

KERALA ACADEMY FOR SKILLS EXCELLENCE (KASE)



KASE

KERALA ACADEMY FOR SKILLS EXCELLENCE

Skill Development Mission of Government of Kerala

ANNUAL ACCOUNTS

2013 - 14

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 2014, 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:

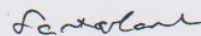
- a. In the case of the balance sheet, of the state of affairs of the company as at 31 March 2014
- b. In the case of the Income and Expenditure account, the excess of income over expenditure for the year ended 31st March 2014.

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
18.12.2014

For SANTHALAXMI AND ASSOCIATES
CHARTERED ACCOUNTANTS



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

KERALA ACADEMY FOR SKILLS EXCELLENCE

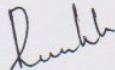
TC-3/2777(6), SONA BUILDINGS PATTOM ,THIRUVANANTHAPURAM 695004

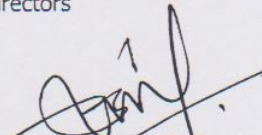
Balance Sheet as at 31.03.2014

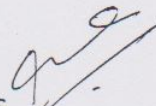
(in Rupees)

Sl. No.	Particulars	Note No.	31 March 2014	31 March 2013
I.	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	3	26,94,00,000.00	26,94,00,000.00
	(b) Reserves and surplus	4	39,37,34,856.69	15,40,48,633.94
2	Non-current liabilities			-
3	Current liabilities			
	Other current liabilities	5	1,34,92,887.00	27,53,104.00
			67,66,27,743.69	42,62,01,737.94
II.	ASSETS			
1	Non-current assets			
	(a) Fixed assets			
	(i)Tangible assets	6	11,82,172.68	10,53,911.89
2	Current assets			
	Cash and cash equivalents	7	66,68,99,948.00	42,49,87,826.05
	Short-term loans and advances	8	81,12,900.00	1,60,000.00
	Other Current Asset	9	4,32,723.00	
			67,66,27,743.68	42,62,01,737.94
	Significant Accounting Policies & Notes forming part of accounts	1-20		

For and on behalf of the Board of Directors


Renuka.K
Manager(Finance &Admin)


Jayashree-C. O
Secretary


Rahul R IRS
Managing Director
Place : Thiruvananthapuram
Date : 26.09.2014

Tom Jose IAS
Chairman

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



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



KERALA ACADEMY FOR SKILLS EXCELLENCE

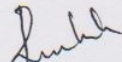
TC-3/2777(6), SONA BUILDINGS PATTOM ,THIRUVANANTHAPURAM 695004

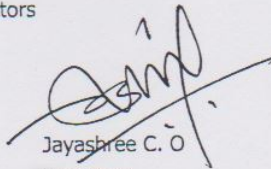
Income and Expenditure Statement for the year ended 31.03.2014


(in Rupees)

SL.No.	Particulars	Note No.	31 March 2014	31 March 2013
I	Operating Income	10	13,01,000.00	-
II	Interest & Other Income	11	4,57,64,153.66	2,02,00,157.05
III	Total Income (I)		4,70,65,153.66	2,02,00,157.05
IV	Expenditure:			
	Employee benefit expenses	12	7,73,716.00	
	Depreciation	6	2,71,531.92	12,090.11
	Other expenses	13	2,63,14,552.00	41,79,433.00
	Total expenses		2,73,59,799.92	41,91,523.11
V	Surplus/(Deficit) for the Year (II- III)		1,97,05,353.74	1,60,08,633.94
Significant Accounting Policies & Notes forming part of accounts		1-20		

For and on behalf of the Board of Directors

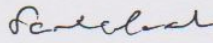

Renuka.K
Manager(Finance &Admin)


Jayashree C. O
Secretary


Rahul R IRS
Managing Director
Place : Thiruvananthapuram
Date : 26.09.2014

Tom Jose IAS
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For Santhalaxmi And Associates
Chartered Accountants (FRN 0096425)


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



KERALA ACADEMY FOR SKILLS EXCELLENCE

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

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2014

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 .

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. All fixed assets less than Rs. 5,000 /- has been fully written off.

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 is 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 be 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. Generally Accepted Accounting Policies

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

Note -3

SHARE CAPITAL

a. AUTHORISED

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

AS AT 31.03.2014

AS AT 31.03.2013

30,00,000.00

30,00,000.00

30,00,000.00

30,00,000.00

b. ISSUED, SUBSCRIBED & PAID UP

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

26,94,00,000.00

26,94,00,000.00

26,94,00,000.00

26,94,00,000.00

Note-3A

AS AT 31.03.2014

AS AT 31.03.2013

Number

Number

26,94,000.00

26,94,000.00

26,94,000.00

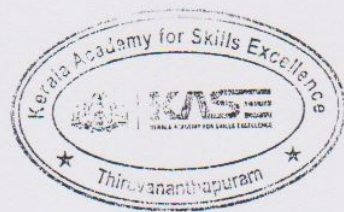
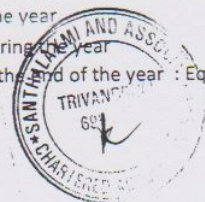
26,94,000.00

