



SWAYAM KRISHI SANGAM

AUDITED FINANCIALS

2010-11



V. NAGARAJAN & CO.,

Chartered Accountants

AUDITOR'S REPORT TO THE MEMBERS OF SWAYAM KRISHI SANGAM

We have audited the attached Balance Sheet of **SWAYAM KRISHI SANGAM** [the 'Society'] as at March 31, 2011 and the Income and Expenditure account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Society's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted our audit in accordance with auditing and assurance 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 disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well evaluating the overall financial statement presentation. We believe that our audit provides reasonable basis for our opinion.

We report that:

1. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
2. In our opinion, proper books of account have been kept by the head office and the branches of the Society visited by us so far appear from our examination of the books;
3. The Balance sheet and Income & Expenditure account dealt with by this report are in agreement with the books of account;
4. The Balance sheet and Income and Expenditure account dealt with by this report comply with the accounting standards issued by Institute of Chartered Accountants of India so far applicable to level II enterprise.
5. In our opinion, and to the best of our information, and according to the explanations given to us, the accounts read with the notes thereon, give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) In case of the Balance Sheet, of the state of affairs of the Society as at March 31, 2011 and;
 - b) In the case of the Income and Expenditure account, of the excess of expenditure over income for the year ended on that date.

Place: Hyderabad

Date: 30/07/2011

for V. Nagarajan & Co.,
Chartered Accountants
ICAI Firm Regd. No.: 04879N



A. G. Sitaraman
A. G. Sitaraman
Partner
M. No.: 017799

SWAYAM KRISHI SANGAM

		Rs.	
BALANCE SHEET AS AT		31-Mar-11	31-Mar-10
Schedules			
SOURCES OF FUNDS			
Corpus fund		240	240
Reserves and surplus	1	1,61,84,508	2,00,32,266
	Total	1,61,84,748	2,00,32,506
APPLICATION OF FUNDS			
Fixed assets	2		
Gross block		91,78,782	48,93,411
Less: Depreciation		56,62,359	31,08,877
Net block		35,16,423	17,84,534
Current assets, loans & advances			
Cash and bank balances	3	1,13,77,784	1,69,71,905
Loans and advances	4	59,72,501	29,47,175
		1,73,50,285	1,99,19,080
Less: Current liabilities and provisions			
Current liabilities	5	38,31,080	16,71,108
Provision for gratuity		8,50,880	-
		46,81,960	16,71,108
Net current assets		1,26,68,325	1,82,47,972
	Total	1,61,84,748	2,00,32,506
Notes to accounts	14		

The schedules referred to above and notes to accounts form an integral part of the financial statements

As per our report of even date

for **V. Nagarajan & Co.,**

Chartered Accountants

ICAI Firm Reg. No.: 04879N

Place: **Hyderabad**

Date: **30/07/2011**

A. G. Sitaraman

A. G. Sitaraman

Partner

M. No.: 017799

for **Swayam Krishi Sangam**

Chairperson

Chairperson

Director

Director



SWAYAM KRISHI SANGAM

		<i>Rs.</i>	
INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED		31-Mar-11	31-Mar-10
<i>Schedules</i>			
INCOME			
Grants and donations	6	6,52,00,518	1,70,27,518
Income from education activity	7	41,31,301	-
Other income	8	7,12,436	9,98,240
Total		7,00,44,255	1,80,25,758
EXPENDITURE			
Grant to SKS educational society		15,00,000	42,43,000
Direct programme expenditure - Ultra Poor	9	1,26,34,398	24,70,899
Direct Programme expenditure - Education	10	1,52,54,430	-
Direct Programme expenditure - De-worming Program		22,99,558	8,71,527
Direct Programme expenditure - Business Correspondance		6,25,074	-
Direct Programme expenditure - Others		77,835	5,76,027
Consultancy charges	11	2,60,37,425	1,70,343
Interest on loans		4,63,562	-
Personnel cost	12	1,05,67,673	53,06,966
Administrative expenses	13	34,91,546	10,68,200
Depreciation	2	12,38,233	2,40,695
Total		7,41,89,734	1,49,47,656
Net (deficit)/surplus for the year		(41,45,479)	30,78,102
Add: Surplus brought forward from previous year		2,03,29,987	1,60,97,938
Balance carried to balance sheet		1,61,84,508	1,91,76,040

Notes to accounts**14**

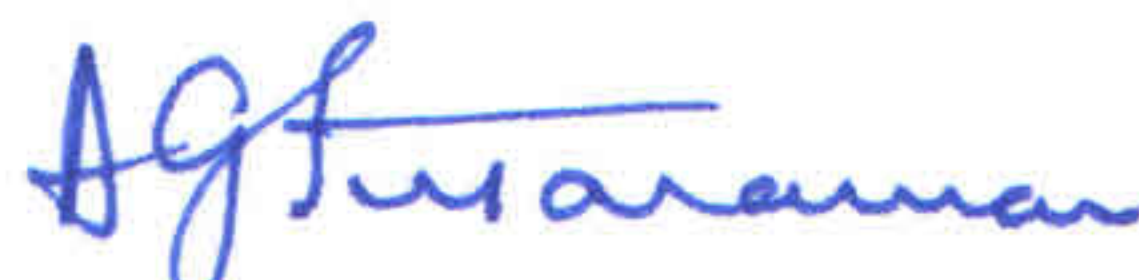
The schedules referred to above and notes to accounts form an integral part of the financial statements

As per our report of even date

for **V. Nagarajan & Co.,**

Chartered Accountants

ICAI Firm Reg. No.: 04879N

for **Swayam Krishi Sangam**Place: **Hyderabad**Date: **30/07/2011****A. G. Sitaraman**

