

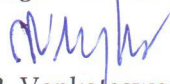
AUDITOR'S REPORT

We have audited the attached Balance Sheet of Southern India Regional Council (SIRC) of the Institute of Chartered Accountants of India as at 31<sup>st</sup> March, 2011 and the Income and Expenditure Account for the year ended on that date, annexed thereto. These financial statements are the responsibility of the SIRC's management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. 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 also 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.
2. 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 have been kept by the Regional Council so far as it appears from our examination of those books;
  - c. The balance sheet and the income and expenditure account dealt with by this report are in agreement with the books of account;
  - d. In our opinion, the Balance Sheet and Income & Expenditure Account comply with relevant Accounting Standards;
  - e. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the schedules and notes thereon give a true and fair view:
    - i. in the case of the Balance Sheet, of the state of affairs of the SIRC as at 31<sup>st</sup> March 2011; 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.

Place : Chennai  
Date : May 11, 2011



For Sekaran & Venkatesh  
Chartered Accountants  
Firm Regn. No. 005125 S  
  
(P.R. Venkateswaran)  
Partner  
M.No. 028527





<b>SOUTHERN INDIA REGIONAL COUNCIL OF THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA</b>					
ICAI Bhawan 122, Mahatma Gandhi Road, Nungambakkam, Chennai-600034					
<b>BALANCE SHEET AS AT MARCH 31, 2011</b>					
ASSETS / APPLICATION OF FUNDS	Schedules	March 31,			
		2011		2010	
(Figures in rupees)					
<b>APPLICATION OF FUNDS</b>					
<b>Fixed Assets: Net block</b>	V		5,904,556		6,339,193
<b>Earmarked Investments</b>					
Term deposit with banks			910,002		910,002
<b>Current Assets:</b>					
Interest receivables			665,090		3,000,579
Other receivables	VI		1,432,002		2,266,905
Advances and prepayments	VII		381,018		640,709
Cash and bank balances:					
Cash in hand		54,961		47,492	
Cash at bank	VIII	32,891,569		19,949,072	
Franking machine balance		14,059	32,960,589	41,603	20,038,167
<b>Inter Unit Balances:</b>					
ICAI current account:					
Grants and amounts receivable from head office	IX	6,644,818		5,534,071	
Branch current account		16,260		428,470	
Publication Stock Transfer Account:					
Institute and Board of Studies publications		3,212,110		3,337,345	
<b>Total debit of inter unit balances</b>			<b>9,873,188</b>		<b>9,299,886</b>
<b>TOTAL</b>			<b>52,126,445</b>		<b>42,495,441</b>
<b>Significant Accounting Policies and Notes on Accounts</b>	XII				

  
CA. S. MURALI  
Secretary

  
CA. K. VISWANATH  
Vice-Chairman

  
CA. K. SHANMUKHA SUNDARAM  
Chairman

As per our Report of even Date  
For **SEKARAN & VENKATESH**  
Chartered Accountants  
FRN 005125S

  
P R VENKATESWARAN  
Partner (M.No. 028527)

  
CA. E. PHALGUNA KUMAR  
Treasurer

  
Y.S. RAWAT  
Senior Deputy Secretary

Place : Chennai  
Date : May 11, 2011






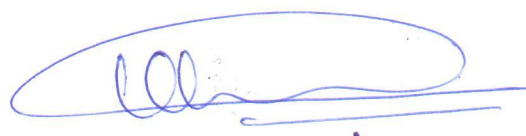

**SOUTHERN INDIA REGIONAL COUNCIL  
OF THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA**

ICAI Bhawan 122, Mahatma Gandhi Road, Nungambakkam, Chennai - 600034.

