

M/s. G. Kanagaraj & Co.
Chartered Accountants

AUDIT REPORT (Pool Fund)

The Project Director,
M/s. Karnataka State AIDS Prevention Society,
No.4/13-1, Crescent Road, High Grounds,
Bangalore-560001.
Madam,

Introductory Paragraph
We have audited the accompanying financial statements of National AIDS Control Project - Phase III (financed under World Bank Credit No. 3242-IN) as of March 31, 2011. Our Responsibility is to express an opinion on these financial statements based on our audit.

Scope Paragraph
We conducted our audit in accordance with Standards on Auditing issued by the Institute of Chartered Accountants of 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 test basis, the evidences supporting the amounts, review of internal controls and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management and as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

Opinion Paragraph

In our opinion, the financial statements, read with observations, if any, give a true and fair view of the Sources and Application of fund and the financial position of Karnataka State AIDS Prevention Society (Regd.), Bangalore for the year ended March 31, 2011 in accordance with consistently applied accounting standards.

In addition, (a) with respect to IFRs, adequate supporting documentations have been maintained to support the IFRs subject to our observations given in the Annexure to this report and the Management Letter.

(b) Expenditures which are eligible for financing under the Credit/Grant Agreement, subject to our observations given in the Annexure to this report and the Management Letter.

(c) Procurement of goods and services had been carried out as per the Procurement Manual issued by NACO, GOI and NGO/CBO guidelines subject to our observations given in the Annexure to this report and the Management Letter.

Place : Chennai-44
Date : 08.11.2011



For M/s. G.KANAGARAJ & Co.,
CHARTERED ACCOUNTANTS,
CA G.KANAGARAJ, B.Com., F.C.A.
PARTNER-M.NO.: 024197
FIRM'S REGN.NO.: 0057035

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Balance Sheet

For The Period From : 01-Apr-2010 To :31-Mar-2011

Figures for the previous Period (Rs.)	LIABILITIES	Schedule Reference	Figures for the current Period (Rs.)	Figures for the previous Period (Rs.)	ASSETS	Schedule Reference	Figures for the current Period (Rs.)
78,377,406.85	GENERAL FUND	01	164,104,905.45	2,552,793.58	FIXED ASSETS	02	3,915,340.58
7,932,680.85	CURRENT LIABILITIES AND PROVISIONS		7,390,384.85	2,739,375.57	CURRENT ASSETS, LOANS AND ADVANCES		
2,552,793.58	CURRENT LIABILITIES	0501	3,915,340.58	83,930,763.13	CURRENT ASSETS	0301	94,300,001.92
360,051.00	FIXED ASSET FUND		360,051.00		LOANS AND ADVANCES	0401	77,555,339.38
	Funds from Other Sources	03					
<u>89,222,932.28</u>			<u>175,770,681.88</u>	<u>89,222,932.28</u>			<u>175,770,681.88</u>

For M/s. G. KANAGARAJ & CO.,
Chartered Accountants,

[Signature]
C.A.G. KANAGARAJ, B.Com., F.C.A.,
SENIOR PARTNER - M.No.: 024197
Firm Regn. No.: 0057035



[Signature]
Project Director
Project Director
I.SAPS, Bangalore.

FC/FM/FO
[Signature]
Joint Director (Finance)
KSAPS, Bengaluru

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General Fund

Schedule 01

Figures in Rupees

Particulars	As at 31-Mar-11 (Rs.)	As at 31-Mar-10 (Rs.)
Opening grant in aid	78,377,406.85	0.00
Add: Received during the year		
Pool Fund - World Bank	0.00	80,930,200.43
Grant from NACO to SACS	277,938,000.00	0.00
Less: Utilised during the year		
Grants utilised to the extent of revenue expenditure	190,847,954.40	0.00
Grants utilised to the extent of fixed asset expenditure	1,362,547.00	2,552,793.58
Closing grant in aid	164,104,905.45	78,377,406.85



M.V. D. Finance
Joint Director (Finance)
KSAPS, Bengaluru

CURRENT ASSETS

Schedule 0301

Figures in Rupees

Particulars	As at 31-Mar-11 (Rs.)	As at 31-Mar-10 (Rs.)
Cash in hand	26,501.00	180.00
Bank 3	94,273,500.92	2,739,195.57
Total	94,300,001.92	2,739,375.57