Partner

M. No.: 017799



Chairperson



Director



SWAYAM KRISHI SANGAM

	Rs.	
SCHEDULES TO BALANCE SHEET AS AT	31-Mar-11	31-Mar-10
Schedule 1: Reserves and surplus		
Capital reserve	-	8,56,227
Income and expenditure account	1,61,84,508	1,91,76,039
Total	1,61,84,508	2,00,32,266
Schedule 3 : Cash and bank balances		
Cash in hand	14,932	10,076
Balance with scheduled banks	-	-
- In current and savings bank accounts	1,03,45,563	28,96,721
- In Term deposit accounts	10,00,000	1,40,00,000
Add: Interest accrued [net of TDS]	17,289	65,108
Total	1,13,77,784	1,69,71,905
Schedule 4: Loans and advances		
Loans to members	1,99,975	70,675
TDS recoverable	24,98,843	25,46,194
Advances and other amounts recoverable in cash or in kind or for value to be received	9,89,265	2,36,610
Fee recoverable	13,06,368	-
Stock of uniforms or books (at cost)	9,78,050	93,696
Total	59,72,501	29,47,175
Schedule 5: Current liabilities		
Statutory dues	11,11,189	1,29,836
Savings from members	2,68,606	4,592
Fee received in advance	1,80,302	-
Payable to Indian School of Business	14,28,990	14,28,990
Audit fee payable	1,78,704	84,380
Administration expenses payable	5,63,589	18,000
Salary payable	99,701	5,310
Total	38,31,080	16,71,108



Audited financial statements for the year ended March 31, 2011

Schedules to Balance Sheet as at 31 March, 2011

Schedule 2 : Fixed Assets

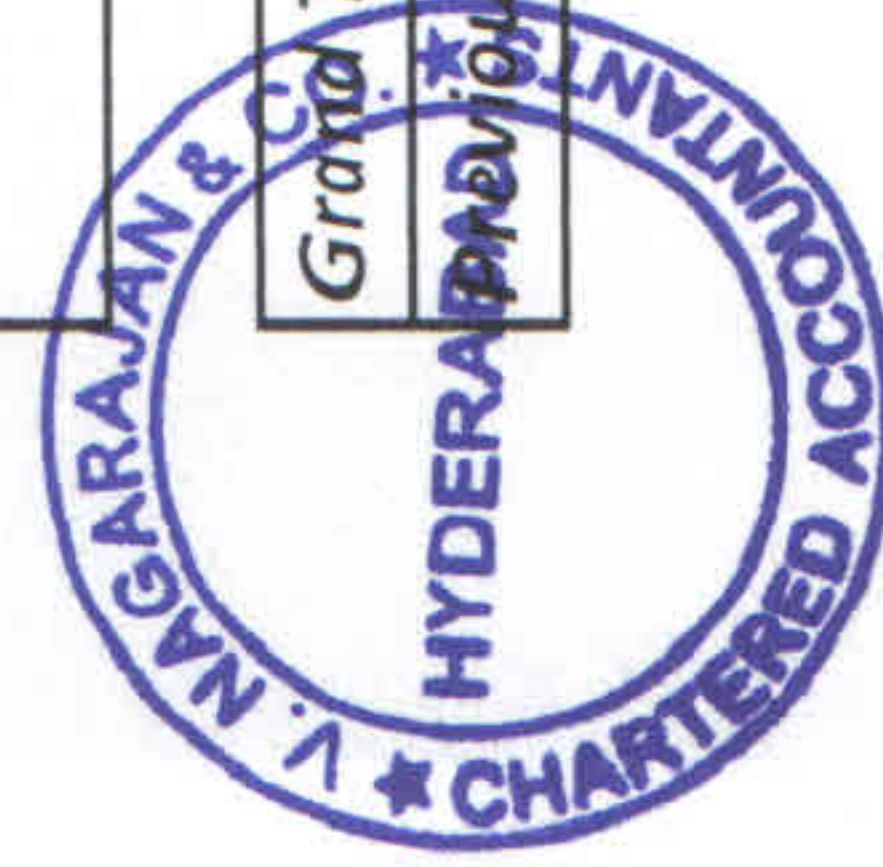
Rs.

Particulars	Gross block					Depreciation				Net block	
	As on April 01, 2010	Transferred from SKS Education	Additions up to October 3rd, 2010	Additions from October 04, 2010 to March 31, 2011	As on March 31, 2011	Up to March 31, 2010	Up to June 30, 2010 for SKS Educational Society	For the year	Up to March 31, 2011	As on March 31, 2011	As on March 31, 2010
Land	3,74,936		-	-	3,74,936	-	-	-	-	3,74,936	3,74,936
Buildings	20,50,694		-	-	20,50,694	9,60,669	-	1,09,003	10,69,672	9,81,022	10,90,025
Furniture And Fixtures	4,02,398	-	32,992	23,305	4,58,695	2,32,930	-	21,411	2,54,341	2,04,354	1,69,468
Office Equipment	2,93,311	1,40,906	3,18,900	-	7,53,117	1,78,750	62,438	76,789	3,17,977	4,35,140	1,14,561
Computers & Peripherals	15,14,508	4,21,875	5,20,107	2,22,670	26,79,150	14,85,324	2,68,343	4,88,494	22,42,161	4,36,989	29,184
Air Conditioners	43,800		-	-	43,800	40,213	-	538	40,751	3,049	3,587
Borewell	32,490		-	-	32,490	29,830	-	399	30,229	2,261	2,660
Generators	61,120		-	-	61,120	61,120	-	-	61,120	-	-
Innova	-		12,26,615	-	12,26,615	-	-	1,83,992	1,83,992	10,42,623	-
Telephone Tele/Fax Machine	-		40,500	-	40,500	-	-	6,075	6,075	34,425	-
TOTAL	47,73,257	5,62,781	21,39,114	2,45,975 23,85,089	77,21,117	29,88,837	3,30,781	8,86,701	42,06,319	35,14,798	17,84,420

