

FORM NO. 10 B

[See rule 17B]

Audit report u/s 12A(b) of the Income-Tax Act, 1961, in the
case of charitable or religious trusts or institutions

We have examined the Balance Sheet of **HRUDAYA CURE A LITTLE HEART FOUNDATION** as at 31.03.2009 and the Profit and Loss account for the year ended on that date which are in agreement with the books of account maintained by the said trust or institution.

We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of the Audit. In our opinion, proper books of account have been kept by the head office and the branches of the above named trust/institution visited by us so far as appears from our examination of the books, and proper returns adequate for the purpose of audit have been received from branches not visited by us, subject to the comments given below: - NIL -

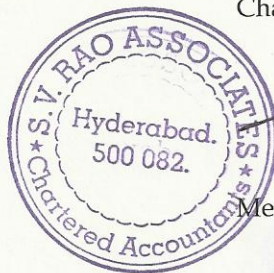
In our opinion and to the best of our information, and according to information given to us, the said accounts give a true and fair view-

- i) in the case of the Balance Sheet, of the state of affairs of the above named trust/institution as at 31.03.2009, and
- ii) in the case of the Income and Expenditure Account, of the deficit for the year ending on 31.03.2009.

The prescribed particulars are annexed hereto.

Place: HYDERABAD
Date : 16.07.2009

for S V Rao Associates.,
Chartered Accountants



S.V.Rao
(S.V.Rao)
Partner

Member Ship No. 23903

ANNEXURE

I	Application of Income from Charitable or Religious Purposes.	
1.	Amount of income of the previous year applied to charitable or religious purposes in India during that year.	Rs.36,65,598/-
2.	Whether the trust/institution has exercised the option under clause (2) of the explanation to Sec.11(1) ? If so, the details of the amount of income deemed to have been applied to charitable or religious purposes in India during the previous year.	NO
3.	Amount of Income accumulated or set apart/ finally set apart for application to charitable or religious purposes, to the extent it does not exceed 15 per cent of the Income derived from property held under trust wholly/in part only for such purpose.	Rs.6,26,462/-
4.	Amount of Income eligible for exemption u/s 11(1)(c). (Give details)	
5.	Amount of Income in addition to the amount referred to in item 3 above, accumulated or set apart for specified purposes u/s 11(2).	Nil
6.	Whether the amount of Income mentioned in item 5 above has been invested or deposited in the manner laid down in Sec.11(2)(b)? If so, the details thereof.	Nil
7.	Whether, any part of the Income in respect of which an option was exercised under clause (2) of the Explanation to Sec.11(1) in any earlier year is deemed to be Income of the previous year u/s 11(1B)? If so, the details thereof	NIL
8.	Whether, during the previous year any part of income accumulated or set apart for specified purposes u/s 11(2) in any earlier year-	
a)	has been applied for purposes other than charitable or religious purposes or has ceased to be accumulated or set apart for application thereto, or	NO
b)	has ceased to remain invested in any security referred to in sec. 11(2)(b)(i) or deposited in any account referred to in Sec.11 (2) (b) (ii) or Sec.11 (2) (b) (iii) or	No
c)	has not been utilised for purposes for which it was accumulated or set apart during the period for which it was to be accumulated or set apart, or in the year immediately following the expiry thereof? If so, details thereof.	No
II	Application or use of Income or Property for the benefit of persons referred to in Section 13(3)	NIL
1.	Whether any part of the income or property of the trust / institution was lent, or continues to be lent in the previous year to any person referred to in section 13(3) (hereinafter referred to in this Annexure as such person)? If so, give details of the amount, rate of interest charged and the nature of security, if any.	