LOANS AND ADVANCES

Schedule 0401

Figures in Rupees

Particulars	As at 31-Mar-11 (Rs.)	As at 31-Mar-10 (Rs.)
Advance to Others	12,859,551.35	12,860,928.35
Advance to NGOs	29,538,112.29	26,537,521.04
Advance to Staff	4,354,436.02	1,579,223.02
Advance to District Authorities	17,080,836.00	16,731,905.00
Advance to District Hospitals	11,697,556.00	11,442,529.00
Security Deposit (Paid)	2,024,847.72	1,914,847.72
Inter Unit Fund Transfer	0.00	12,863,809.00
Total	77,555,339.38	83,930,763.13



Joint Director of Finance
KSAPS, Bengaluru

CURRENT LIABILITIES

Schedule 0501

Figures in Rupees

Particulars	As at 31-Mar-11 (Rs.)	As at 31-Mar-10 (Rs.)
Employees Contribution to CPF	6,910.00	6,910.00
Other Recoveries	6,926,468.85	6,888,135.85
Security / Earnest Deposit (Received)	268,356.00	293,460.00
TDS (Others)	173.00	660,517.00
TDS (Salary)	188,477.00	83,658.00
Total	7,390,384.85	7,932,680.85

Joint Director (Finance)
KSAPS, Bengaluru



No.4/13-1 Crescent Road High Grounds, Bangalore - 560001

National AIDS Control Project - Phase III

Income And Expenditure Account For The Period From : 01-Apr-2010 To :31-Mar-2011

Figures for the previous Period (Rs.)	EXPENDITURE	Schedule Reference	Figures for the current Period (Rs.)	Figures for the previous Period (Rs.)	INCOME	Schedule Reference	Figures for the current Period (Rs.)
0.00	IEC		46,399,407.50	0.00	Other Income	28	3,563,255.00
0.00	Consultants and Consultancy Services		25,297.00	0.00	Grants utilised to the extent of revenue expenditure		190,847,954.40
0.00	Surveillance		99,841.00				
0.00	Kits and Other Lab Supplies	06	2,065,454.00				
0.00	Training and Workshops	08	16,800,325.00				
0.00	NGO Services	11	54,479,244.75				
0.00	Operational and Other Research	12	3,096,284.00				
0.00	Salary (Pay and Allowances)	13	51,043,174.00				
0.00	Maintenance Costs	14	2,739,080.20				
0.00	Operational Expenses	15	17,663,101.95				
0.00			194,411,209.40	0.00			194,411,209.40

For M/s. G. KANAGARAJ & CO.,
Chartered Accountants,

[Signature]
Project Director
KSAPS, Bangalore

C.A. G. KANAGARAJ, B.Com., F.C.A.,
SENIOR PARTNER - M No.: 024197
Firm Reg. No.: 005703S

[Signature]
Joint Director (Finance)
KSAPS, Bangalore



Schedule 28

Other Income

Particulars	As at 31-Mar-11 (Rs.)	As at 31-Mar-10 (Rs.)
Sale of Bid/Tender Documents	27,900.00	0.00
Other Receipts	686,244.00	0.00
Interest from Bank	2,849,111.00	0.00
Total	3,563,255.00	0.00

Schedule 06

Kits and Other Lab Supplies

Particulars	As at 31-Mar-11 (Rs.)	As at 31-Mar-10 (Rs.)
Other Lab. Supplies	67,369.00	0.00
Consumable Items	1,998,085.00	0.00
Total	2,065,454.00	0.00



Joint Director (Finance)
KSAPS, Bengaluru

Schedule 08

Training and Workshops

Particulars	As at 31-Mar-11 (Rs.)	As at 31-Mar-10 (Rs.)
Training	15,704,617.00	0.00
Campaigns	1,095,708.00	0.00
Total	16,800,325.00	0.00

Schedule 11

NGO Services

Particulars	As at 31-Mar-11 (Rs.)	As at 31-Mar-10 (Rs.)
NGO Services	4,585,215.00	0.00
NGO Services for Priority Interventions	49,894,029.75	0.00
Total	54,479,244.75	0.00