Fully written off

Furniture And Fixtures	53,054	9,85,732	1,09,698	-	11,48,484	52,973	9,84,468	1,09,584	11,47,025	1,459	81
Office Equipment	46,950	-	2,04,315	-	2,51,265	46,924	-	2,04,205	2,51,129	136	26
Computers and Peripherals	14,550	-	37,766	-	52,316	14,546	-	37,743	52,289	27	4
Telephone Tele/Fax Machine	5,600		-	-	5,600	5,597	-	-	5,597	3	3
TOTAL	1,20,154	9,85,732	3,51,779	- 3,51,779	14,57,665	1,20,040	9,84,468	3,51,532	14,56,040	1,625	114

Grand Total	48,93,411	15,48,513	27,36,868	91,78,782	31,08,877	13,15,249	56,62,359	35,16,423	17,84,534
Previous year	47,40,802		1,52,609	48,93,411	28,68,182		31,08,877	17,84,534	18,72,620



		Rs.
SCHEDULES TO INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED	31-Mar-11	31-Mar-10

Schedule 6: Grants and Donations

A) Foreign sources

SKS Microfinance limited	-	1,00,00,000
SKS Foundation	19,87,638	-
SORENSEN/UNITUS	11,37,325	34,21,296
Charities Aid Foundation, India	12,328	-
De-worm the world	-	25,38,232

B) Local sources

Naraindas morbai budhrani trust	-	6,78,112
Government of Andhra Pradesh - RBC	-	2,36,516
Individual donations	2,07,000	3,33,000
Contribution from SKS Mutual Benefit Trusts [Refer note 2.3 of Sch 14]	6,10,00,000	-

6,43,44,291 1,72,07,156

Less: Refund of grant to swiss agency for development and cooperation - (1,79,638)

Add: Grant from SIDBI 8,56,227 -

Total 6,52,00,518 1,70,27,518

Schedule 7: Income from education activity

School fee	39,60,090	-
Transport fee	1,71,211	-

Total 41,31,301 -

Schedule 8: Other income

Interest on fixed deposits	3,28,850	6,37,490
Visitors fee	2,95,004	1,28,950
Rent and other income	85,302	1,43,330
Interest on Income tax refund	3,280	-
Income from loans [Mobile distribution & other loans]	-	88,470

Total 7,12,436 9,98,240

Schedule 9: Direct programme expenditure - Ultrapoor

Grant to members	81,41,208	2,96,656
Personnel cost	26,39,291	15,77,906
Health related expenses	10,12,085	2,26,169
Stipend	5,50,080	2,00,552
Insurance	2,66,029	-
Survey expenses	25,705	1,69,616