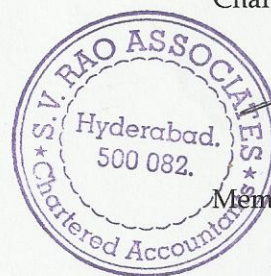


2.	Whether any land, building or other property of the trust/institution was made, or continued to be made, available for the use of any such person during the previous year? If so, give details of the property and the amount of rent or compensation charged, if any.				
3.	Whether any payment was made to any such person during the previous year by way of salary, allowance or otherwise? If so, give details.				
4.	Whether the service of the trust/institution were a available to any such person during the previous year? If so, give details thereof together with remuneration or compensation received, if any.				
5.	Whether any share, security, or other property was purchased by or on behalf of the trust/institution during the previous year from any such person? If so, give details thereof together with the consideration paid.				
6.	Whether any share, security or other property was sold by or on behalf of the trust/institution during the previous year to any such person? If so, the details thereof together with the consideration received.				
7.	Whether any income or property of the trust/institution was diverted during the previous year in favour of any such person? If so, give details thereof together with the amount of income or value of property so diverted.				
8.	Whether the income or property of the trust/institution was used or applied during the previous year for the benefit of any such person in any other manner? If so, give details.				
III.	Investments held at any time during the previous year(s) in concerns in which persons referred to in section 13(3) have a substantial interest.				
Sl. No.	Name and address of the concern	Where the concern is a company, No. and class of shares held	Nominal value of the investment	Income from the investment	Whether the amount in col. (4) exceeded 5% of capital of the concern during the previous year- say, Yes/No
			NIL		

for S V Rao Associates
Chartered Accountants

Place: HYDERABAD

Date : 16.07.2009



(S V Rao)
Partner

Member Ship No 23903


Certificate to Form FC 3 under the Foreign Contribution (Regulation) Act, 1976

We have audited the accounts of Hrudaya Cure a Little Heart Foundation having Registered Office at 8-2-611/3, Flat No.1, Ground Floor, Nishan-E-Iqbal, Road No.11, Banjara Hills, Hyderabad – 500034, Andhra Pradesh for the year ended March 31, 2009 and examined all relevant books and vouchers and certify that according to the audited accounts:

- i) the brought forward foreign contribution at the beginning of the year April 01, 2008 was Rs.22,520/-.
- ii) foreign contribution of worth Rs.27,40,725/- was received by the Trust during the year 2008-09.
- iii) The balance of unutilized foreign contribution with the Association at the end of the year 2008-09 was Rs.23,077/-.
- iv) Certified that the trust has maintained the accounts of foreign contribution and records relating thereto in the manner specified in Section 13 of the Foreign Contribution (Regulation) Act, 1976 read with sub-rule (1) of Rule 8 of the Foreign Contribution (Regulation) Rules, 1976.
- v) The information furnished in this certificate and in the enclosed balance sheet and Statement Income and Expenditure is correct and checked by us.

Place: Hyderabad
Date : 17.07.2009

For S V Rao Associates
Chartered Accountants


(S.V.Rao)
Partner
Membership No.23903



AUDITORS' REPORT

We have audited the attached Balance Sheet of "**HRUDAYA**" **Cure A Little Heart Foundation** as at 31st March, 2009 and the Income & Expenditure account of the Trust for the period ended on that date annexed there to. These financial statements are the responsibility of the Trust's management. 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 disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation.

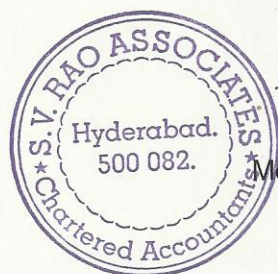
We believe that our audit provides a reasonable basis in our opinion.

