



INDEPENDENT AUDITOR'S REPORT

To,
The Trustees,
Karnataka Health Promotion Trust
Bangalore

1. Report on the Financial Statements

We have audited the accompanying Consolidated (Local Contribution & Foreign Contribution) Financial Statements of **Karnataka Health Promotion Trust, No.1-4, IT Park, Behind KSSIDC Admin. Office, Rajajinagar Industrial Area, Rajajinagar, Bangalore - 560 044** which comprise the Balance Sheet as at 31st March, 2018, the Statement of Income & Expenditure for the year then ended, the Receipts and Payments Account for the year then ended and a summary of significant accounting policies and other explanatory information.

2. Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these Financial Statements that give a true and fair view of the financial position, 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 mis-statement, whether due to fraud or error.

3. Auditor's Responsibility

3.1 Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the standards on auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material mis-statement.


3.2 An audit involves performing procedures to obtain audit evidence about the amounts and disclosure 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 Institution'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 principles used and reasonableness of the accounting estimates made by the management as well as evaluating the overall presentation of the financial statements.





- 3.3 We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.
4. **Opinion.**
In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- (a) in the case of the Balance Sheet, of the state of affairs of the trust as at 31st March 2018; and
 - (b) in the case of the Statement of Income & Expenditure, of the Excess of Income over Expenditure for the year ended on that date.
 - (c) in the case of Receipts and Payment Accounts, of the cash flows for the year ended on that date
5. In our opinion, proper books of account have been maintained by the said organization as required by law so far as it appears from our examination of those books.
6. The Balance Sheet, Statement of Income & Expenditure Account and Receipts and Payments Account dealt with by this report are in agreement with the books of account;
7. In our opinion, the Balance Sheet, Statement of Income & Expenditure Account and Receipts and Payments Account comply with the applicable Accounting Standards issued by the Institute of Chartered accountants of India.

For R V K S and Associates
Chartered Accountants
FRN: 008572S


25/9/2018

R. Mohan
Partner
M No. 203911



Place: Bangalore
Date:

KARNATAKA HEALTH PROMOTION TRUST (KHPT)

No.1-4, IT Park, Behind KSSIDC Admin. Office, Rajajinagar Industrial Area, Rajajinagar, Bangalore - 560 044

Receipts and Payments Account - Consolidated

Particulars	Note	For the year ended 31st March, 2018 (Rupees)	For the year ended 31st March, 2017 (Rupees)
Opening Balance	3		
- Cash on hand		2,07,931	2,90,645
- Cash at Bank		7,07,95,685	9,38,86,433
		<u>7,10,03,616</u>	<u>9,41,77,078</u>
Add: Receipts			
Grants Received	2	42,85,41,824	30,26,92,140
Interest Income Bank	7	46,68,134	53,18,379
Interest on IT Refund		2,09,765	-
Other Income		4,12,363	15,20,563
Refund of Deposits		10,65,000	7,50,000
Refund of Income Tax		2,70,868	-
Settlement of Advances		55,12,382	43,68,084
Sale of Assets		11,02,814	6,27,025
Income from Professional Charges		82,280	5,82,795
Donations Others		-	1,39,152
		<u>44,18,65,429</u>	<u>31,59,98,139</u>
Totals		<u>51,28,69,046</u>	<u>41,01,75,217</u>
Payments			
Programme Expenses			
- Grants to NGO's		7,86,38,584	8,91,56,565
- Other Programme Expenses		15,77,38,539	17,10,22,523
- Training and Capacity Building Expenses		51,17,961	37,69,705
Personnel Expenses		3,06,31,462	2,32,66,303
Administrative and other expenses		4,02,18,501	4,16,05,194
Rent Deposit		3,34,817	10,88,750
Income Tax Deducted at Source		1,29,50,697	24,59,639
Advances and Refund of Grants		41,87,041	68,02,921
Total		<u>32,98,17,602</u>	<u>33,91,71,600</u>
Closing Balance			
Cash on hand	3	2,16,670	2,07,931
Cash at Bank	3	18,28,34,773	7,07,95,685
		<u>18,30,51,443</u>	<u>7,10,03,616</u>
Totals		<u>51,28,69,046</u>	<u>41,01,75,217</u>