Total 1,26,34,398 24,70,899

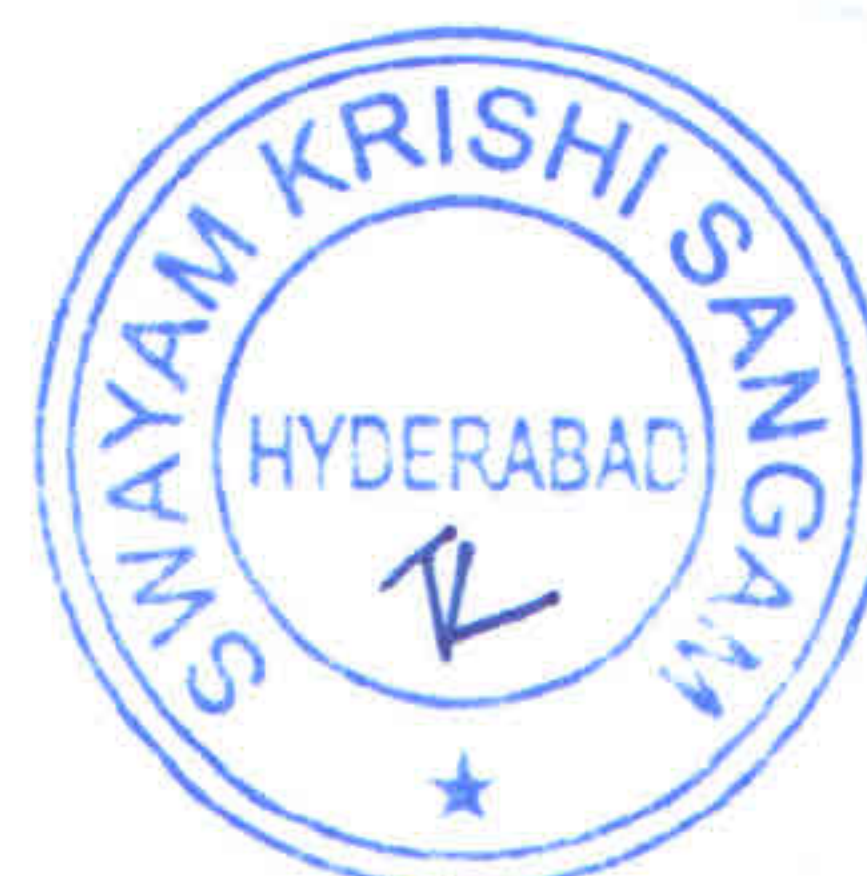


Audited financial statements for the year ended March 31, 2011

	Rs.	
SCHEDULES TO INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED	31-Mar-11	31-Mar-10
Schedule 10: Direct programme expenditure - Education		
School recognition expenses	16,95,616	-
Personnel cost	65,12,103	-
Travelling expenses	29,00,017	-
Rent	20,41,750	-
Office maintenance	14,25,468	-
Printing and stationary	5,44,617	-
Electricity expenses	75,816	-
Telephone and internet charges	38,636	-
Other expenses	20,407	-
Total	1,52,54,430	-
Schedule 11: Consultancy fee		
Takshashila Edupunk Private Limited (including other related expenses)	1,73,12,878	-
Parthenon Group India LLC	63,70,561	-
Satnav Preschools Pvt Ltd	2,50,000	-
AZB and Partners	5,26,390	-
B5 Consultancy Pvt Ltd	5,38,888	-
Others	10,38,708	1,70,343
Total	2,60,37,425	1,70,343
Schedule 12: Personnel cost		
Salaries and other allowances	87,64,858	49,27,311
Contribution to Provident fund	8,54,192	3,05,424
Staff welfare expenses	32,002	17,919
Staff training expenses	65,741	56,312
Gratuity	8,50,880	-
Total	1,05,67,673	53,06,966



	Rs.	
SCHEDULES TO INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED	31-Mar-11	31-Mar-10
Schedule 13: Administrative expenses		
Travelling expenses	17,45,497	5,97,239
Auditors' remuneration & other expenses	1,98,540	97,723
Recruitment expenses	2,45,178	81,901
Telephone & internet charges	7,842	60,957
Printing and stationary	1,40,370	59,914
Office maintenance	1,04,127	52,519
Rent, rates & taxes	75,790	52,740
Electricity expenses	4,140	17,351
Bank charges	21,931	10,279
Visitor's field visit	83,019	8,922
Computer maintenance	6,243	4,249
Postage and telegrams	2,344	2,123
Miscellaneous expenses	4,40,944	22,283
Sundries written-off	4,15,581	-
Total	34,91,546	10,68,200



RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31 MARCH, 2011

PARTICULARS	Rs. Amount
Opening balances represented by:	
Cash & bank balances	1,69,71,905
Other current assets and advances	29,47,175
Less: Current liabilities	16,71,108
Total	1,82,47,972
RECEIPTS/SOURCES OF FUNDS	
Revenue Receipts:	
SKS Foundation	19,87,638
SORENSEN/UNITUS	11,37,325
Charity Aid Foundation, India	12,328
Individual donations	2,07,000
Contribution from Mutual Benefit Trusts	6,10,00,000
Income from education activity	41,31,301
Interest on term deposits with schedule banks	3,28,850
Visitor's fee	2,95,004
Other income	88,582
<i>*Surplus transferred from SKS Education Society</i>	11,53,947
Capital receipts	
Loan from SKS Microfinance Ltd.	1,20,00,000
Loan from Mr. Vikram Akula	1,00,00,000
Total receipts during the year	9,23,41,975
TOTAL RECEIPTS (including opening balance)	11,05,89,947
PAYMENTS/APPLICATION OF FUNDS	
Revenue expenses:	
Grant to SKS Educational Society	15,00,000
Operational expenses:	
Direct program/project expenses	3,08,91,295
Salaries, allowances and staff benefits	1,05,67,673
Consultancy charges	2,60,37,425
Administrative expenses	34,91,546
Interest on loans	4,63,562
Capital expenses:	
Purchase of fixed assets	27,36,868
<i>*Fixed assets transferred from SKS Education Society</i>	2,33,254
Repayment of loan availed from SKS Microfinance Limited	1,20,00,000
Repayment of loan availed from Mr. Vikram Akula	1,00,00,000
TOTAL PAYMENTS	9,79,21,623
CLOSING BALANCE	1,26,68,324
Closing balance represented by:	
Cash and bank balances (including term deposits)	1,13,77,784
Add: Current assets and advances	59,72,501
Less: Current liabilities	46,81,960
Total	1,26,68,324

* During the year, the Society acquired SKS Educational Society through the process of amalgamation effective from July 1, 2010 [Refer note 2.2 of Sch 14]

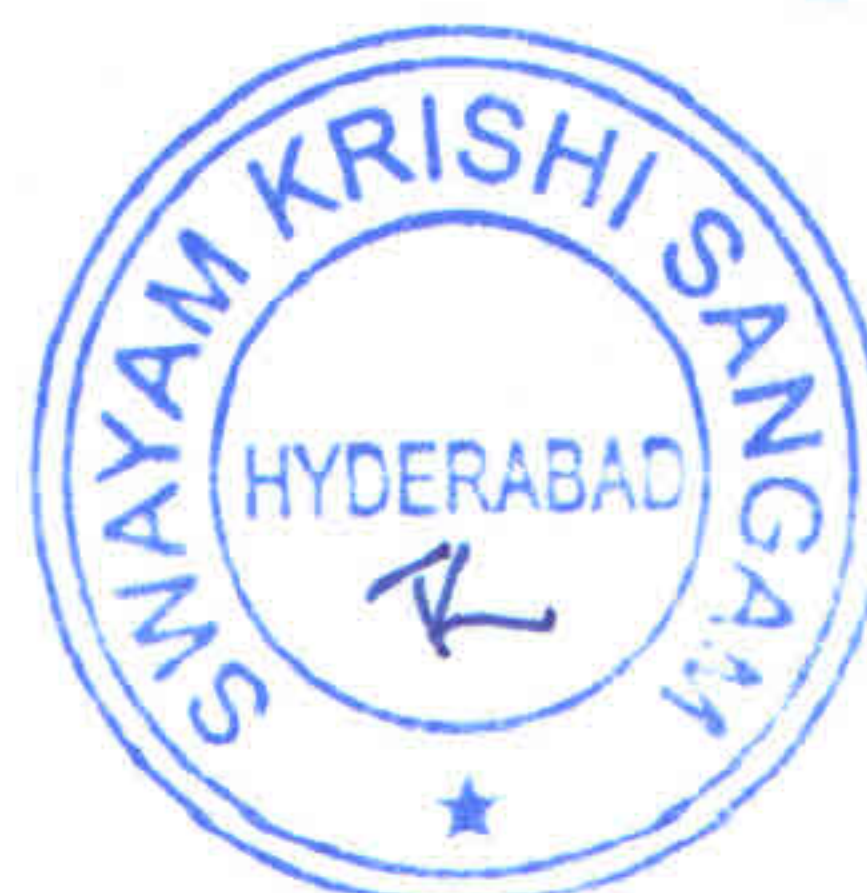
As per our report of even date
for **V. Nagarajan & Co.,**
Chartered Accountants
ICAI Firm Reg. No.: 04879N

