fees	34,200.00		
Bank Charges	2,105.20		
Depreciation	87,113.81		
Total	93,47,897.85	Total	93,47,897.85

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: 12.07.2016

COMMUNITY RECONSTRUCTION OF SOCIAL SERVICE

Velkur Village, G.D Nellore Mandal 517125

Project: CROSS-FCS BIOGAS

Balance Sheet as at 31st March 2016

Value as at 31-Mar-15	Liabilities	Value as at 31-Mar-16	Value as at 31-Mar-15	Assets	Value as at 31-Mar-16
	GENERAL FUND			FIXED ASSETS	
	Less : Excess of Expenses	(99,32,748.15)	3,98,328.70	(as per Schedule)	3,97,804.90
		<u>92,59,315.85</u>		CURRENT ASSETS	
		<u>(191,92,064.00)</u>		Advance Paid to Staff	
	LOANS AND LIABILITY		14,000.00	Rental Advance	14,000.00
103,50,000.00	Advance received from Fair Climate Services Pvt. Ltd	182,50,000.00	13,64,923.15	Cash at Bank	5,000.00
				MISCELLANEOUS EXPENDITURE	1,131.11
	CURRENT LIABILITIES		99,32,748.15	Excess of Expenditure	191,92,064.00
13,60,000.00	Advance from ADATS, Bagepalli	13,60,000.00			
117,10,000.00	TOTAL	196,10,000.00	117,10,000.00	TOTAL	196,10,000.00

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: 12.07.2016



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 31.03.2015	Additions		Total	Depreciation	WDV as on 31.03.2016
				> 182 Days	< 182 Days			
1	Motor Cycles	15%	3,83,468.95			3,83,468.95	57,520.34	3,25,948.61
2	Camera	15%	12,459.75			12,459.75	1,868.96	10,590.79
3	Hard Disk	60%	2,400.00			2,400.00	1,440.00	960.00
4	Furniture	10%			29,040.00	29,040.00	1,452.00	27,588.00
5	UPS	60%		36,000.00		36,000.00	21,600.00	14,400.00
6	D Link Wifi Modem	15%		2,550.00		2,550.00	382.50	2,167.50
7	Stabilizer	15%		19,000.00		19,000.00	2,850.00	16,150.00
TOTAL			3,98,328.70	57,550.00	29,040.00	4,84,918.70	87,113.81	3,97,804.90



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 UNFCCC certified DOE on Carbon Emission Reduction (CER). Completed Bio gas units till 31.03.2016 is 1153.

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.