Schedule 12

Operational and Other Research

Particulars	As at 31-Mar-11 (Rs.)	As at 31-Mar-10 (Rs.)
Operational Research	3,096,284.00	0.00
Total	3,096,284.00	0.00

Joint Director (Finance)
ICGAPS, Bengaluru



Salary (Pay and Allowances)

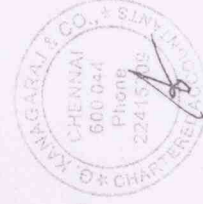
Schedule 13

Particulars	As at 31-Mar-11 (Rs.)	As at 31-Mar-10 (Rs.)
Salary	49,580,449.00	0.00
Honorarium	557,600.00	0.00
Leave Salary & Pension Contributions	853,191.00	0.00
Medical Expenses	51,934.00	0.00
Total	51,043,174.00	0.00

Maintenance Costs

Schedule 14

Particulars	As at 31-Mar-11 (Rs.)	As at 31-Mar-10 (Rs.)
Equipment Maintenance	768,045.00	0.00
Vehicle Maintenance	1,971,035.20	0.00
Total	2,739,080.20	0.00



M.N. Aravindan
 Joint Director (Finance)
 KSAPS, Bengaluru

Operational Expenses

Schedule 15

Particulars	As at 31-Mar-11 (Rs.)	As at 31-Mar-10 (Rs.)
Travelling Expenses	3,941,472.00	0.00
Rent, Rates & Taxes	4,645,347.00	0.00
Telephone/Communication Expenses	1,054,005.95	0.00
Bank Charges	4,579.00	0.00
Miscellaneous Expenses	1,186,853.00	0.00
Printing & Stationery	580,254.00	0.00
Advertisement (Other than IEC)	626,861.00	0.00
Water and Electricity Charges	768,676.00	0.00
Audit Fees	3,763,303.00	0.00
Postage/Courier	652,896.00	0.00
Quality Assessment	229,271.00	0.00
Contingency	209,584.00	0.00
Total	17,663,101.95	0.00



M. V. Anand
 Joint Director (Finance)
 KSAPS, Bengaluru

Karnataka SACS - POOL FUND

No.4/13-1 Crescent Road High Grounds, Bangalore - 560001

National AIDS Control Project - Phase III

Receipt And Payment Account
For The Period From : 01-Apr-2010 To :31-Mar-2011

Figures for the previous Period (Rs.)	RECEIPTS	Schedule Reference	Figures for the current Period (Rs.)	Figures for the previous Period (Rs.)	PAYMENTS	Schedule Reference	Figures for the current Period (Rs.)
	Opening Balance:				LOANS AND ADVANCES	17	88,359,361.00
0.00	Cash in hand		180.00	0.00	FIXED ASSETS	16	437,813.00
0.00	Balance with Bank	30	2,739,195.57	0.00	CURRENT LIABILITIES	32	662,867.00
0.00	LOANS AND ADVANCES	17	15,249,167.00	0.00	Kits and Other Lab Supplies	18	1,948,564.00
2,739,375.57	GENERAL FUND	29	277,938,000.00	0.00	Training and Workshops	20	7,038,730.00
0.00	CURRENT LIABILITIES	32	267,284.00	0.00	NGO Services	23	2,765,817.00
0.00	Other Income	56	3,392,296.00	0.00	Operational and Other Research	24	1,994,681.00
			<u>299,586,122.57</u>		Salary (Pay and Allowances)	25	43,934,445.00
					Maintenance Costs	26	2,313,634.20
					Operational Expenses	27	14,807,685.95
					IEC		40,974,627.50
					Consultants and Consultancy Services		25,297.00
					Surveillance		8,498.00
					Other Income	40	14,100.00
					Closing Balance:		
				180.00	Cash in hand		26,501.00



Joint Director of Finance
KSAPS, Bengaluru

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LOANS AND ADVANCES

Schedule 17

Particulars	As at 31-Mar-11 (Rs.)	As at 31-Mar-10 (Rs.)
Inter Unit Fund Transfer	15,249,167.00	0.00
Total	15,249,167.00	0.00