Place: Hyderabad
Date: 30/07/2011

A. G. Sitaraman
A. G. Sitaraman
Partner
M. No.: 017799

for **Swayam Krishi Sangam**

[Signature]
Chairperson
[Signature]
Director



Audited financial statements for the year ended March 31, 2011

SWAYAM KRISHI SANGAM**Rs.****BALANCE SHEET AS AT MARCH 31, 2011***(In respect of Foreign Contributions)***LIABILITIES****INFRASTRUCTURE - ASSETS (at cost) (Contra)** 91,78,782**FOREIGN CONTRIBUTIONS:**

Project: Rural development programmes

Opening balance 86,70,809

Contributions received during the year 34,92,050

1,21,62,859

Less: Expenditure on rural development programme 80,96,530 40,66,329

Total 1,32,45,111**ASSETS****INFRASTRUCTURE - ASSETS (at cost) (Contra)** 91,78,782

Balance with scheduled banks 44,02,173

Term deposit 10,00,000

Interest accrued (Net of TDS) 17,289

Tax Deducted at Sources 41,707

Other advances and deposits 34,150

54,95,319

Less: Current liabilities 14,28,990 40,66,329

Total 1,32,45,111for **V. Nagarajan & Co.,**

Chartered Accountants

ICAI Firm Reg. No.: 04879N

Place: **Hyderabad**Date: **30/07/2011****A. G. Sitaraman****A. G. Sitaraman**

Partner

M. No.: 017799

for **Swayam Krishi Sangam****Chairperson****Director**

SWAYAM KRISHI SANGAM

RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011 (In respect of Foreign Contributions)

	Amount (Rs.)
(A) OPENING - FOREIGN FUNDS	86,70,809
(B) RECEIPTS:	
SKS Foundation	19,87,638
SORENSEN/UNITUS	11,37,325
Charity Aid Foundation, India	6,164
Interest on term deposits with scheduled banks	2,84,519
Visitor's fee	76,404
Total Receipts during the year	34,92,050
(C) PAYMENTS:	
Grant to SKS Educational Society	15,00,000
Programme expenses	52,10,684
Salaries, allowances and other benefits	80,888
Administrative expenses	5,10,220
Purchase of fixed assets	7,94,738
Total Payments during the year	80,96,530
CLOSING BALANCES (D) =(A+B-C)	40,66,329
Represented by the following:	
Balance with scheduled banks	44,02,173
Term deposit	10,00,000
Interest accrued (Net of TDS)	17,289
Tax deducted at sources	41,707
Other advances and deposits	34,150
Less: Current liabilities	14,28,990
Total	40,66,329

for V. Nagarajan & Co.,
Chartered Accountants
ICAI Firm Reg. No.: 04879N

Place: Hyderabad
Date: 30/07/2011

A. G. Sitaraman

A. G. Sitaraman
Partner
M. No.: 017799

For Swayam Krishi Sangam

Chairperson
Chairperson

Director
Director



1. Significant accounting policies:**1.1. Basis of preparation of financial Statements:**

The financial statements are prepared on accrual basis under historical cost convention except grants, which are accounted for on cash basis and are in consonance with applicable accounting standards of the Institute of Chartered Accountants of India.

1.2. Use of estimates:

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amount reported in the financial statements and notes thereto. Differences between actuals and estimates are recognised in the period they materialise.

1.3. Revenue recognition:

Interest income on deposits with banks is recognized on time proportion accrual basis taking into the account, the amount outstanding and rate applicable.

1.4. Grants and donations:

1.4.1. Revenue Grants and donations are recognized as income for current period in the financial statements.

1.4.2. Grants received specifically relating to fixed assets are credited to the Capital reserve in the Balance sheet. Such grants are recognized in the Income and Expenditure account on a systematic and rational basis over useful life of the fixed assets.

1.4.3. Donation in kind is also accounted in books.

1.5. Fixed assets:

1.5.1. All fixed assets have been shown at cost less accumulated depreciation. The cost comprises of purchase price and all incidental costs related to acquisition and installation.

1.5.2. Depreciation has been provided on assets based on written down value method at the rates appropriate for the useful life of the assets.

1.5.3. In respect of additions, the depreciation is provided on a half yearly basis, during which half year in which assets are put to use.

1.5.4. In case of sale of Fixed Assets, no depreciation has been charged in accounts during the year for period of usage.

1.5.5. Each fixed asset, which has a value less than Rs. 5,001/- is written off completely during this year. For physical control purpose, these assets are still carried over in fixed asset schedule with a nominal value of Rs. 1/- per asset.

1.5.6. In respect of assets acquired out of the Capital Grant, depreciation calculated as above, is charged off to the Grant so capitalized.

1.5.7. The fixed assets, which have been received as donation in kind, are incorporated in fixed asset register & schedule and correspondingly depreciation has been charged from accounts like other fixed assets.

1.6. Employee benefits:

1.6.1. Contribution to Provident Fund is accounted on actual liability basis and paid.

1.6.2. Leave encashment to employees also stands fully provided for.

1.6.3. Gratuity has been provided on an estimated basis taking into account employee's completed period of service and 15 days salary which was drawn by employee at the end of last month of financial year.

