

AUDIT REPORT

To
The Members,
Jal Vayu Vihar House Owners
Welfare Association (JVVHOWA) -
Kukatpally,
Hyderabad- 500 085.

We have audited the Balance Sheet of **JAL VAYU VIHAR HOUSE OWNERS WELFARE ASSOCIATION (JVVHOWA)** formerly known as **THE JAL VAYU VIHAR APARTMENTS OWENERS ASSOCIATION** (Regd No. 4167/1992), Kukatpally, Hyderabad, as at 31st March 2013 and Income and Expenditure account for the year ended on that date which are in agreement with the books of accounts maintained by the said society. These financial statements are the responsibility of the Society'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 misstatement. 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 statement presentation. We believe that our audit provides a reasonable basis for our opinion

- (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes 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 the books of accounts;
- (c) The Balance Sheet dealt with by this report are in agreement with the books of accounts;
- (d) In our opinion, the Balance Sheet of the society comply with the Accounting Standards as are applicable under the law.



(e) In our opinion and to the best of our information and according to explanations given to us, the said accounts, read together with Significant Accounting Policies and Notes forming part of Accounts, give the information required by the Act that are applicable to the societies, and give a true and fair view in conformity with the accounting principles generally accepted in India,

1. In the case of the Balance sheet of the state of affairs of the above named society as at 31st march 2013.
2. In the case of Income and Expenditure account, of the excess of Income over the Expenditure Rs.740100 for the year ended 31st March 2013.

For P.VISWANADH & ASSOCIATES,
Chartered Accountants,
Firm Regn No. 005603S



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P.VISWANADH
Proprietor
Membership 028786

Place: Hyderabad
Date: 28/05/2013

JAL VAYU VIHAR APARTMENTS OWNERS ASSOCIATION
 (Formerly known as JAL VAYU House Owners Welfare Association)
JAL VAYU VIHAR HOUSE OWNERS WELFARE ASSOCIATION (FORMERLY KNOWN AS JAL VAYU VIHAR APARTMENT OWNERS ASSOCIATION)

Sl No.	Sch No.	As at 31-03-2013		As at 31-03-2012	
		Rs.	Rs.	Rs.	Rs.
I	SOURCES				
	CORPUS FUND	1	12574635		13681352
	GENERAL RESERVE				
	EXCESS OF INCOME OVER EXP.	2	2811502		2071402
	TOTAL		<u>15386137</u>		<u>15752754</u>
II	APPLICATION OF FUNDS				
	FIXED ASSETS	3			
	GROSS BLOCK		4929610	6582140	
	Less: DEPRECIATION		<u>526605</u>	<u>607041</u>	
			4403005		5975099
	INVESTMENT	4	9585727		8541758
	CURRENT ASSETS, LOANS AND ADVANCES	5			
	RECEIVABLES		162579	161824	
	ACCRUED INTEREST ON FIXED DEPOSITS		255391	681789	
	CASH AND BANK BALANCES		565828	567465	
	LOANS AND ADVANCES		<u>863860</u>	<u>299989</u>	
			1847658	1711067	
	CURRENT LIABILITIES AND PROVISIONS	6			
	DEPOSITS PAYABLE		302548	151735	
	OTHER LIABILITIES AND PROVISIONS		<u>147705</u>	<u>323435</u>	
			450253	475170	
	NET CURRENT ASSETS		1397405		1235897
III	NOTES TO ACCOUNTS	11			
			<u>15386137</u>		<u>15752754</u>

for P. Viswanadh & Associates
Chartered Accountants

CA. P. Viswanadh)
Proprietor
Member ship No. 028786
Firm Regn. No. 0056035

Place: Hyderabad

Date: 28/5/2013

President
JAL VAYU VIHAR
HOUSE OWNERS WELFARE
ASSOCIATION
Kukatpally, Hyd-85

Secretary
JAL VAYU VIHAR
HOUSE OWNERS WELFARE
ASSOCIATION
Kukatpally, Hyd-85

Treasurer
JAL VAYU VIHAR
HOUSE OWNERS WELFARE
ASSOCIATION
Kukatpally Hyd-85

JAL VAYU VIHAR APARTMENTS OWNERS ASSOCIATION
 (Formerly known as Jal Vayu Vihar House Owners Welfare Association)
 (Regd No. 4107/92, Kukatpally, Hyderabad - 500085)
JAL VAYU VIHAR HOUSE OWNERS WELFARE ASSOCIATION (FORMERLY KNOWN AS JAL VAYU VIHAR APARTMENT OWNERS ASSOCIATION)