GENERAL FUND

Schedule 29

Particulars	As at 31-Mar-11 (Rs.)	As at 31-Mar-10 (Rs.)
Pool Fund - World Bank	0.00	2,739,375.57
Grant from NACO to SACS	277,938,000.00	0.00
Total	277,938,000.00	2,739,375.57

Balance with Bank

Schedule 30

Particulars	As at 31-Mar-10 (Rs.)	As at 31-Mar-09 (Rs.)
Bank 3	2,739,195.57	0.00
Total	2,739,195.57	0.00



Joint Director
KSAPS, Bengaluru

CURRENT LIABILITIES

Schedule 32

Particulars	As at 31-Mar-11 (Rs.)	As at 31-Mar-10 (Rs.)
TDS (Salary)	177,812.00	0.00
Security / Earnest Deposit (Received)	16,896.00	0.00
Other Recoveries	72,576.00	0.00
Total	267,284.00	0.00

Other Income

Schedule 56

Particulars	As at 31-Mar-11 (Rs.)	As at 31-Mar-10 (Rs.)
Other Receipts	552,556.00	0.00
Interest from Bank	2,839,740.00	0.00
Total	3,392,296.00	0.00



Joint Director (Finance)
KSAPS, Bengaluru

LOANS AND ADVANCES

Schedule 17

Particulars	As at 31-Mar-11 (Rs.)	As at 31-Mar-10 (Rs.)
Advance to Others	6,022,217.00	0.00
Advance to NGOs	59,485,248.00	0.00
Advance to Staff	6,943,515.00	0.00
Advance to Autonomous Bodies	37,530.00	0.00
Advance to District Authorities	11,504,533.00	0.00
Advance to District Hospitals	4,256,318.00	0.00
Security Deposit (Paid)	110,000.00	0.00
Total	88,359,361.00	0.00

FIXED ASSETS

Schedule 16

Particulars	As at 31-Mar-11 (Rs.)	As at 31-Mar-10 (Rs.)
Furniture , Fixtures & Supplies	15,382.00	0.00
Office Equipment	422,431.00	0.00
Total	437,813.00	0.00



M.V. Acharya
 Joint Director (Finance)
 KSAPS, Bengaluru

CURRENT LIABILITIES

Schedule 32

Particulars	As at 31-Mar-11 (Rs.)	As at 31-Mar-10 (Rs.)
TDS (Others)	662,867.00	0.00
Total	662,867.00	0.00

Kits and Other Lab Supplies

Schedule 18

Particulars	As at 31-Mar-11 (Rs.)	As at 31-Mar-10 (Rs.)
Consumable Items	1,948,564.00	0.00
Total	1,948,564.00	0.00

Training and Workshops

Schedule 20

Particulars	As at 31-Mar-11 (Rs.)	As at 31-Mar-10 (Rs.)
Training	6,877,277.00	0.00
Campaigns	161,453.00	0.00
Total	7,038,730.00	0.00



Joint Director (Finance)
KSAPS, Bengaluru

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NGO Services

Schedule 23

Particulars	As at 31-Mar-11 (Rs.)	As at 31-Mar-10 (Rs.)
NGO Services	267,237.00	0.00
NGO Services for Priority Interventions	2,498,580.00	0.00
Total	2,765,817.00	0.00

Operational and Other Research

Schedule 24

Particulars	As at 31-Mar-11 (Rs.)	As at 31-Mar-10 (Rs.)
Operational Research	1,994,681.00	0.00
Total	1,994,681.00	0.00

Salary (Pay and Allowances)

Schedule 25

Particulars	As at 31-Mar-11 (Rs.)	As at 31-Mar-10 (Rs.)
Salary	43,029,320.00	0.00
Leave Salary & Pension Contributions	853,191.00	0.00
Medical Expenses	51,934.00	0.00
Total	43,934,445.00	0.00



M. Director (Finance)
KSAPS, Bengaluru

Maintenance Costs

Schedule 26

Particulars	As at 31-Mar-11 (Rs.)	As at 31-Mar-10 (Rs.)
Equipment Maintenance	465,753.00	0.00
Vehicle Maintenance	1,847,881.20	0.00
Total	2,313,634.20	0.00