1.7. Foreign currency transactions:

1.7.1. All transactions in the foreign currency are recognized at the exchange rate prevailing on the date of transactions.

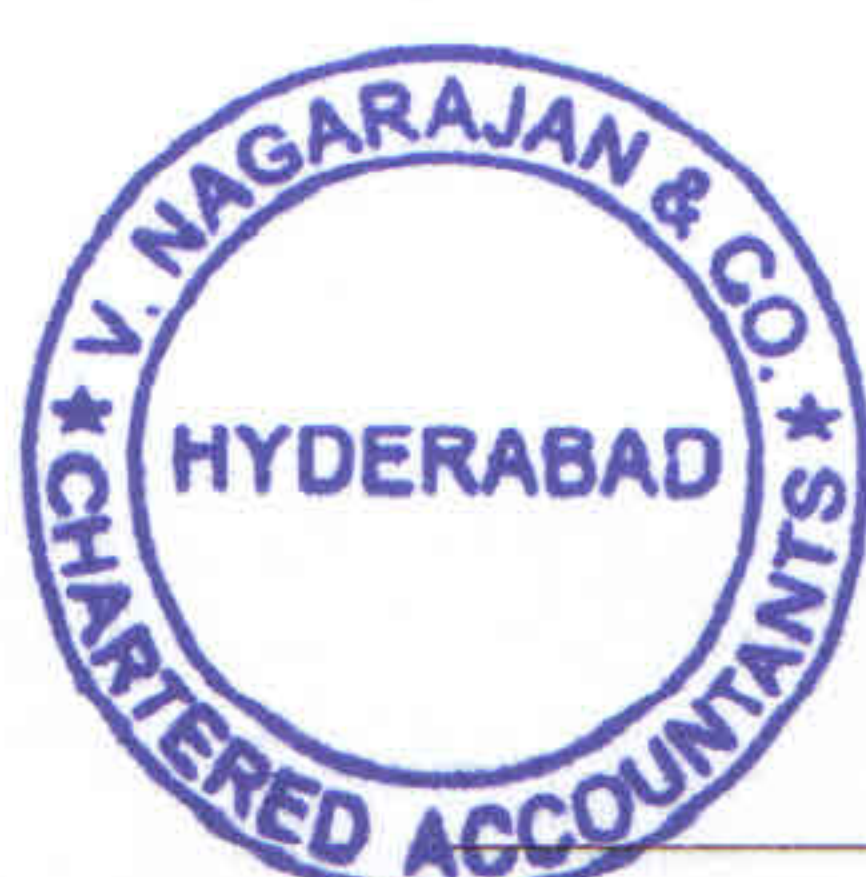
1.7.2. Liabilities and receivables in foreign currency are converted at the exchange rate as on date of transaction and gain or losses are recognized on the date of settlement of liabilities.

2. Notes to accounts:**2.1. Note on activities:**

SWAYAM KRISHI SANGAM (the 'Society' or 'SKS') undertakes the following activities:

2.1.1. Ultra Poor program:

The Ultra Poor program is the lead program of Swayam Krishi Sangam. The Ultra Poor programme, scientifically targets the bottom of the pyramid extreme poor, employing participatory identification tools. The intervention logic is based on seamless and integrated services in the thematic areas of social, health and economic advancement to the identified extreme poor households with the aim of main streaming and reconnecting them to lost livelihood opportunities through a road map of their choice.



SWAYAM KRISHI SANGAM

SCHEDULE 14: NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2011.

The identified partner households are invariably women headed and most of them are destitute or below destitute. The single most important criterion of the measure of impact of this programme is an orderly transition into self propelled and secured livelihoods with elevated social and health awareness levels.

2.1.2. Education:

SKS foot prints in rural areas have led the Organization to think of providing primary and pre primary education services to rural poor at affordable price. It should be qualitatively on par with the corporate school education wherein rural children who have latent talent on par with their urban counterparts can be unearthed. SKS has started 15 Primary and 36 Pre-primary schools across 4 districts (Medak, Nalgonda, Warnagal, and Khammam) of Andhra Pradesh with student enrolment of more than 2500 and 200 professional teachers are working with the financial support provided by SKS Mutual Benefit Trusts routed through SKS. Though school fee is collected nominally, much of school management costs are coming in the shape of contribution support from SKS Mutual Benefit Trusts.

2.1.3. De-Worming Program:

SKS in partnership with De-worm the World [DTW], an International, a US Based non-profit has launched a pioneering program of de-worming 2 lakh school children in Andhra Pradesh. In partnership with DTW, SKS worked jointly with the Department of Health, Medical and Family Welfare and the Department of School Education. As a Pilot they have made a massive campaign in Kurnool District, de-worming nearly 2 Lakh school children at Government Schools. SKS field teams were engaged to do this in local collaboration with PHCs and medical department. Albendozal pills were administered to school children under the supervision of qualified local physicians. The impact is visible and SKS has a vision of "Worm free children in India".

2.1.4. Business Correspondence:

SKS is implementing a pilot to provide the Business Correspondent services. The kind of financial services and products include cash transfers, loan repayment collections, opening of savings bank and other deposit accounts and insurance services. The Business Correspondent model is undergoing field tests for its various efficacies in service deliveries. SKS wanted to test case this pilot and upscale the model with standard package of practices.

