



AUDIT REPORT

We have examined the annexed Receipts and Payments Account and Income and Expenditure Account for the year ended 31.03.2011 and the Balance Sheet as on that date of **RURAL INSTITUTE FOR COMMUNITY EDUCATION** with the books of accounts and report as follows:

These financial statements are the responsibility of the **RURAL INSTITUTE FOR COMMUNITY EDUCATION** management. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the generally accepted auditing standards in India. These standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material misstatements. An audit includes, examining in 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. We believe that our audit provides a reasonable basis for our opinion.

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

- i) In the case of Receipts and Payments account and Income and Expenditure account for the year ended 31.03.2011.
- ii) In the case of Balance sheet as on that date

Place: Coimbatore
Date: 14.07.2011

For Vekam & Associates
Chartered Accountants

K. Thirumoorthy
Partner

FORM NO. 10 B

(See Rule 17B)

Audit Report under section 12 A (b) of the Income tax Act 1961 in the case of Charitable or Religious Trusts or Institutions

We have examined the Balance Sheet of **RURAL INSTITUTE FOR COMMUNITY EDUCATION** at **31st March 2011** and the Income and Expenditure account for the year ended on that date, which are in agreement with the books of account maintained by the said institution.

These financial statements are the responsibility of the **RURAL INSTITUTE FOR COMMUNITY EDUCATION** management. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the generally accepted auditing standards in India. These standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material misstatements. An audit includes, examining in 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. We believe that our audit provides a reasonable basis for our opinion.

We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of the audit. In our opinion, proper books of accounts have been kept by the head office so far as it appears from our examination of the books.

In our opinion and to the best of our information, and according to the 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 institution as at 31.03.2011 and
- (ii) In the case of the Income and Expenditure account, of the excess income for the accounting year ending 31.03.2011

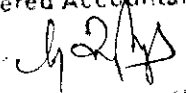
The prescribed particulars are annexed hereto.

Place: Coimbatore

Date: 14.07.2011.

Signature

For **Vekam & Associates**
Chartered Accountants


K. Thirumoorthy
Partner

ANNEXURE

STATEMENT OF PARTICULARS

I. APPLICATION OF INCOME FOR CHARITABLE OR RELIGIOUS PURPOSE

- | | |
|---|--------------------------|
| 1. Amount of income of the previous year applied for charitable or religious purposes in India during the year | Nil |
| 2. Whether the trust has exercised the option under clause (2) of Explanation to Section 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 for application to charitable or religious purposes, to the extent it does not exceed 25% of the income derived from property held under trust wholly for such purposes | Rs 61,31,575/= |
| 4. Amount of income eligible for exemption under section 11(1)(c) (give details) | Nil |
| 5. Amount of income, in addition to the amount referred to in item 3 above, accumulated or set apart for specified purposes under section 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 section 11(2)(b)? If so, give details thereof | Yes, Deposited in SB A/c |
| 7. Whether, during the previous year, any part of the income of the previous year under section 11(B)? If so, give details thereof | No |
| 8. Whether, during the previous year, any part of the income accumulated or set apart for specified purposes under section 11(2) in any earlier year – | |
| (a) has been applied for purposes other than charitable or religious purpose 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 section 11(2)(b)(i) or deposited in any account referred to in section 11(2)(b)(ii) or section 11(2)(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, give the details thereof
- No

II. APPLICATION OR USE OF INCOME OR PROPERTY FOR THE BENEFIT OF PERSONS REFERRED TO IN SECTION 13(3)

1. Whether any part of the income or property of the trust 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 security, if any

No

2. Whether any land, building or other property of the trust 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

No

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 thereof

No

4. Whether the services of the trust were made available to any such person during the previous year? If so, give details thereof together with remuneration or compensation received, if any

No

5. Whether any share, security or other property was purchased by or on behalf of the trust during the previous year from any such person? If so, give details thereof together with the amount of income or value property so diverted

No

6. Whether any share, security or other property was sold by or on behalf of the trust during the previous year to any such person? If so, give details thereof together with the amount of income or value of the property so diverted

No

7. Whether any income or property of the trust 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

No

8. Whether the income or property of the trust was used or applied during the previous year for the benefit of any such person in any other manner? If so, give details

No



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**III. INVESTMENT HELD AT ANY TIME DURING THE PREVIOUS YEAR 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 in a company, number and class of shares held	Nominal value of the investment	Income from the investment	Whether the amount in col.4 exceeded 5 per cent of the capital of the concern during the previous year – say Yes / No
1	2	3	4	5	6
Nil	Nil	Nil	Nil	Nil	Nil
Total					

Place: Coimbatore

Date: 14.07.2011.

For Vekam & Associates
Chartered Accountants



K. Thirumoorthy
Partner

Signature