1. Further, 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 accounts as required by law have been kept by the Society so far as appears from our examination of those books;
- c.) the Balance Sheet and Income and Expenditure Account dealt with by this report are in agreement with the books of account;
- d.) In our opinion and to the best of our information and according to the explanations given to us, the statements give a true and fair view, subject to our comments in Notes on Accounts;
 - i) In the case of the Balance Sheet, of the state of affairs of the Society as at 31st March, 2009 and
 - ii) In the case of the Income and Expenditure Account, of the Excess of Income over Expenditure for the year ended on that date.

for S.V.RAO ASSOCIATES
Chartered Accountants

Place: HYDERABAD.
Date : 11.07.2009



(S.V. Rao)
Partner

Membership No:023903

Hrudaya Cure A Little Heart Foundation
Balance Sheet as at March 31, 2009

Particulars	Schedule No.	As At 31.03.2009		As At 31.03.2008	
		Rs.	Rs.	Rs.	Rs.
I. SOURCES OF FUNDS:					
1. Capital Fund	I		1,116		1,116
2. Surplus of Income Over Expenditure	II		2,572,270		1,264,841
			2,573,386		1,265,957
II. APPLICATION OF FUNDS:					
1. Fixed Assets	III				
(a) Gross Block		121,162		121,162	
(b) Less: Depreciation		103,965		93,204	
(c) Net Block		17,197	17,197	27,958	27,958
2. Investments	IV		2,048,640		2,000,000
3. Current Assets, Loans and Advances	V				
(a) Cash and Bank Balances		781,859		405,997	
(b) Loans and Advances		30,285		30,435	
(c) Interest Accrued but not due		103,347		16,882	
		915,491		453,314	
Less: Current Liabilities and Provisions	VII	407,942		1,215,315	
Net Current Assets			507,549		(762,001)
			2,573,386		1,265,957
Notes to Accounts	XI				

The schedules referred above form an integral part of Balance Sheet

This is the Balance Sheet referred to in our report of even date.

for Hrudaya Cure A Little Heart Foundation

~~S.V. Rao~~
Partner
for and on behalf of
S.V. Rao Associates
Chartered Accountants



(Signature)
(Dr. Gopichand Mannam)
Trustee

(Signature)
(M. Yugandhar)
Managing Trustee

Place: Hyderabad
Date: 11.07.2009

Hrudaya Cure A Little Heart Foundation
Income and Expenditure Account for the year ended March 31, 2009

Particulars	Schedule No.	For the Year Ending'2009	For the Year Ending'2008
		Rs.	Rs.
I. Income			
Donations Received	VIII	3,670,825	3,214,836
Other Income		505,590	652,754
		4,176,415	3,867,590
II. Expenditure			
Expenditure for Heart Surgery	IX X	2,244,384	2,963,167
Payments and Benefits to Employees		425,863	394,790
Administration and Other Expenses		187,978	662,368
Depreciation		10,761	25,231
		2,868,986	4,045,556
III. Surplus / (Deficit) of Income Over Expenditure		1,307,429	(177,966)
Surplus carried to Balance Sheet		1,307,429	(177,966)
Notes to Accounts	XI		

The schedules referred to above form an integral part of Income and Expenditure Account

This is the Income and Expenditure Account referred to in our report of even date.


S.V.Rao
Partner
for and on behalf of
S.V.Rao Associates
Chartered Accountants



Place : Hyderabad
Date :11.07.2009

for Hrudaya Cure A Little Heart Foundation


(Dr. Gopichand Mannam)
Trustee


(M. Yugandhar)
Managing Trustee

Hrudaya Cure A Little Heart Foundation
Schedules to Balance Sheet as at March 31,2009

Particulars	As At 31.03.2009		As At 31.03.2008	
	Rs.	Rs.	Rs.	Rs.
I. Capital Fund				
Capital Fund		1,116		1,116
		<u>1,116</u>		<u>1,116</u>
II. Surplus of Income Over Expenditure				
Opening Balance	1,264,841		1,442,807	
Add: Surplus/(Deficit) during the year	1,307,429		177,966	
		2,572,270		1,264,841
		<u>2,572,270</u>		<u>1,264,841</u>
IV. Investment				
Deposits with Andhra Bank		2,048,640		2,000,000
		<u>2,048,640</u>		<u>2,000,000</u>
V. Cash and Bank				
Cash in Hand		4,230		3,512
With Scheduled Banks:				
On Current Accounts		23,077		22,520
On Savings Accounts		754,552		379,965
		<u>781,859</u>		<u>405,997</u>
VI. Loans and Advances				
Deposits		25,400		25,550
Tax Deducted at Source Receivable		4,885		4,885
		<u>30,285</u>		<u>30,435</u>
VII. Current Liabilities and Provisions				
Payable to Unimed Healthcare Pvt Ltd		407,942		-
Payable to Quality Care India Ltd		-		1,178,928
Provision for Expenses		-		36,387
		<u>407,942</u>		<u>1,215,315</u>



