

KERALA ACADEMY FOR SKILLS EXCELLENCE (KASE)



KASE

KERALA ACADEMY FOR SKILLS EXCELLENCE

Skill Development Mission of Government of Kerala

ANNUAL ACCOUNTS

2012 - 13

3rd Floor, Carmel Tower,
Vazhuthacaud, Thiruvananthapuram - 695 014,

Tel: 0471-2735949



SANTHA LAXMI AND ASSOCIATES
CHARTERED ACCOUNTANTS
Phone : 0471- 2341020
Mobile : 94479 57793
E-mail : santhalaxmi@yahoo.co.in

" VIGNESHWAR "
T.C. 21/269(2), Behind Popular Automobiles
Killipalam, Karamana P.O.,
Thiruvananthapuram 695 002, Kerala

AUDITORS' REPORT

TO THE SHARE HOLDERS OF KERALA ACADEMY FOR SKILLS EXCELLANCE
THIRUVANANTHAPURAM

Report on the financial statements

We have audited the accompanying financial statements of KERALA ACADEMY FOR SKILLS EXCELLANCE Thiruvananthapuram, which comprise the balance sheet as at 31 March 2013, and the Income and Expenditure Account of the company for the year ended on that date and summary of significant accounting policies and other explanatory information.

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 of the company in accordance with the accounting principles generally accepted in India, including accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). 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.

Auditor's responsibility

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 misstatement.

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 company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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 company as at 31. March 2013
- b. In the case of the Income and Expenditure account ,the excess of income over expenditure for the year ended 31st March 2013.

Report on other legal and regulatory requirements

1. Being a company licensed under section 25 of the Companies Act, 1956, the Companies (Auditor's Report) Order, 2003 issued by the Company Law Board In terms of Sec.227 (4A) of the Companies Act, 1956 is not applicable to the company.
2. Being a company licensed under section 25 of the Companies Act, 1956, as a non- profit motive, and declaration of dividend is not applicable to this Corporation.
3. as per Department notification GSR 829 (E) dated 17.07.2003, the provisions of clause (g) of sub section (1) of section 274 is not applicable to a Government company
4. As required by the Act, we report that:
 - a. 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.
 - b. In our opinion proper books of account as required by law have been kept by the company so far as appears from our examination of those books.
 - c. In our opinion The Income and Expenditure Account and the Balance Sheet dealt with by this report are in compliance with the Accounting Standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956, to the extent applicable.
 - d. The Balance Sheet and Income and Expenditure Account dealt by the report are in agreement with the books of accounts and have been drawn up in accordance with the law

Thiruvananthapuram
25 .10.2013

For SANTHALAXMI AND ASSOCIATES
CHARTERED ACCOUNTANTS

S. Senthil

CA SANTHALAXMI.K B.com, FCA, DISA (I,CA)
M.No.209141 , FRN 009642S
PROPRIETRIX



KERALA ACADEMY FOR SKILLS EXCELLENCE

TC-3/2777(6), SONA BUILDINGS PATTOM, THIRUVANANTHAPURAM, 695004

Balance Sheet as at 31.03.2013

(in Rupees)

Sl. No.	Particulars	Note No.	31 March 2013
I.	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	(a) Share capital	3	2694,00,000.00
	(b) Reserves and surplus	4	1540,48,633.94
2	Non-current liabilities		-
3	Current liabilities		
	Other current liabilities	5	27,53,104.00
			4262,01,737.94
II.	ASSETS		
1	Non-current assets		
	(a) Fixed assets		
	(i) Tangible assets	6	10,53,911.89
2	Current assets		
	Cash and cash equivalents	7	4249,87,826.05
	Short-term loans and advances	8	1,60,000.00
			4262,01,737.94
	Significant Accounting Policies & Notes forming part of accounts	1-17	

For and on behalf of the Board of Directors

Nivedita P Haran
 Dr. Nivedita P Haran IAS
 Chairperson

Place : Thiruvananthapuram
 Date : 07.10.2013

Prasanth N IAS
 Prasanth N IAS
 Managing Director

As per our report of even date attached
 For Santhalaxmi And Associates
 Chartered Accountants (FRN 0096425)

Santhalaxmi
 CA. Santhalaxmi .K B.Com, FCA,DISA (ICA)
 Proprietrix (M. No. 209141)
 Date : 25.10.2013



KERALA ACADEMY FOR SKILLS EXCELLENCE

TC-3/2777(6), SONA BUILDINGS PATTOM, THIRUVANANTHAPURAM 695004

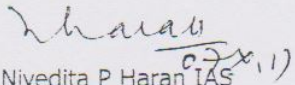
Income and Expenditure Statement for the year ended 31.03.2013

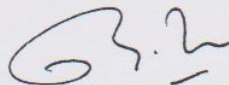
(in Rupees)


SL.No.	Particulars	Note No.	31 March 2013
I	Interest & Other Income	9	202,00,157.05
II	Total Income (I)		202,00,157.05
III	Expenditure:		
	Depreciation	6	12,090.11
	Other expenses	10	41,79,433.00
	Total expenses		41,91,523.11
IV	Surplus/(Deficit) for the Year (II- III)		160,08,633.94
Significant Accounting Policies & Notes forming part of accounts		1-17	