Shares outstanding at the beginning of the year : Equity Shares

Shares Issued during the year

Shares bought back during the year

Shares outstanding at the end of the year : Equity Shares



Note 3B

(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	<u>26,93,999.00</u>	<u>99.99</u>

Class of shares / Name of shareholder	AS AT 31.03.2014	
	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	<u>26,93,999.00</u>	<u>99.99</u>

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

Note -4

RESERVES & SURPLUS

a. Capital Reserves -

Grant - in-aid from Government of Kerala

A. Grant for Skill Development Programme :
Less : Utilised during the year

B. Grant for Conversion of Employability Centres :
Less : Utilised during the year

C. Grant for Modernisation of ITIs :

AS AT 31.03.2014

AS AT 31.03.2013

	2300,00,000.00	1300,00,000.00
	645,00,000.00	-
	214,70,000.00	80,40,000.00
	69,49,131.00	-
	1780,00,000.00	-
	<u>3580,20,869.00</u>	<u>1380,40,000.00</u>

b. Reserve u/s 11(2) of Income Tax Act

Opening Balance

Add: Created during the year

Less: Utilised during the year

Closing Balance

	135,00,000.00	-
	70,00,000.00	135,00,000.00
	-	-
	<u>205,00,000.00</u>	<u>135,00,000.00</u>

c. Income and Expenditure

Opening Balance Surplus/(deficit)

Add: Surplus for the year

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

Closing Balance

	25,08,633.94	-
	197,05,353.74	160,08,633.94
	70,00,000.00	135,00,000.00
	<u>152,13,987.69</u>	<u>25,08,633.94</u>
	<u>3937,34,856.69</u>	<u>1540,48,633.94</u>

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 of Rs.70 lakhs u/s 11(2) for the purpose of Implementation of Skill development programmes.

Note-5

OTHER CURRENT LIABILITIES

TDS Payable

Expenses Payable

Earnest Money Deposit

AS AT 31.03.2014

AS AT 31.03.2013

	2,41,651.00	8,166.00
	127,26,236.00	2,44,938.00
	5,25,000.00	25,00,000.00
	<u>134,92,887.00</u>	<u>27,53,104.00</u>



Note-7

Cash and cash equivalent
Cash in Hand
Cash at Bank :
In Term Deposit Accounts
In Current and Saving Accounts

	AS AT 31.03.2014	AS AT 31.03.2013
	17,108.00	-
	3070,66,232.00	2854,79,843.05
	3598,16,608.00	1395,07,983.00
	<u>6668,99,948.00</u>	<u>4249,87,826.05</u>

Note -8

Short term loans and advance
Other advance
Rent Deposit
Other Deposits
Advance for Land Lease Down Payment
Less : Grant received from GoK

	AS AT 31.03.2014	AS AT 31.03.2013
		25,000.00
	1,35,000.00	1,35,000.00
	5,700.00	-
	724,72,200.00	
	<u>645,00,000.00</u>	<u>79,72,200.00</u>
	<u>81,12,900.00</u>	<u>1,60,000.00</u>

Note- 8 A

Rs.10 crores was received as grant vide GO (Rt) No. 1946/2013/LBR dt. 29.11.2013, of which Rs.5.25 crores was for acquiring land at Technocity , Trivandrum under long term lease for setting up Security Academy and Rs.4.75 crores was for acquiring land on long lease in Technopark Phase III at Rs.1.20 crores and for construction of building at a cost of Rs.3.55 crores for setting up of nursing academy. During the year, advance payment of Rs. 5,89,89,000/- was made towards lease down payment for land in Technocity and Rs.1.34,83,200/- was made towards lease down payment for land in Technopark Phase III, which included lease down payment of Rs. 6.45 crores (ie; Rs.5.25 crores + Rs.1.20 crores) and service tax thereon of Rs.79,72,200/-. Since GoK Grant covered only the cost of the lease, the service tax was paid by the company.