For Karnataka Health Promotion Trust



Mohan H L
Managing Trustee



Nanjundappa G.M
Director Finance

Place: Bangalore
Date : 25-Sep-2018



As per our audit report of even date attached

For R V K S And Associates

Chartered Accountants

Firm No. 008572S



R. Mohan
Partner

Membership No. 203911



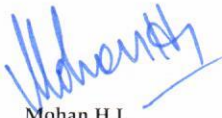
KARNATAKA HEALTH PROMOTION TRUST (KHPT)

No.1-4, IT Park, Behind KSSIDC Admin. Office, Rajajinagar Industrial Area, Rajajinagar, Bangalore - 560 044

Balance sheet as at 31st March, 2018 - Consolidated

Particulars	Note	31st March, 2018 (Rupees)	31st March, 2017 (Rupees)
I Sources of Funds			
1 Reserves			
Corpus fund	1	10,000	10,000
General Reserve	2	9,17,72,911	6,68,65,843
Grant Received in Advance	3	11,09,96,458	1,45,94,130
Total		20,27,79,369	8,14,69,973
II Application of Funds			
1 Current Assets, Loans and Advances			
Cash and Bank Balances	4	18,30,51,443	7,10,03,616
Loans and advances	5	2,80,43,701	2,56,20,490
Total		21,10,95,144	9,66,24,106
2 Less : Current liabilities and provisions			
Current Liabilities	6	74,72,624	1,31,93,395
Provisions	7	8,43,151	19,60,738
Total		83,15,775	1,51,54,133
Net current assets		20,27,79,369	8,14,69,973
Total		20,27,79,369	8,14,69,973

For Karnataka Health Promotion Trust



Mohan H L
Managing Trustee



Nanjundappa G.M
Director Finance

As per our audit report of even date attached

For R V K S And Associates
Chartered Accountants
Firm No. 008572S



R. Mohan
Partner
Membership No. 203911



Place: Bangalore
Date : 25-Sep-2018



KARNATAKA HEALTH PROMOTION TRUST (KHPT)

No.1-4, IT Park, Behind KSSIDC Admin. Office, Rajajinagar Industrial Area, Rajajinagar, Bangalore - 560 044

Statement of Income and Expenditure - Consolidated

Particulars	Note	For the year ended 31st March, 2018 (Rupees)	For the year ended 31st March, 2017 (Rupees)
Income			
Grants Received - Utilized	3	33,12,79,179	34,34,91,135
Interest Income	8	52,87,501	55,54,933
Donations Others		-	1,39,152
Sale of Assets		11,02,814	6,27,025
Exchange Difference		8,60,317	(4,39,393)
Misc Income		4,12,363	15,20,563
Income from Professional Charges		82,280	5,82,795
Total		33,90,24,454	35,14,76,210
Expenditure			
Programme Expenses	9		
-Grants to NGO's		7,86,38,584	8,91,56,565
-Implementation Expenses		15,80,30,940	17,20,66,549
-Training and Capacity Building Expenses		51,17,961	37,69,705
Personnel Expenses	10	3,15,68,650	2,39,04,049
Administrative and other expenses	11	4,07,61,251	4,25,21,906
Total		31,41,17,386	33,14,18,774
Excess of Income over Expenditure transferred to General Reserve		2,49,07,068	2,00,57,436

For Karnataka Health Promotion Trust



Mohan H L
Managing Trustee



Nanjundappa G.M
Director Finance

Place: Bangalore
Date : 25-Sep-2018



As per our audit report of even date attached

For R V K S And Associates
Chartered Accountants
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R. Mohan
Partner
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KARNATAKA HEALTH PROMOTION TRUST (KHPT)