**INCOME AND EXPENDITURE FOR THE YEAR ENDED MARCH 31, 2011**

INCOME	Schedules	March 31,	
		2011	2010
		(Figures in rupees)	
<b>Grant received from Head Office</b>			
Revenue grant		8,063,607	6,350,230
Branch administration grant		269,000	265,500
Membership fee grant		2,001,620	1,935,780
Audit fees grant		27,000	27,000
Diamond Jubilee / Public relation grant		109,212	50,385
<b>Sub-total</b>		10,470,439	8,628,895
Newsletter advertisements		1,677,000	1,388,145
Seminar income		32,204,967	27,797,761
GMCS course income		2,513,000	2,670,500
Interest on investments		1,426,097	1,511,976
Grant for Orientation Programme		750,000	0
Other income	X	84,489	128,909
Coaching class income		7,249,165	5,809,475
<b>Commission on sale of publications:</b>			
Institute / Board of Studies publications		1,091,539	642,765
Examination forms		325,275	473,856
<b>Sub-total</b>		1,416,814	1,116,621
Prior period adjustments		240,171	
<b>TOTAL INCOME (A)</b>		<b>58,032,142</b>	49,052,282

Continued to page 2



**SOUTHERN INDIA REGIONAL COUNCIL  
OF THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA**

ICAI Bhawan 122, Mahatma Gandhi Road, Nungambakkam, Chennai-600034

**INCOME AND EXPENDITURE FOR THE YEAR ENDED MARCH 31, 2011**

EXPENDITURE	Schedules	March 31,	
		2011	2010
		(Figures in rupees)	
Staff salary expenses		8,063,607	6,350,230
Printing and stationery		349,493	380,035
Newsletter		3,523,434	3,032,900
Postage, telephone and telegrams		255,090	248,233
Rent, rates and taxes		696,730	669,118
Repairs and maintenance		461,360	507,077
Travel - Members		1,923,900	1,127,491
Magazines and periodicals		178,526	128,989
Audit fee		29,780	29,780
Seminar expenses		30,031,318	28,111,697
GMCS course expenses		1,455,648	1,937,992
CA day / Diamond jubilee expenses		325,996	238,060
Coaching class expenses		4,969,743	3,844,633
Orientation Programme Expenses		750,000	-
Other expenses	XI	759,130	590,597
Bad Debts - Written Off		326,470	
<b>Sub-total (Expenses before depreciation)</b>		<b>54,100,225</b>	<b>47,196,832</b>
Prior period expenses		180,046	
Depreciation	V	1,341,229	1,218,686
<b>TOTAL EXPENDITURE (B)</b>		<b>55,621,500</b>	<b>48,415,518</b>
<b>(Deficit) / Surplus (A)-(B)</b>		<b>2,410,642</b>	<b>636,764</b>
Less: Transfer to building fund		<b>247,676</b>	<b>118,255</b>
(Deficit) / Surplus transferred to other reserve		<b>2,162,966</b>	<b>518,509</b>
<b>Significant Accounting Polices and Notes on Accounts</b>	XII		

  
CA. S. MURALI  
Secretary

  
CA. K. VISWANATH  
Vice-Chairman

  
CA. K. SHANMUKHA SUNDARAM  
Chairman

As per our Report of even Date  
For **SEKARAN & VENKATESH**  
Chartered Accountants  
FRN 005125S

  
P R VENKATESWARAN  
Partner (M.No. 028527)