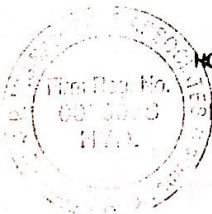
INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR YEAR ENDED 31-03-2013

Sl No.	Sch No.	Rs.	As at 31-03-2013		As at 31-03-2012	
			Rs.	Rs.	Rs.	Rs.
I		INCOME				
		MAINTENANCE CHARGES		1867500		1875250
	7	INTEREST		670062		911376
	8	OTHER INCOME		2888298		2404700
		TOTAL		<u>5425860</u>		<u>5191327</u>
II		EXPENDITURE				
	9	MAINTENANCE EXPENSES		3924234		3324674.6
	10	ESTABLISHMENT EXPENSES		532923		446394.86
		AUDIT FEE		36998		35665
		ASSETS WRITTEN OFF		0		0
		DEPRECEIATION		526605		607041
		TOTAL		<u>5020760</u>		<u>4413775</u>
III		EXCESS OF INCOME OVER		<u>405100</u>		<u>777552</u>
		PRIOPERIOD EXCESS				0
		PROVISIONS WRITTEN BACK		335000		777552
		EXPENSES T/D TO B/S		740100		

for P. Viswanadh & Associates
Chartered Accountants

P. Viswanadh

CA. P.Viswanadh)
Proprietor
Member ship No. 028786
Firm Regn. No. 0056035



President
JAL VAYU VIHAR
HOUSE OWNERS WELFARE
ASSOCIATION
Kukatpally, Hyd-85

U. Srinivas

U. Srinivas
Jt. Secretary
JAL VAYU VIHAR
HOUSE OWNERS WELFARE
ASSOCIATION
Kukatpally, Hyd-85

Place: Hyderabad
Date: 28/5/2012

U. Srinivas
Treasurer
JAL VAYU VIHAR
HOUSE OWNERS WELFARE
ASSOCIATION
Kukatpally, Hyd-85

JAL VAYU WELFARE ASSOCIATION FORMERLY KNOWN AS JAL VAYU VIHAR APARTMENT OWNERS ASSOCIATION

JAL VAYU VIHAR HOUSE OWNERS WELFARE ASSOCIATION FORMERLY KNOWN AS JAL VAYU VIHAR APARTMENT OWNERS ASSOCIATION

(Formerly known as Jal Vayu Vihar House Owners Welfare Association)
(Regd No. 4167/32, Kukatpally, Hyderabad - 500025)

Sl No.	Sch No.	As at 31-03-2013		As at 31-03-2012	
		Rs.	Rs.	Rs.	Rs.
1	CORPUS FUND	1			
	OPENING BALANCE	13681352		8681352	
	LESS: Assets Handed over to GHMC/APCPDC Ltd.	-1106717		5000000	
			12574635		13681352
			12574635		
2	EXCESS OF INCOME OVER EXPENSES	2			
	OPENING BALANCE	2071402		1293851	
	ADD: For the year T/d from Income and Expenditure A/c	740100		777552	
			2811502		2071402
3	INVESTMENT	4			
	Fixed Deposits with OBC	5150727		4077758	
	FD BOI 862456110000535	1000000			
	FD BOI 862456110000834	1000000			
	FD BOI 862456110000836	800000			
	Fd SBH 62241699364	1000000			
	FD with BOI	0		3600000	
	FD with SBH	0		564000	
	Water Deposit	635000		300000	
			9585727		8541758
4	CURRENT ASSETS, LOANS & ADVANCES	5			
	a) CURRENT ASSETS:				
	RECEIVABLES				
	Maintenance Charges Receivables	20410		20630	
	Water Charges Receivables	129179		108119	
	Penalty Receivables	670		640	
	Shop Rebnt Receivable	12320		32435	
			162579		161824



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CASH AND BANK BALANCES

Cash-In-Hand 21080
 Balance With Bank of India 544749

12272
 555194
 565828
 255391
 567465
 681789

ACCRUED INTEREST**b) LOANS & ADVANCES (ASSET)**

SALARY ADVANCE	16500		0
DEPOSITS (ASSETS)	251407		193299
TDS Receivable 2010-11	0		44134
TDS Receivable 2011-12	12772		12772
TDS Receivable 2012-13	59051		
Income Tax Paid under Protest	524130		
ACD	0		49784
		863860	299989
		<u>1847658</u>	<u>1711067</u>