No.1-4, IT Park, Behind KSSIDC Admin. Office, Rajajinagar Industrial Area, Rajajinagar, Bangalore - 560 044

	As at 31st March, 2018 (Rupees)	As at 31st March, 2017 (Rupees)
Notes forming part of the accounts -Consolidated		
Note 1: Corpus Fund		
Opening balance	10,000	10,000
	10,000	10,000
Note 2: General Reserve		
Opening balance	6,68,65,842	4,68,08,406
Add: Transferred from Income & Expenditure A/c	2,49,07,068	2,00,57,436
	9,17,72,911	6,68,65,843
Note 3: Grant Received in Advance		
Opening balance	1,45,94,129	5,49,53,731
Grants Received during the year		
University of Manitoba	48,99,907	85,22,791
POP Council	-	31,06,789
LSHTM	1,02,77,911	81,81,878
Geneva Foundation for Medical Research (GFMER)	1,32,600	1,32,400
United States Agency for International Development-O'	12,98,79,866	11,41,04,437
ViiV Healthcare UK Ltd	1,40,43,106	-
South African Medical & Research Council	49,51,832	65,40,187
Global Alliance for Improve Nutriron	19,96,460	4,30,20,000
CBCI Society For Medical Education	2,43,41,070	1,30,13,209
Business for Social Responsibility-BSR	7,50,910	-
Johnson & Johnson Pvt Ltd	1,66,58,656	-
OVC Contribution Staff & Others	-	4,36,675.00
India HIV/AIDS Alliance	5,10,85,939.56	5,49,84,203.00
OVC Contribution Staff & Others	-	11,750.00
Karnataka State Rural Livelihood Promotion Society	14,48,83,783.00	2,49,29,497.00
Azim Premji Philanthorphyic Initiative	1,63,66,700.00	1,96,68,950.00
Indegene-TB-Care	12,06,600.00	3,26,100.00
MAC-ELCA Cosmetics Pvt Ltd	27,06,194.00	57,13,275.00
CBCI Society for Medical Education	22,70,600.00	-
Life style International Pvt Ltd	16,00,000.00	-
The India Nutrition Initiative-TINI	3,00,000.00	-
Sponsored Funds-OVC-Nutrition & Others	1,89,690.00	-
	44,31,35,954	35,76,45,871
Less:		
Exchange Fluctuation Income transferred	8,60,316.98	(4,39,392.58)
Grant Utilized transferred to Income & Expenditure Account	33,12,79,178.94	34,34,91,134.61
	33,21,39,496	34,30,51,742
Grant Received in Advance	11,09,96,458	1,45,94,129



KARNATAKA HEALTH PROMOTION TRUST (KHPT)

No.1-4, IT Park, Behind KSSIDC Admin. Office, Rajajinagar Industrial Area, Rajajinagar, Bangalore - 560 044

	As at 31st March, 2018 (Rupees)	As at 31st March, 2017 (Rupees)
Notes forming part of the accounts - Consolidated		
Note 4: Cash and bank balances		
Cash in Hand	2,16,670	2,07,931
Balance with Note Banks		
- in savings accounts	17,78,34,773	2,57,95,685
- in deposit accounts	50,00,000	4,50,00,000
	<u>18,30,51,443</u>	<u>7,10,03,616</u>
Note 5: Loans and advances		
Advances recoverable in cash or in kind or for value to be received	46,12,541	1,41,38,977
TDS receivable	1,87,77,622	60,97,793
Deposits	46,53,537	53,83,720
	<u>2,80,43,700</u>	<u>2,56,20,489</u>
Note 6 : Current liabilities		
TDS payable	7,37,882	11,92,092
Sundry creditors	58,05,554	1,13,63,557
Other liabilities	9,29,188	6,37,746
	<u>74,72,624</u>	<u>1,31,93,395</u>
Note 7 : Provisions		
Accruals	8,43,151	19,60,738
	<u>8,43,151</u>	<u>19,60,738</u>