Hrudaya Cure A Little Heart Foundation

Schedules to Income and Expenditure Account for the year ended March 31, 2009

Particulars	For the Year	For the Year
	Ending'2009	Ending'2008
	Rs.	Rs.
VIII. Other Income		
Service Charges Received	350,000	445,000
Interest on Deposits	155,590	207,754
	505,590	652,754
IX. Payment and Benefits to Employees		
Salaries	425,863	394,790
	425,863	394,790
X. Administrative And Other Expenses		
Repairs and Maintenance	800	2,000
Bank Charges	1,273	4,195
Printing and Stationery	9,273	872
Telephone and Postage	32,927	29,043
Travelling and Conveyance	12,449	9,787
Rent Paid	114,000	114,000
Electricity Charges	7,112	10,525
Office Maintenance	8,470	12,045
Seminars and Conferences	-	474,901
Miscellaneous Expenditure	-	5,000
Licence & Taxes	1,674	-
	187,978	662,368



Hrudaya Cure A Little Heart Foundation
Schedules to Balance Sheet as at March 31, 2009

III. Fixed Assets

(Amount in Rupees)

Particulars	Gross Block				Depreciation				Net Block	
	As at 01.04.2008	Additions	Deletions	As at 31.03.2009	As at 01.04.2008	For the Year	On deletions	As at 31.03.2009	As at 31.03.2009	As at 31.03.2008
Computers & Software	72,662	-	-	72,662	58,780	8,329	-	67,109	5,553	13,882
HandyCam Camera	32,000	-	-	32,000	29,952	1,229	-	31,181	819	2,048
Furniture and Fixtures	16,500	-	-	16,500	4,472	1,203	-	5,675	10,824	12,028
Total	121,162	-	-	121,162	93,204	10,761	-	103,965	17,197	27,958
As at March 31, 2008	121,162	-	-	121,162	67,973	25,231	-	93,204	27,958	-



SCHEDULE 9: NOTES ON ACCOUNTS:

1. Organisation

Hrudaya Cure A Little Heart Foundation was incorporated on April 13, 2005 as a trust. Approval towards registration U/s 12 AA of the Income Tax Act 1961, was received from the director of Income Tax (Exemptions), Hyderabad vide their order dated September 21, 2005.

2. Significant Accounting Policies

Basis of preparation of Financial Statements

These accounts have been prepared as per the generally accepted accounting principles, under the historical cost convention on the basis of a going concern, with revenues recognized and expenses accounted for on their accrual including provisions / adjustments for committed obligations and amounts payable or receivable during the period.

Revenue Recognition

Donations are received from Domestic and Overseas for performing the heart surgery on cash basis.

Fixed Assets

Fixed Assets are accounted for at cost of acquisition inclusive of inward freight, duties, taxes and incidental costs if any.

Depreciation on all assets is provided on written down value method as per the rates prescribed in the Income Tax Act 1961.

3. Earnings in Foreign Exchange (on receipt basis)

Donations Received Rs. 27,40,725 (2007-08- Rs 32,30,219)

4. Expenditure Incurred in Foreign Currency (on payment basis)

For the year 2008-09 Rs Nil (2007-08 - Rs Nil)

5. Previous year figures have been regrouped to confirm with current year groupings.