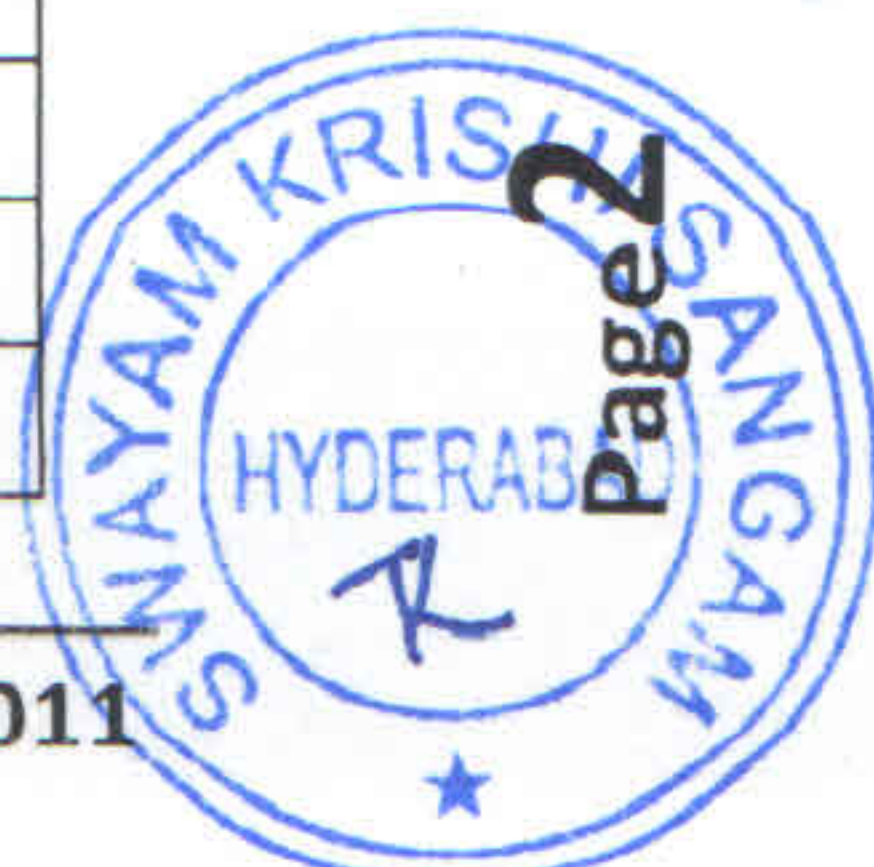
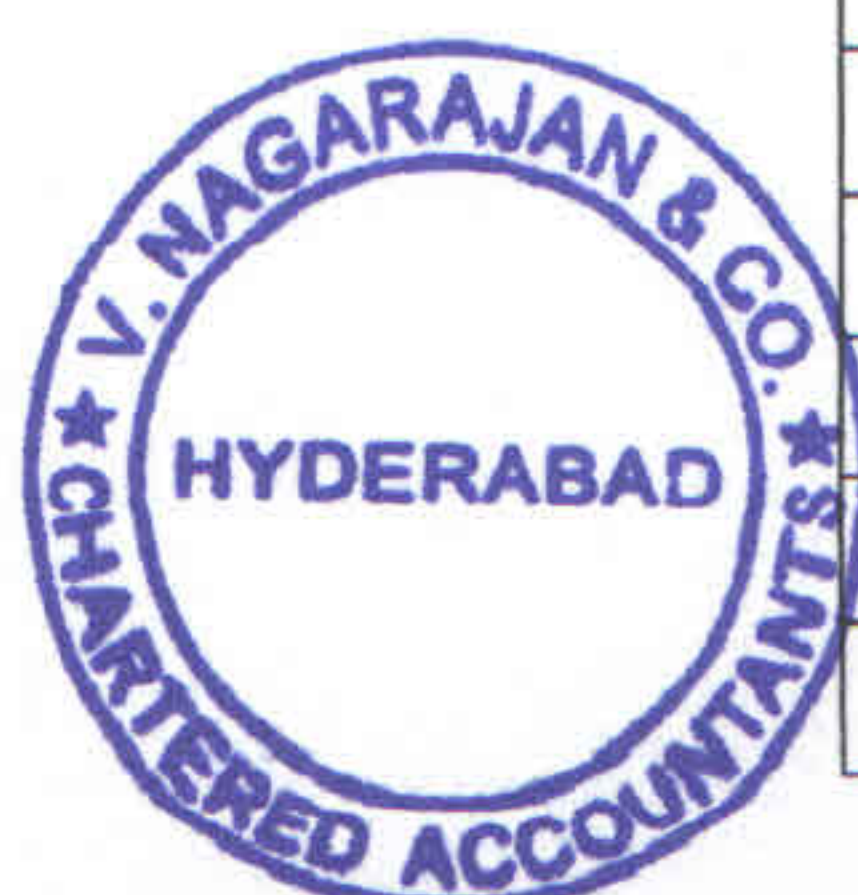
2.1.5. Sitaram Rao Memorial Book Clubs (Libraries):

SKS has started Sitaram Rao Memorial Book Clubs (Libraries) in collaboration with CFBT and in the memory of Late Sitaram Rao who did a pioneering work in SKS and started 9 Libraries at Government schools, Kasturba Gandhi Balika Vidyalaya's, and Girls hostels at Narayankhed area of Medak District, Andhra Pradesh and provided books with nearly 750 titles. These libraries are managed jointly by children committee, one teacher, and one organizer from SKS.