For and on behalf of the Board of Directors

As per our report of even date attached
For Santhalaxmi And Associates
Chartered Accountants (FRN 0096425)


Dr. Nivedita P Haran IAS
Chairperson
Place : Thiruvananthapuram
Date : 07.10.2013


Prasanth N IAS
Managing Director


CA. Santhalaxmi .K B.Com, FCA,DISA (ICA)
Proprietrix (M. No. 209141)
Date : 25.10.2013



KERALA ACADEMY FOR SKILLS EXCELLENCE

TC-3/2777(6), SONA BUILDINGS PATTOM, THIRUVANANTHAPURAM 695004

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2013

Note 1

GENERAL INFORMATION

The company is a non-profit company licensed under section 25 of the Companies Act, 1956. Company got incorporated on 28.03.2012 with the main object of skill development in the state of Kerala. It is a fully owned Government company.

This is the first year after incorporation of the company and comprise of 1 year and 4 days. Being the first year, there is no previous year figures.

Note-2

SIGNIFICANT ACCOUNTING POLICIES:

Note 2

Significant Accounting Policies

a. Basis of accounting

The financial statements have been prepared under the historical cost convention, on accrual basis and in accordance with the requirements of the Companies Act 1956. The company is a Small and Medium sized Company (SMC) as defined in accounting standards rules notified under the Companies Act 1956. Accordingly the company has complied with the Accounting Standards applicable to it as an SMC.

b. Fixed Assets

Fixed Assets are stated at cost less depreciation. Costs comprise of cost of acquisition, cost of improvements and any attributable cost for bringing the asset to the condition of its intended use.

c. Depreciation

Depreciation on fixed assets of the Company has been provided on written down value method and as per the rates prescribed in Schedule XIV to the Companies Act, 1956. Pro-rata depreciation has been provided on the assets purchased during the year and for the period it is actually put to use.

d. Government Grants

Grants from Government are accounted by the company only on receipt and Grant received from Government/(s) for any specific purpose will be adjusted against the expenses incurred for the purpose for which it is granted and any amount of such grant is pending for utilization, the same will shown under the head Capital Reserve and will be adjusted against the expenses as and when incurred. Non-specific Government Grants received, if any, will be recognised as income on a systematic basis in Income and Expenditure Account.

e. Employee Benefits

Short Term Employee benefits: Amount of short-term employee benefits, such as casual leave and medical benefits, expected to be paid in exchange for the services rendered by employees is recognized during the period when the employee renders the service.

Post Employment benefits and Other Long Term Employee benefits: The Company does not have any employee enjoying any Post Employment benefits and/or Other Long Term Employee benefits. Hence no provision is necessary.

f. Provision for taxation

The Company is registered under section 12AA of the Income Tax Act, 1961 as a charitable institution. Therefore, so far as the company utilises the income as specified in section 11 of the Income Tax Act, the surplus, there will not be any tax liability for the company.

g. Prior Period Items

The identifiable items of Income and Expenditure, which arise in the current period as a result of errors / omissions in the preparation of financial statements of one or more prior periods, are accounted in the prior period expenses / income account and net effect is disclosed in the Profit and Loss Account.

h. Earnings Per Share

The Company is licensed under section 25 of the Companies Act, 1956 and is a non-profit making company. As it is not allowed to distribute any surplus to the shareholders, Earnings per Shares and related matters does not apply.

i. All the accounting policies are consistently followed by the Company and are in consistent with generally accepted accounting policies.



Note -3

AS AT 31.03.2013

SHARE CAPITAL**a. AUTHORISED**

30,00,000 Equity Shares of Rs. 100/- each

3000,00,000.00

3000,00,000.00**b. ISSUED, SUBSCRIBED & PAID UP**

2694000 Equity Shares of Rs.100 /-each fully paid up

2694,00,000.00

2694,00,000.00**Note-3A**

AS AT 31.03.2013

Shares outstanding at the beginning of the year : Equity Shares

Number

Shares Issued during the year

26,94,000.00

Shares bought back during the year

Shares outstanding at the end of the year : Equity Shares

26,94,000.00

(ii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	AS AT 31.03.2013	
	Number of shares held	% holding in that class of shares
Equity shares with voting rights		
Governor of Kerala	26,93,999.00	99.99
Total		99.99

Note 3 C**Rights & Restriction attached to shares : Equity shares**

The Company has one class of equity shares having a par value of Rs. 100 per share. Each shareholder is eligible for one vote per share held. Being a company licensed under section 25 of the Companies Act, 1956, share holders are not eligible for any dividend. On dissolution all the assets over liabilities will vest with Government of Kerala.