Note -9

Other Current Assets
Receivables from ODEPEC
Construction Academy - peroperative expenses

	AS AT 31.03.2014	AS AT 31.03.2013
	74,976.00	-
	3,57,747.00	
	<u>4,32,723.00</u>	<u>-</u>

Note -10

Operating Income
Pre Bid Participation Fee
Candidates Registration Fee
Employers Registration Fee

	AS AT 31.03.2014	AS AT 31.03.2013
	30,000.00	-
	12,15,000.00	-
	56,000.00	-
	<u>13,01,000.00</u>	<u>-</u>

Note -11

Other Income
Interest Income
Sponsorship income
Other Income
Prior Period Adjustment A/c

	AS AT 31.03.2014	AS AT 31.03.2013
	255,60,451.95	200,10,157.05
	2,00,000.00	1,00,000.00
	200,01,105.71	90,000.00
	2,596.00	
	<u>457,64,153.66</u>	<u>202,00,157.05</u>

Note-11A

Other income includes Rs. 2 crores received through invocation of bank guarantee and profit on sale of fixed asset of Rs.305.71

Note -12

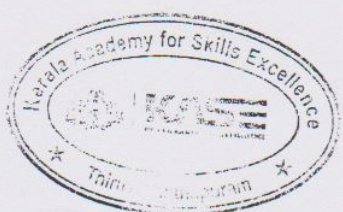
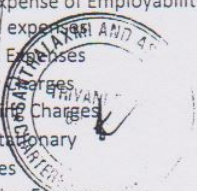
EMPLOYEE BENEFIT EXPENSES
Salary and Allowances

	AS AT 31.03.2014	AS AT 31.03.2013
	7,73,716.00	-
	<u>7,73,716.00</u>	<u>-</u>

Note -13

OTHER EXPENSES
Auditors Remuneration : Audit fee
Out of Pocket Expenses
Internal Audit Fee
Rent
Meeting and events for setting up of skill development academies
Advertisement charges
International Skill Summit- Nypunyam 2014
Preliminary Expense Written off
Setting up Expense of Employability Centres
Promotional Expenses
Professional Expenses
Consultancy Charges
House Keeping Charges
Printing & Stationary
Rates & Taxes
Board Meeting Expenses

	AS AT 31.03.2014	AS AT 31.03.2013
	20,000.00	22,472.00
	2,000.00	-
	39,326.00	
	2,85,750.00	1,35,000.00
	2,01,675.00	11,04,882.00
	24,89,343.00	5,50,234.00
	190,34,372.00	-
	-	17,16,509.00
	5,23,274.00	1,86,876.00
	1,40,375.00	69,655.00
	8,32,587.00	2,97,282.00
	11,78,162.00	-
	44,549.00	-
	45,232.00	-
	18,180.00	-
	44,740.00	-



Electricity Charges	70,123.00	-
Miscellaneous Expenses	76,080.00	96,523.00
Legal Charges	25,000.00	-
Repair & Maintenance	1,09,429.00	-
Telephone and internet	92,291.00	-
Travelling expenses	7,14,723.00	-
Vehicle Hire Charges	3,27,341.00	-
	2,63,14,552.00	41,79,433.00

Note-13A

During the current year, employees have been appointed on contract and work arrangement basis. Hence, no short term employee benefits incurred.

Note 14

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 15

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 16

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

Note 17

Value of Imports on CIF basis : NIL

Note 18

Earnings in Foreign Exchange : NIL

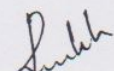
Note 19

Expenditures in Foreign Exchange on account of dividend – Nil

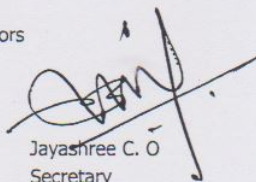
Note 20

Contingent Liabilities : A claim of Rs24,05,001.89 by M/s. Hotel Leela towards the booking charges of rooms during Nipunyam Summit conducted by the company was not paid since it was not acknowledged as debt on the ground that the cancellation of rooms were intimated upfront. However, the claim of the hotel is not yet withdrawn by them

For and on behalf of the Board of Directors



Renuka.K
Manager(Finance &Admin)



Jayashree C. O
Secretary

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



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

Rahul R IRS
Managing Director

Place : Thiruvananthapuram

Date : 26.09.2014

Tom Jose IAS
Chairman



NOTE -6

FIXED ASSETS FOR THE YEAR 2013-2014

Name of Assets	Gross Block			Depreciation			Net Block			
	As on 31.03.13	Additions	Deduc.*	As on 31.03.14	upto 31.03.13	for the year	Deduc.	up to 31.03.14	As on 31.03.14	As on 31.03.13
a.Tangible Assets										
Land	-	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-	-
Plant and Equipment	4,92,642.00			4,92,642.00	2,461.81	87,770.55		90,232.36	4,02,409.64	4,90,180.19
Furniture and Fixtures	1,33,819.00	2,05,190.00		3,39,009.00	1,906.46	1,05,089.27		1,06,995.73	2,32,013.27	1,31,912.54
Computer & Accessories	4,39,541.00	2,00,692.00	6,395.00	6,33,838.00	7,721.84	78,672.10	305.71	86,088.23	5,47,749.77	4,31,819.16
Office Equipments										
Total	10,66,002.00	4,05,882.00	6,395.00	14,65,489.00	12,090.11	2,71,531.92	305.71	2,83,316.32	11,82,172.68	10,53,911.89