Operational Expenses

Schedule 27

Particulars	As at 31-Mar-11 (Rs.)	As at 31-Mar-10 (Rs.)
Travelling Expenses	1,933,351.00	0.00
Rent, Rates & Taxes	4,645,347.00	0.00
Telephone/Communication Expenses	978,768.95	0.00
Bank Charges	3,082.00	0.00
Miscellaneous Expenses	598,061.00	0.00
Printing & Stationery	483,090.00	0.00
Advertisement (Other than IEC)	626,861.00	0.00
Water and Electricity Charges	768,676.00	0.00
Audit Fees	3,763,303.00	0.00
Postage/Courier	652,896.00	0.00
Quality Assessment	200,011.00	0.00
Contingency	154,239.00	0.00
Total	14,807,685.95	0.00

Joint Director
KSAPS, Bengaluru



Balance with Bank

Schedule 31

Particulars	As at 31-Mar-11 (Rs.)	As at 31-Mar-10 (Rs.)
Bank 3	94,273,500.92	2,739,195.57
Total	94,273,500.92	2,739,195.57

Other Income

Schedule 40

Particulars	As at 31-Mar-11 (Rs.)	As at 31-Mar-10 (Rs.)
Sale of Bid/Tender Documents	14,100.00	0.00
Total	14,100.00	0.00

Joint Director Finance
KSAPS, Bengaluru



Component Budget (Budget/Actual)

For The Year 2010-11 Quarter IV

Figures in Rupees

Component	Budget			Actual			Difference		Estimate for the Bal Period	Reason for Variance
	For Qtr	Upto Qtr	For the Year	For Qtr	Upto Qtr	For the Qtr	Upto Qtr			
Prevention (1)	52,772,250.00	211,089,000.00	211,089,000.00	76,661,009.00	33,274,156.25	-23,888,759.00	77,814,843.75	0.00		
Care, Support and Treatment (2)	0.00	0.00	0.00	-1,472,099.00	0.00	1,472,099.00	0.00	0.00		
Capacity Building (3)	15,396,499.98	61,585,999.92	61,585,999.92	21,606,197.55	59,297,830.15	-6,209,697.57	2,288,169.77	0.00		
Strategic Information Management (4)	2,000,500.00	8,002,000.00	8,002,000.00	2,796,284.00	3,185,336.00	-795,784.00	4,816,664.00	0.00		
Grand Total:	70,169,249.98	280,676,999.92	280,676,999.92	99,591,391.55	95,757,322.40	-29,422,141.57	84,919,677.52	0.00		

M. D. Finance
 Joint Director Finance
 KSAPS, Bengaluru

[Signature]
 Project Director
 KSAPS, Bengaluru

For M/s. G. KANAGARAJ & C
 Chartered Accountants,
 CMA, KANAGARAJ, B.Com., F.C.A.,
 SENIOR PARTNER - M.No.: 024197
 Firm Regn. No.: 005703S



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NACO

Karnataka SACS - POOL FUND

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No.4/13-1 Crescent Road High Grounds, Bangalore - 560001

National AIDS Control Project - Phase III

Utilisation Certificate

Certified that an amount of Rs. 277,938,000.00 received as grants-in-aid received from Department of AIDS Control (NACO) during the Fin.Year 2010-11 vide letter No. given below and opening Cash/Bank Balance Rs. 2,739,375.57 (and Current Liabilities of Rs.8,292,731.85)and outstanding Advances for Rs. 83,930,763.13 on account of unspent balance brought forward from the previous financial year, and Bank Interest and Miscellaneous Receipts of Rs. 3,563,255.00. a sum of Rs. 195,773,756.40 has been utilized for the purpose for which it was sanctioned and the Cash/Bank balance of Rs. 94,300,001.92 (and Current Liabilities of Rs. 7,750,435.85)and outstanding advances of Rs.77,555,339.38. remaining unutilized at the end of the year will be adjusted towards the grants-in-aid payable during the next year .

Sl. No.	Sanction letter Number and Date	Amount
1.	T/11017/10/2009 - NACO/17) Dt. 31.5.2010	19,53,50,000/-
2	T/11017/10/2009 - NACO 101 Dt. 14.3.2011	8,25,88,000/-
	—	—
	Total	277,938,000.00

2. Certified that I have satisfied myself that the conditions on which the grants-in-aid was sanctioned have been duly fulfilled/are being fulfilled and that I have exercised the following checks to see that the money was actually utilized for the purpose for which it was sanctioned.

