

AUDITOR'S REPORT

To the Members of
MITRA TECHNOLOGY FOUNDATION

We have audited the attached balance sheet of **MITRA TECHNOLOGY FOUNDATION** as on 31st March 2005 and the statement of Income and Expenditure for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit with 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 misstatements. An audit also includes assessing the accounting principals used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion. We report that:

5. The Manufacturing and Other Companies (Auditor's Report) Order, 1988 issued by the Central Government in terms of section 227(4A) of the Companies Act, 1956 is not applicable to **MITRA TECHNOLOGY FOUNDATION**, as it is a Company licensed to operate under Section 25 of the Companies Act, 1956.
6. (a) We have obtain all the information and explanation which, to the best of our Knowledge and belief were necessary for the purpose of our audit;
- (b) In our opinion, proper books of account as required by law, have been kept by **MITRA TECHNOLOGY FOUNDATION**, so far as appears from our examination of the books;
- © The Balance sheet and the statement of Income and Expenditure dealt with by this report are in agreement with the books of account;

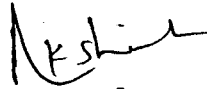
Rahul Nainwal

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- (g) In our opinion, the Balance sheet and the statement of income and expenditure dealt with by this report comply with the Accounting Standards referred to in section 211(3C) of the Companies Act, 1956 to the extent applicable;
- (h) On the basis of the written representation received from the directors, and taken on record by the Board of Directors, we report that none of the directors is disqualified as at March 31, 2004 from being appointed in terms of section 274 (1) (g) of the Companies Act, 1956; and
- (i) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view;
- (j) In the case of the Balance Sheet, of the state of affairs of **MITRA TECHNOLOGY FOUNDATION**, as at 31st March 2005; and
- (ii) In the case of the Statement of Income and Expenditure, of the excess of income over expenditure of **MITRA TECHNOLOGY FOUNDATION** for the year ended on that date.

For R.K.SHARDA & ASSOCIATES
Chartered Accountants


R.K.SHARDA
Prop.



Place: New Delhi
Date:

Rahul Hainwal

Schedule 9: Notes on Accounts

A) **Significant Accounting Policies:**

1. **Accounting convention:**

The financial statements are prepared on the accrual basis under the historical cost convention, in accordance with applicable accounting standards and provisions of the Companies Act, 1956.

2. **Fixed Assets:**

Fixed Assets are recorded at the cost of acquisition including costs related to acquisition and installation.

7. **Depreciation:**

Depreciation has been provided over the useful life on the written down value method on pro-rata basis from the date of purchase upto the date of sale, at rate specified in Schedule XIV to the Companies Act, 1956.

8. **Investments:**

Current Investments are carried at lower of cost and fair value.

B)

1. During the year, the Foundation has received grants of Rs. 65,66,400/- from Volunteers Service Overseas towards voluntary programme. Out of this Rs. 32,43,600/- pertains to next year has been shown as Grant received in Advance.

2. **Contingent Liability:**

Current Year Rs.	Previous Year Rs.
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1) Claims against the company not acknowledged as debts	NIL	NIL
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3. Debt amount to Rs. 56,078/- has been outstanding for a period exceeding six months as on the date of Balance Sheet. The Management has undertaken reasonable steps towards the recovery of the same and is of the opinion that the said debts are doubtful of recovery. No provision has been made for doubtful debts.

4. During the year under review, the Company is eligible for exemption under section 11 of the Income Tax Act'1961 towards its surplus. No provision for income tax is made taking into consideration the same. As a result, no deferred tax asset or liability is created in the books of account, in consideration of Accounting Standards 22 issued by the Institute of chartered Accountants of India.

5. The provisions of paragraph 3, 4C and 4D of part II of schedule VI to the Companies Act'1956 are not applicable to the Company for the year under review.

6. Previous year figures are rearranged and/or regrouped wherever necessary.

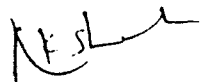
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MITRA Technology Foundation :: New Delhi
Balance Sheet as at March 31, 2005

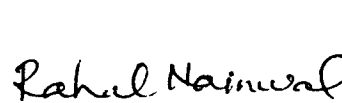
	Schedule	As at 31-Mar-05 (Rupees)	As at 31-Mar-05 (Rupees)	As at 31-Mar-04 (Rupees)	As at 31-Mar-04 (Rupees)
Sources of Funds:					
Share Capital	1		200.00		200.00
Reserve & Surplus	2		2,491,238.38		1,783,245.00
TOTAL:			2,491,438.38		1,783,445.00
Application of Funds:					
<u>Fixed Assets:</u>					
Gross Block	3	985,804.00		489,926.00	
Less: Accumulated Depreciation		<u>474,434.75</u>	511,369.25	<u>235,740.75</u>	254,185.25
Net Block					
<u>Current Assets, Loans and Advances:</u>					
Cash and Bank Balances	4	4,889,802.21		1,946,567.15	
undry Debtors		119,784.08		129,684.00	
Advances Recoverable in Cash or in Kind		281,014.00		189,602.00	
Total Current Assets:		5,290,600.29		2,265,853.15	
Less:					
<u>Current Liabilities and provisions</u>	5	<u>3,323,333.24</u>		<u>752,596.00</u>	
Net Current Asstes			1,967,267.05		1,513,257.15
<u>Miscellaneous Expenditure to the extent not written off:</u>					
Preliminary Expenses			12,802.08		16,002.60
TOTAL:			2,491,438.38		1,783,445.00
Notes to the Accounts	9				