Note -4**RESERVES & SURPLUS**

AS AT 31.03.2013

a. Capital Reserves -

Grant - in-aid from Government of Kerala

• Skill Development Programme

1300,00,000.00

• Conversion of Employability Centres

80,40,000.00

1380,40,000.00**b. Reserve u/s 11(2) of Income Tax Act**

Opening Balance

-

Add: Created during the year

135,00,000.00

Less: Utilised during the year

-

Closing Balance

135,00,000.00**c. Income and Expenditure**

Opening Balance Surplus/(deficit)

-

Add: Surplus for the year

160,08,633.94

Less: Reserve u/s 11(2) of income Tax Act

135,00,000.00

Closing Balance

25,08,633.941540,48,633.94**Note-4A**

Company is a section 25 Company and has got registration under section 12 A of Income Tax Act. The company could not utilise the 85 % mandatory limit during the year and hence has created a reserve u/s 11(2) for the purpose of creation of skill academies to develop the employee skill in construction, nursing, mining and oil exploration, automobile, security etc. The balance amount is accumulated for the purpose of utilising for the objects of the company.

Note-5**OTHER CURRENT LIABILITIES**

AS AT 31.03.2013

TDS Payable

8,166.00

Expenses Payable

2,44,938.00

Earnest Money Deposit

25,00,000.00

27,53,104.00

NOTE -6

FIXED ASSETS FOR THE YEAR 2012-2013

Name of Assets	Gross Block		Depreciation			Net Block As on 31.03.13			
	As on 31.03.12	Additions	Deduc.*	As on 31.03.13	upto 31.03.12		for the year	Deduc.	up to 31.03.13
a. Tangible Assets									
Land	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Plant and Equipment	-	4,92,642.00	-	4,92,642.00	-	7,721.84	-	7,721.84	4,84,920.16
Furniture and Fixtures	-	5,73,360.00	-	5,73,360.00	-	4,368.27	-	4,368.27	5,68,991.73
Vehicle	-	-	-	-	-	-	-	-	-
Office Equipments	-	10,66,002.00	-	10,66,002.00	-	12,090.11	-	12,090.11	10,53,911.89
Total	-	10,66,002.00	-	10,66,002.00	-	12,090.11	-	12,090.11	10,53,911.89



Note-7**Cash and cash equivalent**

AS AT 31.03.2013

Cash at Bank

In Term Deposit Accounts

28,54,79,843.05

In Current and Saving Accounts

13,95,07,983.00

42,49,87,826.05**Note -8****Short term loans and advance**

AS AT 31.03.2013

Other advance

25,000.00

Rent Deposit

1,35,000.00

1,60,000.00**Note -9****Other Income**

Interest Income

2,00,10,157.05

Sponsorship income

1,00,000.00

Other Income

90,000.00

2,02,00,157.05**NOTE-10****OTHER EXPENSES**

Auditors Remuneration

22,472.00

Rent

1,35,000.00

Meeting and events for setting up of skill development academies

11,04,882.00

Advertisement charges

5,50,234.00

Preliminary Expense Written off

17,16,509.00

Preliminary Expense- Employability Centres

1,86,876.00

Promotional expenses

69,655.00

Professional Charges

2,97,282.00

Miscellaneous Expenses

96,523.00

Total41,79,433.00**Note-10A**

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Note-10B

The Company incorporation expenses of Rs.17,16,509/- includes Rs.16,11,825/- towards fees and other duties paid to ROC for the formation of the company, Rs.17,050/- towards travelling, printing etc., Rs.77,500/- towards the professional fee for conceptualization and incorporation of company and Rs.10,134/- towards service tax.

Expenses incurred for the incorporation of the company have been written off fully during the financial year, as per the Accounting Standard 26 – Intangible Assets promulgated by the Institute of Chartered Accountants of India.

Note-10C

During the current year, no employees were appointed either on contract basis or on regular basis, except the employees drawn from Department of Education & Training on working arrangement. Hence, no employee cost was incurred.

Note 11

The company is a section 25 company having non profit motives and is registered under section 12 A of income tax Act. Since the company has utilised the option to set apart the unutilised income in excess of 15 % to a reserve to be utilised for the objectives of the company, there is no tax liability for the company and the fund is expected to be utilised within the time limit fixed for the purpose. Hence provision for current as well as deferred taxes is not provided in the accounts.

Note 12

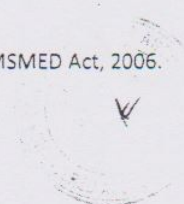
In the course of preparation of these financial statements, the heads and sub-heads, that are not relevant are not included, in both Balance Sheet and Income and Expenditure Statement.

Note 13

There are no dues or amounts payable to any concern registered under the MSMED Act, 2006.

Note 14

Value of Imports on CIF basis : NIL



Note 15

Earnings in Foreign Exchange : Nil

Note 16

Expenditures in Foreign Exchange on account of dividend – Nil

Note 17

Contingent Liabilities – Nil.

For and on behalf of the Board of Directors

As per our report of even date attached

For Santhalaxmi And Associates

Chartered Accountants (FRN 0096425)

Nivedita P Haran

Dr. Nivedita P Haran IAS
Chairperson

Place : Thiruvananthapuram

Date : 07.10.2013

Prasanth N IAS

Prasanth N IAS
Managing Director

Santhalaxmi .K

CA. Santhalaxmi .K B.Com, FCA,DISA (ICA)
Proprietrix (M. No. 209141)

Date : 25.10.2013

