



## AUDITORS' REPORT

TO,  
THE MEMBERS  
M/S. KARNATAKA REDDY JANASANGHA,  
KORAMANGALA, BANGALORE.

### Report on the Financial Statements

#### Opinion:

We have audited the accompanying financial statements of "M/S. KARNATAKA REDDY JANA SANGHA, Koramangala, Bangaluru"; which comprise the Balance Sheet as at 31<sup>st</sup> March, 2019, and Income and Expenditure account for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Society as at March 31, 2019, and of its financial performance for the year then ended in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) subject to the observations listed in annexure-A.

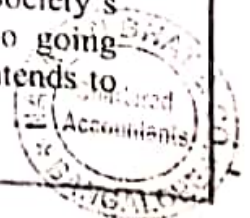
#### Basis of opinion:

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by ICAI. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Society in accordance with the Code of Ethics issued by ICAI and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Responsibilities of Management and Those Charged with Governance for the Financial Statements:

Management is responsible for the preparation of these financial statements that give a true and fair view of the state of affairs and results of operations 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.

In preparing the financial statements, management is responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to



liquidate the Society or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Society's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Statements:**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. 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's 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 accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Place: Bangalore  
Date: 26/06/2019



**For Narayan Bhat & Co,**  
Chartered Accountants  
Firm Reg. No: 05011S

A handwritten signature in black ink, appearing to read "Narayan S Bhat".

**(CA Narayan S Bhat)**  
Partner  
Membership No. 027991

**BALANCE SHEET AS ON 31.03.2019**

Amount (Rs.) As on 31.3.2018	Liabilities	Sch's	Amount (Rs.) As on 31.3.2019	Amount (Rs.) As on 31.3.2018	Assets	Sch's	Amount (Rs.) As on 31.3.2019
1,34,79,18,798	Capital Fund	A	1,42,91,47,479	91,81,80,601	Fixed Assets	I	98,78,07,322
-	Opening Balance		-	49,22,00,104	Investments in Fixed Deposits	J	44,89,59,101
2,66,630	Add: General Corpus fund		2,75,593				
8,14,59,398	Life Membership Fees Received		9,95,99,325				
-4,97,347	Excess of Income Over Expenditure		-				
1,42,91,47,479	Less: Contribution towards Staff welfare fund		1,52,90,22,397		Current Assets		
1,38,01,202	Special Corpus Funds	B	1,45,04,491	7,44,430	Advances and Deposits	K	1,59,68,644
				4,32,71,230	Balance with IT Department	L	5,36,24,479
				4,24,50,871	Fees Receivable from students	M	6,80,25,516
				87,98,020	Fees Receivable Misappropriated	M1	11,77,194
	Loans & Liabilities	C	1,14,927	6,23,532	Cash & Bank Balance		4,49,016
1,14,927	Loans And Liabilities	D	59,63,427	2,27,98,150	Cash in Hand	N	2,30,12,626
2,34,60,939	Security Deposits				Balance with Bank	O	
	Current Liabilities	E	1,64,49,184				
2,93,76,195	Sundry Creditors	F	14,63,384				
12,32,509	Duties & Taxes - Provisions		1,43,08,161				
1,32,82,481	Salary & Benefits Provisions		1,71,97,927				
1,86,51,206	Other Current Liabilities	H					
1,52,90,66,938	Total		1,52,90,23,898	1,52,90,66,938	Total		1,59,90,23,898

As per our Report of even date:

For Narayan Bhat & Co

Chartered Accountants

FRN: 050115

Date: 26/06/2019  
Place: Bengaluru

CA Narayan S Bhat  
Partner  
M.No: 027991



Sri H N Vijayraghava Reddy  
President

For Karnataka Reddyjara Sangha

Muninagappa  
General Secretary

K M Krishna Reddy  
Treasurer

**VEMANA INSTITUTE OF TECHNOLOGY**  
**INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31.03.2019**

Amount (Rs.) As on 31.3.2018	Expenditure	Amount (Rs.) As on 31.3.2019	Amount (Rs.) As on 31.3.2018	Incomes	Amount (Rs.) As on 31.3.2019
71,17,739	Advertisement	9,58,524	15,88,26,251	Tuition Fees	17,48,32,714
2,066	Bank Charges	47,306	60,502	Fine & Others Receipts	1,16,705
21,922	Conveyance	24,131	2,87,238	Miscellaneous Income	1,65,603
34,38,350	Electricity & Water Charges	29,02,926	13,37,349	Sale of Books	14,34,556
1,37,864	Girls hostel expenses	7,17,851	3,11,500	Application Fee	2,60,600
2,18,94,231	Depreciation	2,35,68,245	2,24,900	Mess charges from girls hostel	2,59,870
8,06,748	Placement & Training Expense	17,15,725	1,22,460	Rent Received	98,800
13,195	Postal Expense	41,391	17,14,153	SB Interest	9,08,789
8,35,779	Office Expenses	4,91,011	48,75,887	Rent Received from Girls Hostel	64,51,455
6,51,809	Purchase of Books (Magazines)	16,70,685	4,39,650	Sponsorship	15,000
50,05,400	PF Contribution	39,13,983			
54,63,474	Repairs & Maintenance	35,40,075			
9,59,28,921	Salary	9,97,51,547			
29,45,556	Security Charges	49,64,849			
	Registration Fee	10,000			
26,78,246	Sports & Cultural Expense	11,00,381			
1,51,090	News Paper & Periodicals	1,28,600			
48,50,145	Admission & Affiliation Fee	52,90,780			
45,000	Comed -K Expense	85,000			
73,937	Miscellaneous Expense	5,33,579			
15,19,000	Merit Scholarship	17,46,000			
10,95,138	Printing & Stationery	13,41,285			
6,62,880	Seminar Expense	2,00,594			
6,15,281	Telephone Charges	6,81,905			
-	Meeting expenses	2,69,240			
-	Insurance	1,27,204			
-	Licence and Renewals	7,86,498			
-	Medical Expenses	70,000			
<b>15,59,53,771</b>	<b>Total expenditure</b>	<b>15,66,79,315</b>	<b>16,81,99,890</b>	<b>Total Income</b>	<b>18,45,44,092</b>
<b>1,22,46,119</b>	<b>Excess of Income over Expenditure</b>	<b>2,78,64,777</b>			
<b>16,81,99,890</b>	<b>Total</b>	<b>34,12,23,408</b>	<b>16,81,99,890</b>	<b>Total</b>	<b>18,45,44,092</b>

As per our Report of even date:

For Narayan Bhat & Co  
 Chartered Accountants  
 FRN: 050115



CA Narayan S Bhat  
 Partner  
 M.No: 027991

H N Vijayraghava Reddy  
 President

For Karnataka Reddyjana Sangha  
 Muninagappa  
 General Secretary

K M Krishna Reddy  
 Treasurer