As per our Report of even date
For R.K.SHARDA & ASSOCIATES
 Chartered Accountants


R.K.SHARDA
 Prop.



For MITRA TECHNOLOGY FOUNDATION


Rahul Nainwal
 Director


Director


Place: New Delhi
 Date:

MITRA Technology Foundation :: New Delhi
Statement of Income and Expenditure Account for the period ended on March 31, 2005

	Schedule	Amount (Rs.) For the year 01.04.2004 to 31.03.2005	Amount (Rs.) For the year 01.04.2003 to 31.03.2004
<u>Income:</u>			
Revenue Grant		6,345,265.00	2,929,505.00
Fees on Consultancy Services		219,219.65	219,921.00
Other Income	6	188,195.35	99,469.00
TOTAL:		6,752,680.00	3,248,895.00
<u>Expenditure:</u>			
Project Expenses	7	2,976,276.00	826,793.00
Technical Expenses		46,500.00	15,323.00
Administrative and other expenses	8	1,958,216.62	1,439,559.95
Directors Remuneration		825,000.00	525,000.00
Depreciation		238,694.00	128,702.00
TOTAL:		6,044,686.62	2,935,377.95
Surplus of Income over expenditure		707,993.38	1,101,161.95
Notes to the Accounts	9		

As per our Report of even date
For R.K.SHARDA & ASSOCIATES
 Chartered Accountants

For MITRA TECHNOLOGY FOUNDATION


R.K.SHARDA
 Prop.




Rahul Nathwal
 Director


 Director

Place: New Delhi
 Date: -

Schedule 1 : Share Capital

	<u>For the year ended 31.03.2005</u>	<u>For the year ended 31.03.2004</u>
<u>Authorised</u>		
1,00,000 Equity Shares of Rs. 10/- each	<u>100,000.00</u>	<u>100,000.00</u>
<u>Issued, Subscribed and Paid Up</u>		
200 Equity Shares of Rs. 10/- each fully paid up	<u>200.00</u>	<u>200.00</u>
Total	<u>200.00</u>	<u>200.00</u>

Schedule 2 : Reserve and Surplus

	<u>For the year ended 31.03.2005</u>	<u>For the year ended 31.03.2004</u>
<u>Income & Expenditure Account</u>		
Balance as on 01.04.2004	1,783,245.00	1,469,727.95
Add:		
Surplus over expenditure for the year	707,993.38	313,517.05
Total	<u>2,491,238.38</u>	<u>1,783,245.00</u>

Schedule 4 : Current Assets, Loans & Advances

	<u>For the year ended 31.03.2005</u>	<u>For the year ended 31.03.2005</u>	<u>For the year ended 31.03.2004</u>	<u>For the year ended 31.03.2004</u>
<u>Current Assets:</u>				
<u>Cash and Bank Balances</u>				
Cash in Hand		30,891.75		17,743.25
Balances with Schedule Bank:				
in current accounts	143,907.46		255,678.90	
in deposit accounts	<u>4,715,003.00</u>	<u>4,858,910.46</u>	<u>1,673,145.00</u>	<u>1,928,823.90</u>
Total		<u>4,889,802.21</u>		<u>1,946,567.15</u>
<u>Loans & Advances:</u>				
<u>(Unsecured, Considered good)</u>				
<u>Advances recoverable in cash or in kind or for value to be received:</u>				
Tax Deducted at Source	45,814.00		38,071.00	
Deposit	235,200.00		150,200.00	
Advances to Directors	0.00		0.00	
Prepaid Expenses	<u>0.00</u>		<u>1,331.00</u>	
Total		<u>281,014.00</u>		<u>189,602.00</u>
<u>Sundry Debtors (Unsecured)</u>				
Over Six months	56,078.00		77,465.00	
Others	<u>63,706.08</u>		<u>52,219.00</u>	
Total		<u>119,784.08</u>		<u>129,684.00</u>

Note:

Sundry Debtors include:

Considered Good
Considered Doubtful
Total



63,706.08
56,078.00
119,784.08

52,219.00
77,465.00
129,684.00

Rahul Hainwal

Schedule 5 : Current Liabilities & Provisions

	<u>For the year</u> <u>ended 31.03.2005</u>	<u>For the year</u> <u>ended 31.03.2005</u>	<u>For the year</u> <u>ended 31.03.2004</u>	<u>For the year</u> <u>ended 31.03.2004</u>
Current Liabilities:				
Sundry Creditors for Expenses	38,890.24		21,874.00	
Due to Directors	0.00		0.00	
Expenses Payable	40,843.00		48,257.00	
Advance Grant Received	3,243,600.00		682,465.00	
Provisions	0.00		0.00	
Total		<u>3,323,333.24</u>		<u>752,596.00</u>

Schedule 6 : Other Income

	<u>For the year</u> <u>ended 31.03.2005</u>	<u>For the year</u> <u>ended 31.03.2004</u>
Bank Interest	57,961.00	44,201.00
Misc. Income	130,234.35	55,268.00
Total	<u>188,195.35</u>	<u>99,469.00</u>

Schedule 7 : Project expenses

	<u>For the year</u> <u>ended 31.03.2005</u>	<u>For the year</u> <u>ended 31.03.2004</u>
HIVOS Programme		
Accommodation-Research	0.00	59,666.00
Conveyance - Research Assistant	0.00	45,415.00
Data Collection costs, Books & Reports	0.00	17,978.50
Documentation & Report writing	0.00	37,353.00
Internet costs	0.00	6,390.50
Salary - Lead Research	91,000.00	147,200.00
Salary - Local Research Assistant	25,000.00	116,068.00
Postage & Courier	0.00	8,291.00
Stationary, Xerox etc.	0.00	9,511.00
Telephone/Computer	0.00	9,117.00
Travelling - Research	37,460.00	74,876.00
Workshop	77,960.00	0.00
Bank Charges	0.00	30.00
	<u>231,420.00</u>	
VSO Programme		
Manpower & Organisation Overheads	524,578.00	130,666.00
Travel	314,410.00	90,654.00
Website Hosting & Development Cost	0.00	22,500.00
Postage & Stationary	35,915.00	34,783.00
Communication	79,216.00	4,272.00
Volunteers Selection & Medical Clearance cost	91,374.00	0.00
Training Cost	352,653.00	0.00
Marketing & promotion	180,884.00	0.00
Volunteers Resource Centre	9,286.00	0.00
Volunteers Travel	916,235.00	0.00
Volunteers Grants	222,899.00	0.00
Legal Cost	17,406.00	12,022.00
	<u>2,744,856.00</u>	<u>12,022.00</u>
TOTAL:	<u>2,976,276.00</u>	<u>826,793.00</u>

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Schedule 8 : Administrative & other expenses

**For the year
ended 31.03.2005**

**For the year
ended 31.03.2004**

Auditor's Remuneration:

Audit Fees	20,000.00		10,000.00	
Other Charges	5,500.00		0.00	
Service Tax	<u>3,700.00</u>	29,200.00	<u>800.00</u>	10,800.00
Advertisement & Publicity		20,334.00		1,375.00
Bank Charges		1,591.00		1,166.00
Brokerage & Commission		0.00		34,060.00
Books & Periodicals		2,459.00		1,713.00
Repairs & Maintenance		156,340.00		134,087.70
Electricity Expenses		26,236.00		11,015.00
Entertainment		3,317.00		3,758.00
Insurance Charges		1,331.00		14,669.00
Membership & Subscription		18,569.00		7,335.00
Office Expenses		58,818.25		94,815.00
Postage & Courier		18,345.60		5,973.00
Printing & Stationary		118,002.75		64,869.25
Professional Charges		24,500.00		15,406.00
Preliminary Expenses written off		3,200.52		4,000.70
Rent		160,000.00		159,166.00
Salary		951,132.00		466,252.00
Staff Welfare		26,355.50		16,459.50
Telephone & Communication Charges		159,356.00		112,552.30
Travelling & Conveyance		166,629.00		280,116.50
Bad Debts		12,500.00		0.00
TOTAL:		<u>1,958,216.62</u>		<u>1,439,559.95</u>

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Schedule 3: Fixed Assets

Particulars	Gross Block (At Cost)			Depreciation			Net Block As at 31.03.2005
	Opening Bal. As at 1.4.2004	Addition during the year	As at 31.03.2005	Accumulation Balance on 1.4.2004	Depreciation for the year	As at 31.03.2005	
Computer & Peripherals	380,675.00	230,800.00	611,475.00	205,469.75	162,402.00	367,871.75	243,603.25
Furniture & Fixture	61,376.00	95,378.00	156,754.00	15,839.00	25,506.00	41,345.00	115,409.00
Office Equipment	47,875.00	169,700.00	217,575.00	14,432.00	50,786.00	65,218.00	152,357.00
	489,926.00	495,878.00	985,804.00	235,740.75	238,694.00	474,434.75	511,369.25

Rahul Nainwani



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