5 CURRENT LIABILITIES & PROVISIONS

6

a) DEPOSITS PAYABLE

Shop Rent Deposit	107205		119205
Akash Ganga Deposit	26000		18000
Sannai & Flower Decoration	5000		5000
Extra Scooter Garage Deposit	0		30
Internet Deposit	4500		4500
Tent House Deposit	5000		5000
		147705	151735

b) CURRENT LIABILITIES & PROVISIONS

Maintenance Charges	23700		2500
Received in advance			
TDS Payable	1639		1567
Water Meter Special Payable	0		25500
Expnses Payable	277208.5		293868
		302548	323435
		<u>450253</u>	<u>475170</u>

MAINTENANCE CHARGES	1867500	1867500	1875250	1875250
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6 INTEREST

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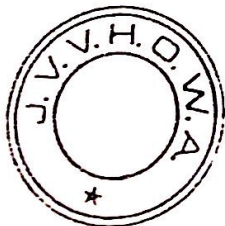
Interest On Fixed Deposits with Scheduled Banks	635739		879026
Interest on SB Account	34323		32350
		670062	911376

7 OTHER INCOME

8

-FROM MEMBERS

Membership Fee Received	000		100
Water Bills	1457553		1275950
Advertisement Income	19000		0
Bye-Laws	375		200
Akaash Ganga	59279		198525
Other Income	54690		48485
Penalty	20065		9645
Registration Charges Received	29000		16500
Surcharge on Shop Rents	323		60
Surcharges on Maintenance Charges	50		0
Tennis Income	1000		0
Transfer Charges	686774		477580
Sale of scrap	0		23525



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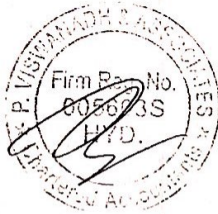
Parking Maintenance charges	0	7500
Electricity Charges	1050	0
Water Meters	5581	0
Extra Scooter Garriage deposit w/b	30	0
Water Meter Spcial Payable w/b	25500	0
Donations to JVJ	0	117360
- sub total	<u>2361170</u>	<u>2175430.37</u>
-FROM OTHERS		
Shop Rent	251600	229270
Akash Ganga Outsiders	275528	0
- Sub total	<u>527128</u>	<u>229270</u>
	<u>2888298</u>	<u>2404700</u>



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8 MAINTENANCE EXPENSES

9

- FOR MEMBERS

Electricity Charges	275320	266302	
Water Charges	1684162.6	1229590.6	
Water Line Repairs	13144	24089	
Water Meter Fixing Chgs	150	1000	
Water Tank Maintenance	9142	1400	
Water Meters	0	0	
Drains Maintenance	16000	82065	
Road Maintenance	23542	27030	
Play Ground Maintenance	10200	33306	
Garden Maintenance	2550	0	
Service Charges	199912	351318	
Repairs & Maintenance - Electricals	14363	40219	
Repairs and Maintenance of Civil Works	24800	1080	
Conservancy Charges	182681	382776	
Rebate on Maintenance Charges	70550	66850	
Fogging Machine Maintenance	16280	0	
Parking Space Maintenance			
Charges(Reimbursement)	7200	0	
Repair&Maintenance - Plumbing	80	0	
Written off water Deposit	0	60000	
Security Charges	795214	727513	
	<u>3345291</u>	<u>3294639</u>	

- FOR OTHERS AKAASH GANGA

Akash Ganga Expenditure	43243	30036	
Security Charges	186000	0	
Salaries to maintenance staff and sweepers	349700	0	
	<u>578943</u>	<u>30036</u>	
	<u>3924234</u>	<u>3324675</u>	

9 ESTABLISHMENT EXPENSES

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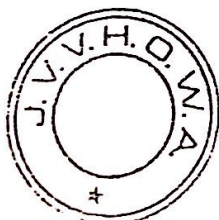
Staff Salaries	186522	190686	
Telephone Charges	11614	11287	
Postage & Telegrams	6667	2373	
Printing & Stationery	17676	3513	
Insurance	4050	3750	
Festivals & Feasts	61751	35476	
AGM/EGM Expenses	47022	41949	
Office Maintenance	80439	40002	
Conveyance Charges	14111	21250	
Bank Charges	30	706	
Misc. Expenses	5199	1463	
Staff Welfare	85915	85658	
Staff Cycle Allowances	450	650	
Xerox	11477	5532	
Legal and filing fees	0	2000	
GYM maintenance	0	100	
	<u>532923</u>	<u>446395</u>	

AUDIT FEE

Remuneration	33708	35665	
Other expenses	3290	0	
	<u>36998</u>	<u>35665</u>	

COMMON ASSETS T/D TO GOVT

Assets T/d to Electricity Department	221761	0	
Assets Transferred to GHMC	884956	0	
	<u>1106717</u>	<u>0</u>	



