

R. SRINIVAS CHAKRAVARTHY

M.Com., A.C.A.

CHARTERED ACCOUNTANT

RAMANCHARLA & CO.

Chartered Accountants

8-3-403, Banjara Hills,

Road # 43, Hyderabad - 56

Andhra Pradesh

19-10-2006

Date :

AUDITOR'S REPORT

To
The Members,
Lifeline to the World (Society)
Regd. No. 1155/2002,
KHAMMAM.

1. We have examined the attached Balance Sheet of LIFELINE TO THE WORLD (SOCIETY), as at 31.03.2006 and also the Income and Expenditure Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the governing body of the society. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit 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 includes examining on a test basis, evidence supporting the amounts and disclosure in the financial statements. Our audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

2. 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.
3. In our opinion, proper books of accounts as required by law have been kept by the society in so far as it appears from our examination of those books.
4. The Balance Sheet and the Income and Expenditure Account dealt with by this report are in agreement with the books for accounts.
5. In our opinion and to the best of information and according to the explanations given to us, the accounts read with the schedule and notes thereon give a true and fair view:
 - a) In the case of the Balance Sheet, of the state of affairs of the above named society as at 31.03.2006.
 - b) In the case of the Income and Expenditure Account, of the excess of expenditure over income, for the year ended on that date.

Date: 28.07.2006

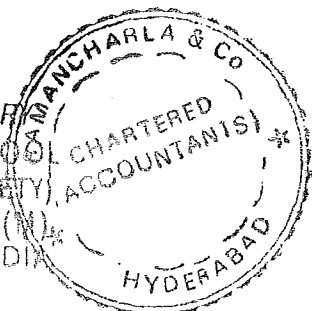
Place : Hyderabad

Copy to:

External Affairs Ministry, New Delhi,

Chief Audit Commissioner, Hyderabad.

CORRESPONDENT / SECRETARY
MUCHERLA GLOBAL SCHOOL
(LIFELINE TO THE WORLD SOCIETY)
MUCHERLA, KAMEPALLY (N)
KHAMMAM-507 182. A.P-INDIA



For Ramancharla & Co.,
Chartered Accountants
B. Srinivas Chakravarty
PROPRIETOR

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Road # 43, Hyderabad - 56

Andhra Pradesh

Date :

LIFELINE TO THE WORLD

(Regd.no. 1155/2002)

H.no.11-6-539, Flat no.107, Gulmohar Apts.

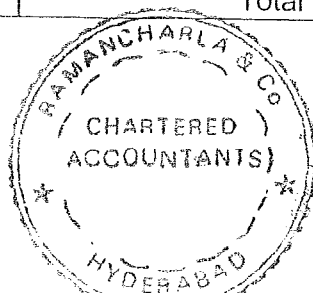
Nampally, Hyderabad-34

Andhra Pradesh.

Receipts and payment account for the year ending on 31.03.06

Receipts	Amount	Payments	Amount
To Opening Balance:		By Teaching Staff Salaries	367,035
Cash in Hand	6,194	By Printing & Stationery	3,319
To Hand loans	105,000	By Postage	38
To Tuition Fee collection	197,300	By General Expenses	1,498
To Foreign Contributions	173,231	By Festival Celebrations	7,150
To Indian Contributions	30,000	By National Day Celebrations	2,155
To Interest	482	By Parents' Day Celebrations	16,494
		By Advertisements	2,884
		By Newspapers & Periodicals	3,250
		By Civil works in the premises	19,750
		BY Building maintenance	2,450
		By Snacks	2,855
		By Garden Seeds	556
		By Property Tax	1,680
		By Fees	8,500
		By Tax on Foreign Transfers	10,626
		By Electricity	13,145
		By Telephones	4,620
		By Chartered Accountant Fee	4,000
		By Computer repair	2,730
		By Dot matrix printer	2,300
		By Loan repayments (Sridhar loan a/c)	10,000
		By Interest on loans	6,000
		By Closing balance	
		Cash in hand	19,172
Total	512,207	Total	512,207

CORRESPONDENT / SECRETARY
MUCHERLA GLOBAL SCHOOL
(LIFELINE TO THE WORLD SOCIETY)
MUCHERLA, KAMEPALLY(M),
KHAMMAM-507 182. A.P-INDIA.



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Nampally, Hyderabad-34

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INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDING ON 31.03.2006

EXPENDITURE	AMOUNT	INCOME	AMOUNT
To Teaching staff salaries	367,035	By Tuition Fee collections	197,300
To Electricity charges	13,145	By Foreign Contributions	173,231
To Telephone charges	4,620	By Indian Contributions	30,000
To Printing & Stationery	3,319		
To Postage	38	By excess of expen. over income	74,348
To General Expenses	1,498		
To Festival Celebrations	7,150		
To National Day Celebrations	2,155		
To Parents' Day Celebrations	19,750		
To Advertisements	2,884		
To Newspapers & periodicals	3,250		
To Interest on loans	6,000		
To Building maintenance	2,450		
To Garden Seeds	556		
To Dot Matrix printer	2,300		
To Computer repair	2,730		
To Chartered Accountant fee	4,000		
To Property tax	1,680		
To Snacks	2,855		
To Tax on Foreign Transfers	10,626		
To Depreciation (as per annexure)	16,838		
Total	474,879	Total	474,879

Depreciation Schedule:

Name of the asset	D/ of acquit	WDV Amt.	Rate%	Depreciation	WDV on 31.03.06
Furniture & Fixtures	2002	33,390	15%	5,008	27,787
Teaching materials	2002	18,225	10%	1,822	14,175
Electrical & Electronics	2002	12,283	15%	1,842	15,431
Books & Library	2002	29,160	10%	2,916	23,873
Computer	Jun-04	7,600	60%	4,560	3,040
Computer printer	Dec.2005	2,300	30%	690	1,610
Total		102,958		16,838	85,916

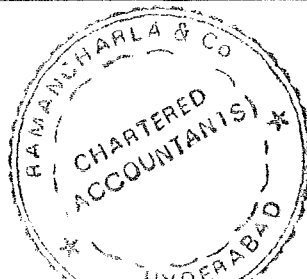
CORRESPONDENT / SECRETARY

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BALANCE SHEET AS AT 31.03.06

LIABILITIES	Amount	ASSESTS	Amount
Capital Fund:		Furniture and Fixtures	55000
Opening Balance	300000	Teaching material	25000
		Books and Library	40000
		Electronics & Electricals	20000
Hand loans	75000	Computer	19000
	30000	Gate and name board erections	19750
(-) 10000	95000		
Depreciation reserve	75180	Cash in hand	19172
		Excess of exp. over income	272258
Total	470180	Total	470180

Notes on Accounts:

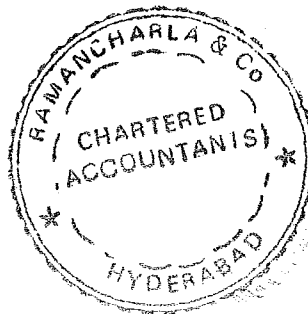
1. The Financial Statement has been prepared under historical cost convention.
2. All the fixed assests are stated at their historical values.

Copies to:

External Affairs Ministry, New Delhi,
Chief Audit Commissioner, Hyderabad,
All the board member

Pauldan
CORRESPONDENT / SECRETARY

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(LIFELINE TO THE WORLD SOCIETY)
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For Ramancharla & Co.,
Chartered Accountants

R. Srinivas Chakravarty
(R. Srinivas Chakravarty*)
PROPRIETOR