KARNATAKA HEALTH PROMOTION TRUST (KHPT)

No.1-4, IT Park, Behind KSSIDC Admin. Office, Rajajinagar Industrial Area, Rajajinagar, Bangalore - 560 044

As at
31st March, 2018
(Rupees)

As at
31st March, 2017
(Rupees)

Notes forming part of the accounts - Consolidated

Note 8: Interest Income

From Savings Bank Accounts	29,50,409	23,37,308
From Fixed Deposits with Bank	21,27,328	32,17,625
Interest on IT Refund	2,09,765	-
	<u>52,87,501</u>	<u>55,54,933</u>

Note 9 : Programme Expenses

-Grants to NGO's	7,86,38,584	8,91,56,565
-Implementation Expenses	15,80,30,940	17,20,66,549
-Training and Capacity Building Expenses	51,17,961	37,69,705
	<u>24,17,87,484</u>	<u>26,49,92,819</u>

Note 10 : Personnel Expenses

Salaries	1,42,95,919	93,27,967
PF Employers' Share	29,77,832	29,49,907
Leave Encashment	2,73,792	1,88,216
Leave Travel Allowance	31,29,605	21,54,026
Consultancy Charges	56,96,962	38,34,196
Recruitment Expenses	2,66,729	2,44,629
Gratuity	26,26,730	10,99,335
Insurance-Staff	20,94,264	38,95,739
Overtime Allowance	1,50,483	2,10,034
Relocation Charges-Joining	8,750	-
Relocation Charges-Transfer	47,584	-
	<u>3,15,68,650</u>	<u>2,39,04,049</u>



KARNATAKA HEALTH PROMOTION TRUST (KHPT)

No.1-4, IT Park, Behind KSSIDC Admin. Office, Rajajinagar Industrial Area, Rajajinagar, Bangalore - 560 044

	As at 31st March, 2018 (Rupees)	As at 31st March, 2017 (Rupees)
Note 11 : Administrative and other expenses		
Fixed Assets		
Computers	1,72,744	30,96,973
Furniture & Equipments	31,68,779	26,50,684
Vehicles	21,19,323	-
Communications		
Courier Charges	1,57,185	3,33,006
Data Card Expenses	8,48,986	9,94,791
Email/internet & Wireless	32,364	34,476
Internet Charges	3,31,765	2,15,508
Mobile Charges	11,19,399	14,88,621
Postage & Telegrams	71	61
Telephone Charges	1,91,961	1,83,880
Office Running Expenses		
AMC for Equipments & Others	1,30,800	1,45,197
Bank Charges	1,31,882	47,009
Books & Periodicals	16,961	2,000
Computer Running Expenses	1,90,056	6,04,864
Electricity/Water /Maintenance Charges	17,13,746	12,12,883
Insurance -Assets	1,66,669	1,39,678
Insurance -Cash	5,723	16,655
Insurance -Others	37,276	-
Office Expenses	-	600
Office Repairs and Maintenance	8,24,715	6,52,150
Printing & Stationery	6,80,663	11,12,983
Rent-Office	71,90,545	63,79,646
Rent - Others	16,06,622	18,08,124
Software Expenses	5,66,155	2,54,264
Staff Welfare-Tea/coffee/meal	1,78,699	2,00,822
Brokerage Charges	-	29,000
Website Development & Maintenance	1,05,490	2,94,531
Registration Fees-Legal & Others	2,659	20,000
Other Expenses		
Interest Paid-Income Tax	8,018	-
Travel Expenses-Staff & Consultants		
Local Conveyance	12,93,232	4,48,129
Travel Expenses-International	33,63,122	61,24,567
Travel Expenses-National-Accommodation	26,05,838	21,66,866
Travel Expenses-National-Air tickets	51,05,488	37,56,407
Travel Expenses-National-Others	8,78,785	25,15,443
Travel Expenses-National-Perdiem	17,10,535	16,32,096
Travel Expenses-National-Train/Bus	8,04,630	10,03,085
Vehicle Expenses		
Vehicle-Insurance	27,220	84,095
Vehicle-Repair & Maintenance	1,30,680	2,66,936
Vehicle Fuel Expenses	3,61,147	4,25,886
Vehicle Hire Charges	17,88,840	15,43,614
Professional Charges-Audit Fees		
Audit Fees-FY-2016-17	-	3,00,000
Audit Fees-FY-2017-18	3,54,000	-
Professional Charges		
Professional Fees	6,38,480	3,36,376
	4,07,61,251	4,25,21,906