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JAL VAYU VIHAR APARTMENTS OWNERS ASSOCIATION
 (JAL VAYU VIHAR HOUSE OWNERS Welfare Association)
 WELFARE ASSOCIATION (FORMERLY -500085
 KNOWN AS JAL VAYU VIHAR APARTMENT
 OWNERS ASSOCIATION) 013

(in Rupees)

PARTICULARS	RATE	WDV AS ON		ADDITIONS	TOTAL	DEPRECIATION NET BALANCE	
		1/4/2012	> 180 DAYS < 180 DAYS			31/03/2012	FOR THE YEAR
Bore Wells(Civil Works)	25%	36219			36219.00	9055	27164
Compound Wall	10%	413923			413922.60	41392	372531
Fogging Mechinc	25%	7386			7386.00	1847	5539
Furniture & Fixtures	15%	92596	23900	3777	120273.00	17758	102515
Gates	10%	17918			17918.10	1792	16126
JVV Comunity Health Centre	10%	959996			959995.80	96000	863996
Liabrary & Gym Hall	60%	1622			1622.00	973	649
Office Equipment	15%	3630			3629.50	544	3086
Pump House with Motors	25%	66123			66123.00	16531	49592
RCC Over Headed Tank	10%	239317			239317.20	23932	215385
Septic Tank	10%	63187			63187.20	6319	56868
Sewerage Pumps(5 HP 2 Nos)	25%	38859			38859.00	9715	29144
Sump	10%	10355			10355.40	1036	9319
Water Bill Machine	25%	3045			3045.00	761	2284
School, Office cum Shopping complex	10%	2909559	33551		2943110.30	294311	2648799
ASSETS WRITTEN OFF							
ALUMINIUM LALER		741			741	740	1
COMPUTER		192			192	191	1
EMERGENCY LIGHT		1037.25			1037.25	1036	1
MOTORS		719.25			719.25	718	1
SIREN		241.5			241.5	241	1
SOFTWARE		286			286	285	1
STAGE CONSTRUCTION		1198			1198	1197	1
TRYPE WRITER		232			232	231	1
Total		4868382	57451	3777	4929610	526605	4403005
Previous year		3509196	9200	3063744	6582140.00	607040.65	5975099.35

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SCHEDULE- 11

Notes forming part of the accounts of **JAL VAYU VIHAR HOUSE OWNERS WELFARE ASSOCIATION (FORMERLY OWNERS ASSOCIATION, FORMERLY KNOWN AS JAL VAYU VIHAR APARTEMENTS OWNERS ASSOCIATION, KUKATPALLY :-** ✓

1. In the Extra Ordinary General Meeting of the Association held on 20th May 2012 the Name of the association is changed from THE JAL VAYU VIHAR APARTEMENTS OWNERS ASSOCIATION to **JAL VAYU VIHAR HOUSE OWNERS WELFARE ASSOCIATION (JVVHOWA)** along with Objects and Rules and Regulations and the same are confirmed by the Registrar of Societies vide C.C.No. 1094/2012 dated 02nd August, 2012.
2. Depreciation has been provided on fixed assets at the rates prescribed under the income Tax Act. Depreciation on items like Roads, parks, playgrounds, compound wall, overhead tank etc which are not prescribed in the Income Tax Act, at the rates which are consistent with the previous year.
3. During the year AFNHB intimated the Association that the common assets of the Association such as Road, Parks, Play grounds etc., were handed over the GHMC on 30th December 1998 through a Notorised Gift Deed vide their Letter No. ANHB/KKT/MUN1001 dated 30th December 1998. Similarly, the value of electrical works which include Transformers, street lights etc., were also handed over to the APCPDC Ltd. for their future maintenance/replacements. In the absence of intimation from the AFNHB up to 31st March 2012 to present the accounts in a meaningful manner, as per the note No.1, the association was charging depreciation on such handed over assets. As per the books of accounts, the net value of such assets after depreciation as on 1st April 2012 is Rs. 11,06,717 and the same is disclosed as withdrawal from **Corpus fund**. The details of such assets accounted as transfer is as under –

ASSETS T/D TO ELECRCITY BOARD

PARTICULARS	RATE	WDV AS ON	TRANSFERRRED	TOTAL
		1/4/2012	DURING THE YEAR	31/03/2013
Electrical works	100	221760.75	-221760.8	0
TOTAL		221760.75	-221760.8	0