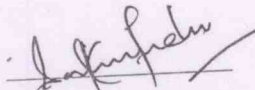
Kinds of checks exercised

1. Statement of Expenditures
2. Annual Financial Statements

Countersigned

 CHENNAI
 600 044
 Phone
 22415309
 (Chartered Accountant)
 REGISTERED ACCOUNTANT

M. V. Dattatraya
 Joint Director (Finance)
 KSAPS, Bangalore


 (Project Director)
 Project Director
 KSAPS, Bangalore

Opening balance of Net Current Assets	Amount (Rs.)
Cash in hand	180.00
Bank 3	2,739,195.57
Advance to Others	12,860,928.35
Advance to NGOs	26,537,521.04
Advance to Staff	1,579,223.02
Advance to District Authorities	16,731,905.00
Advance to District Hospitals	11,442,529.00
Security Deposit (Paid)	1,914,847.72
Inter Unit Fund Transfer	12,863,809.00
	<u>86,670,138.70</u>

Opening balance of Net Current Liabilities	Amount (Rs.)
Employees Contribution to CPF	6,910.00
TDS (Salary)	83,658.00
Security / Earnest Deposit (Received)	293,460.00
TDS (Others)	660,517.00
Other Recoveries	6,888,135.85
Funds from Other Sources	360,051.00
	<u>8,292,731.85</u>

Sources of funds	Amount (Rs.)
Grant from NACO to SACS	277,938,000.00
	<u>277,938,000.00</u>

Utilisation of funds	Amount (Rs.)
Other Lab. Supplies	67,369.00
IEC	46,399,407.50
NGO Services	4,585,215.00
Consultants and Consultancy Services	25,297.00
Operational Research	3,096,284.00
Training	15,704,617.00
Salary	49,580,449.00
Equipment Maintenance	768,045.00
Vehicle Maintenance	1,971,035.20
Travelling Expenses	3,941,472.00
Rent, Rates & Taxes	4,645,347.00
Telephone/Communication Expenses	1,054,005.95
Honorarium	557,600.00
Bank Charges	4,579.00
Miscellaneous Expenses	1,186,853.00
Printing & Stationery	580,254.00
Leave Salary & Pension Contributions	853,191.00



M. V. Dattatreya
 Joint Director (Finance)
 KSAPS, Bengaluru

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Advertisement (Other than IEC)	626,861.00
Medical Expenses	51,934.00
Water and Electricity Charges	768,676.00
Audit Fees	3,763,303.00
NGO Services for Priority Interventions	49,894,029.75
Surveillance	99,841.00
Postage/Courier	652,896.00
Quality Assessment	229,271.00
Campaigns	1,095,708.00
Contingency	209,584.00
Consumable Items	1,998,085.00
Civil Works	346,112.00
Furniture , Fixtures & Supplies	542,478.00
Office Equipment	473,957.00
	<u>195,773,756.40</u>
Bank Interest & Miscellaneous Receipts	Amount (Rs.)
Sale of Bid/Tender Documents	27,900.00
Other Receipts	686,244.00
Interest from Bank	2,849,111.00
	<u>3,563,255.00</u>
Current Liabilities	Amount (Rs.)
Employees Contribution to CPF	6,910.00
TDS (Salary)	188,477.00
Security / Earnest Deposit (Received)	268,356.00
TDS (Others)	173.00
Other Recoveries	6,926,468.85
Funds from Other Sources	360,051.00
	<u>7,750,435.85</u>
Closing balance of Net Current Assets	Amount (Rs.)
Cash in hand	26,501.00
Bank 3	94,273,500.92
Advance to Others	12,859,551.35
Advance to NGOs	29,538,112.29
Advance to Staff	4,354,436.02
Advance to District Authorities	17,080,836.00
Advance to District Hospitals	11,697,556.00
Security Deposit (Paid)	2,024,847.72
	<u>171,855,341.30</u>

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M. V. Dattaraj
Joint Director (Finance),
KSAPS, Bengaluru