KARNATAKA HEALTH PROMOTION TRUST
No.1-4, IT Park, Behind KSSIDC Admin. Office, Rajajinagar Industrial Area,
Rajajinagar, Bangalore - 560 044

Notes to account and Significant Accounting Policies

1. The Trust has commenced with effect from 07th July,2003. It has registered its Trust deed with Sub-registrar, Gandhinagar vide registration document no. IV 150/03-04 dated 07/07/2003.
2. The trust has been registered under Foreign Contribution (Regulation) Act,1976 vide registration No 094421216 dated 01/03/2006 vide letter No. 11/21022/69(013)/2006-FCRA III for receiving foreign contributions. Renewed FCRA registration is valid from 01/11/2016 to 31/10/2021.
3. The trust is registered under Section 12AA(1)(b)(i) of Income Tax Act 1961 vide letter No. DIT(E)/12(A)/VOL-I/K-705 dt.28/11/2003 of Director Income Tax (Exemptions) and 80G approval number DIT(E)BLR/80G(R)/369/ITO dt.: 29/09/2008 as such is exempt from taxation of its income and gains. The income is Exempt subject to conditions specified under Section 11 and 13 of the Income tax Act.
4. The financial statements have been prepared to comply in all material respects to accounting standards prescribed by the Institute of Chartered Accountants of India. The financial statements have been prepared under the historical cost convention on an accrual basis in accordance with accounting principles generally accepted in India. The accounting policies have been consistently applied by the Trust and are consistent with those used in the previous year. All the applicable accounting standards have been followed, except otherwise stated.
5. Grant-in-aid accounted based on expenditure incurred by the Trust during the year and the corresponding claim that can be made on the funding agency against such expenditure. The additional amounts received from the funding agencies over such claims are accounted as 'Grant received in advances'
6. Donations are accounted on receipt basis only.
7. The fixed assets have been accounted as "Application of funds for charitable purposes" under the respective projects funded by various funding agencies.



8. Expenses towards gratuity and leave encashment have been accounted on payment basis. The provisions of provident fund Act have been complied with.
9. No Payments have been made for the benefit of any trustees of the Trust.
10. Accounting policies not specifically reported to otherwise are consistent and in consonance with generally accepted accounting principles.
11. Transactions denominated in foreign currency are converted to Indian rupees and recorded as per the exchange rates prevalent on the date of transaction
12. As the Trust is registered under section 12AA of the Income tax Act, there are no taxes due on the surplus of the Trust in any year. There are no taxes due on the past income tax assessments. Income tax deducted at source on interest income is accounted as 'Receivables'.
13. Previous year figures have been regrouped wherever necessary.
14. The Financial Statements are prepared for the period 01.04.2017 to 31.03.2018

For Karnataka Health Promotion Trust



**Mohan H L
Managing Trustee**



**Nanjundappa G.M
Director Finance**



**As per our audit report
of even date annexed**

**R V K S and Associates
Chartered Accountants
Firm No: 008572S**


25/9/2018

**R.Mohan
Partner
M No: 203911**