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ASSETS T/D TO GHMC

PARTICULARS	RATE	WDV AS ON	TRANSFERRRED	TOTAL
		1/4/2012	DURING THE YEAR	31/03/2013
Bus Shelter	100	5811	-5811	0.00
Children Park	100	4889	-4889	0.00
Cement Benches	100	11314	-11314	0.00
Garden	100	25788	-25788	0.00
Park - I Construction	100	9543	-9643	0.00
Park - II at Tank - II	100	21436	-21436	0.00
Park - II Construction	100	13523	-13523	0.00
Parks - Others	100	3424	-3424	0.00
Road	100	666035	-666035	0.00
Sports, Games & Play Ground	100	123094	-123094	0.00
TOTAL		884956	-884956	0.00
Total value of assets t/d		1106717		

4. The association has decided to write off small value of asset(s) from the books of accounts. In order to physically stock of such asset(s) written off, association has decided to show such each asset in the books of accounts at Re. 1 and in future no depreciation will be charged on such asset(s) whose value is shown at Re.1.
5. The accounts are being maintained on Accrual basis.
6. Fixed Deposits as on 31st March, 2013 Rs.8950727. Balance with Bank of India as on 31st March 2013 as per books of accounts is Rs. 544748.85 and the same is confirmed by the bank vide banks certificate dated 18-04-2013.
7. The association owns assets worth Rs. 4103005 (after depreciation) as at the end of March. 2013. The assets are not supported by fixed assets register. It is also reiterated that an association which owns substantial value of assets carry a fixed assets register showing the details of the assets such as name of the asset, date of purchase, cost of the asset, additions and deletions to the asset, rate of depreciation, location of asset, present depreciated value at the end of the year.



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8. Under Income Tax Law, apartment owners association is categorized as Association of Persons (AOP). Associations such as apartment owners' association or any mutual association run on subscriptions obtained from members for maintenance, mutual help, and recreations, whether periodically made or received as entrance fee or as ad hoc contributions from time to time are all exempt as taxable income on mutually basis in the view that no one can make income out of himself. While this being the case, the JVV association has in its income the components as detailed below are covered under income chargeable tax under Income Tax Act, 1961, for which no provision for Income Tax is made in the books of accounts.

Income Earned During the Financial Year – 2012-13

▪ Interest earned from FD's with Nationalized Banks	-	Rs.635739
▪ Interest earned from SB with Nationalized Banks	.	Rs. 34323
▪ Rental Income from Shops	-	Rs.251600
▪ Net Income earned from non-members on Akash Ganga		Rs.(199205)

*Interest Incomes on bank fixed deposits have been considered as per the certificates issued by the respective banks.

9. Hitherto Additional water deposit contributed by the association of Rs. 635000 treated as Deferred Revenue Expenditure as is written off as deferred expenditure over a period of 10 years. After periodical write off balance in the account is of Rs. 300000 as on 1st April 2012 which is pending for write off. The association decided to reflect the total amount of deposit contributed as non current investment, hence Rs. 335000 is written back against the reserves of the society to state the deposit in the books of accounts at original value of Rs. 635000.
10. The Association has undertaken Building Construction work out of its own funds which was completed during July, 2012 and the total expenditure incurred as on 31st March, 2013 is Rs.-3096144 (Gross). Pending completion report from the committee nor any occupancy certificate was obtained from the Local Municipal Authorities, the said asset continued to be shown as asset commissioned and depreciation charged on such asset.
11. For the Asst year 2009-10 the Income Tax authorities raised a demand of Rs. 524122 against the Association. During February 2013 the Income Tax Officer ward 11(3), Hyderabad has frozen the Savings bank of account of the association maintained with the Bank of Indian for recovery of the tax dues. The association paid the above demand under protest and got the account released by the department. An application for rectification of the assessment is filed before the Income Tax officer ward 11(3) and the same is pending finalization. Until final disposal of the rectification the above said amount continue to be shown as separate item under Loans and Advances (Assets) in the Balance Sheet.



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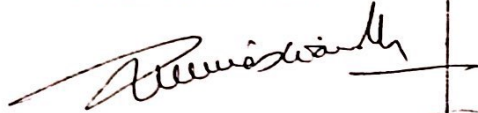
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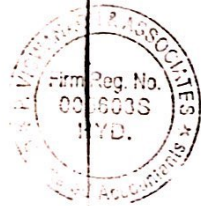
12. Previous year's figures have been re-grouped/re-arranged, wherever necessary, to compare with the current year's figures.

Schedules I to 11 forming part of accounts
Subject to our report of even dated Annexed

for P. Viswanadh & Associates
Chartered Accountants



CA. P.Viswanadh)
Proprietor
Member ship No. 028786
Firm Regn. No. 005603S



Place: Hyderabad
Date: 25/5/2013