2.2. Amalgamation of SKS Educational Society:

During the year, the Society has taken over the assets and liabilities of SKS Educational society through the process of amalgamation effective from July 1, 2010. The process of amalgamation was approved by General Body on February 18, 2010 and the same was confirmed on May 11, 2010. The Society obtained the approval of Registrar of Societies on March 28, 2011. The assets and liabilities are accounted as per AS 14 "Accounting for Amalgamations" issued by Institute of Chartered Accountants of India by adopting pooling of interest method and details are as follows:

Particulars	Amount [Rs.]
I. ASSETS	
i. Fixed assets [Gross]	1,548,513
ii. Cash and bank balances	355,328
iii. Other advances	1,797,119
Total	3,700,960
II. LIABILITIES	
i. Current liabilities	1,231,753
ii. Accumulated depreciation	1,315,249
III. RESERVES AND SURPLUS	
i. Surplus in income & expenditure account	1,153,958
Total	3,700,960
Consideration for amalgamation	Nil



2.3. Contribution from SKS Mutual Benefit Trusts:

During the year, five SKS Mutual Benefit Trusts [SKS Trusts] contributed an amount of Rs. 71,000,000/- to execute Education, Ultra Poor, De-worming and Business correspondent programs, and repay loans availed from Mr. Vikram Akula and SKS Microfinance Ltd, as an interim financial arrangement to finance welfare programs. The society has spent a sum of Rs. 60,999,604/- to meet the costs of their programs, and an amount of Rs. 10,000,000 refunded to the MBT's. The details of contribution made by each trust net of refund of Rs. 1,00,000/ are as follows.

S. No.	Name of the Trust	Amount [Rs.]
1	SKS Mutual Benefit Trust – Narayankhed	12,453,028
2	SKS Mutual Benefit Trust – Medak	12,136,743
3	SKS Mutual Benefit Trust – Jogipet	12,136,743
4	SKS Mutual Benefit Trust – Sadasivpet	12,136,743
5	SKS Mutual Benefit Trust – Sangareddy	12,136,743
Total		61,000,000

The contributions were partially utilized for repayment of interest free and low cost loans availed from Mr. Vikram Akula and SKS MICRO FINANCE PVT LTD. These loans were initially used for financing the approved activities..

2.4. Income tax:

The Society is registered under Andhra Pradesh Society Registration Act, 2001 as a non- profit society and having registration under section 12 A (a) of the Income Tax Act, 1961. The Society has complied with the necessary provision and conditions of the section 2(15) of the Income Tax Act 1961 relating to the charitable organization. Hence no provision for Income Tax is considered necessary.

2.5. The Society falls under level II enterprise as classified by the Institute of Chartered Accountants of India. Accordingly, the Society has complied with the accounting standards to the extent applicable to level II entity.
2.6. A sum of Rs. 856,227 remaining unspent out of the grant received from SIDBI to part finance the programme "SIDBI Fund for Micro Credit (SFMC)" has been credited to income as the programme has been completed.
2.7. Subsequent events:

The Society decided to transfer its Education division to a new society "Bodhi Educational Society" which will take effect from April 1, 2011.

2.8. Supplementary information:
2.8.1. Auditors' remuneration:

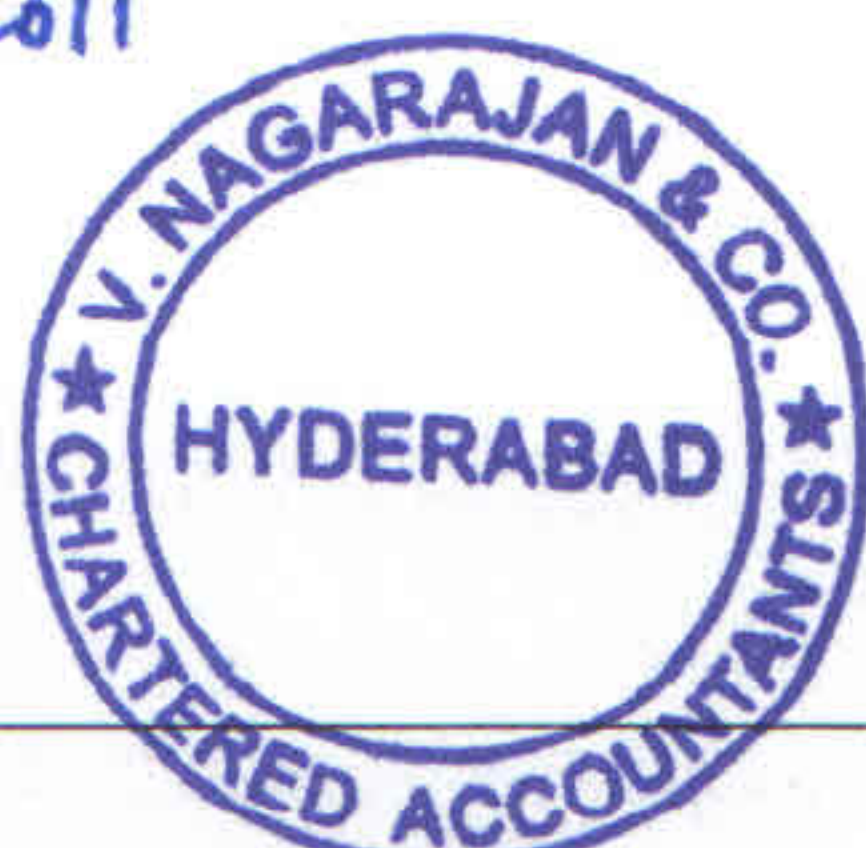
	Rs.	
Particulars	31-Mar-2011	31-Mar-2010
Audit fee	115,815	44,120
Taxation and other consulting services	55,150	27,575
Fee for Certification including FCRA	27,575	24,818
Out of pocket expenses	-	1,210
Total	198,540	97,723

2.8.2. Previous year figures have been regrouped and rearranged wherever necessary to conform to current year's classification.

As per our report of even date
for V. Nagarajan & Co.,
Chartered Accountants
ICAI Firm Reg. No.: 04879N

for Swayam Krishi Sangam

Place: Hyderabad
Date: 30/07/2011



A. G. Sitaraman
A. G. Sitaraman
Partner
M. No.: 017799



[Signature]
Chairperson

[Signature]
Director