  
CA. E. PHALGUNA KUMAR  
Treasurer

  
Y.S. RAWAT  
Senior Deputy Secretary

Place : Chennai  
Date : May 11, 2011



**SOUTHERN INDIA REGIONAL COUNCIL  
OF THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA**

ICAI Bhawan 122, Mahatma Gandhi Road, Nungambakkam, Chennai-600034

Schedules	March 31,	
	2011	2010
	(Figures in rupees)	
<b>SCHEDULE I</b>		
<b>Seminar fee / income received in advance</b>		
Coaching classes fee	1,624,500	1,052,500
GMCS fees	1,948,000	152,000
Advertisement charges	-	-
Delegate fees	6,800	12,850
<b>Total</b>	<b>3,579,300</b>	<b>1,217,350</b>
<b>SCHEDULE II</b>		
<b>Creditors for expenses</b>		
Retention money	92,661	74,661
Professional fees	29,780	29,780
Coaching class expenses	1,171,395	391,770
Outstanding expenses	1,050,955	809,972
42nd Regional Conference Payable	399,634	-
Other creditors	9,300	56,178
<b>Total</b>	<b>2,753,725</b>	<b>1,362,361</b>
<b>SCHEDULE III</b>		
<b>Other liabilities</b>		
B Ramaraj Memorial Fund contribution	44,500	44,500
Ashok Kumbhat Memorial Lecture Fund contribution	103,000	103,000
V Sankar Aiyar Memorial Fund	100,000	-
Others	21,563	-
Excess of Revenue Grant Received	1,989,822	-
Tax deducted at source	-	107,577
Library deposit	2,038,810	2,003,810
<b>Total</b>	<b>4,297,695</b>	<b>2,258,887</b>
<b>SCHEDULE IV</b>		
<b>ICAI Current Account</b>		
GMCS Course	1,290,500	931,500
Bihar flood victims - donation received	-	1,000
Blazer	27,000	27,000
Benevolent Fund collection	49,503	-
Sales of publication receivable from branches	-	13,000
<b>Total</b>	<b>1,367,003</b>	<b>972,500</b>

Continued to page 2

*[Handwritten signature]*

*[Handwritten signature]*

*[Handwritten signature]*

*[Handwritten signature]*



*[Handwritten signature]*

**SOUTHERN INDIA REGIONAL COUNCIL  
OF THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA**

ICAI Bhawan 122, Mahatma Gandhi Road, Nungambakkam, Chennai-600034

Schedules	March 31,	
	2011	2010
	(Figures in rupees)	
<b>SCHEDULE VI</b>		
<b>Other receivables</b>		
Tax deducted at source	413,398	174,615
Others	33,350	139,108
Other Receivables (Kumarakom Orientation)	198,303	-
40th Regional conference	-	300,000
41st Regional conference	300,000	600,000
Southern India Chartered Accountants Students' Association	373,357	535,857
Newsletter advertisement	113,594	517,325
<b>Total</b>	<b>1,432,002</b>	<b>2,266,905</b>
<b>SCHEDULE VII</b>		
<b>Advances and prepayments</b>		
Prepaid expenses	219,476	171,570
Stock of Bags	-	350,000
Stock of SIRC Publication of Budget Book	-	20,306
Stock of memento	30,655	14,500
Staff advances	130,887	84,333
<b>Total</b>	<b>381,018</b>	<b>640,709</b>
<b>SCHEDULE VIII</b>		
<b>Cash at bank</b>		
<b>In savings deposits</b>		
Bank of Baroda	539,355	448,512
Punjab National Bank	430,423	357,819
Syndicate Bank	5,862,724	1,079,579
Indian Bank	5,758,949	383,039
State Bank of India (41st Regional Conference)	298,450	346,046
Bank of Baroda (42nd Regional Conference)	1,207,275	-
	<b>14,097,176</b>	<b>2,614,995</b>
<b>In term deposits</b>	<b>18,794,393</b>	<b>17,334,077</b>
<b>Total</b>	<b>32,891,569</b>	<b>19,949,072</b>

Continued to page 3





**SOUTHERN INDIA REGIONAL COUNCIL  
OF THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA**

ICAI Bhawan 122, Mahatma Gandhi Road, Nungambakkam, Chennai-600034

SCHEDULES	March 31,	
	2011	2010
	(Figures in rupees)	
<b>SCHEDULE IX</b>		
<b>Grant and amount receivable from head office</b>		
Opening balance	(184,658)	(184,658)
Public Relations Expenses (Supplements)	53,000	-
Career counseling expenses : 2008-2009	99,689	98,939
Elocution competition (2009-10)	312,201	312,201
Elocution competition (2010-11)	336,112	-
Public relation grant - (Union budget public meeting 2008 )	50,000	50,000
Public relation grant (Cricket match with income tax officials - 2008)	34,132	34,132
Public relation grant (Cricket match with income tax officials - 2009)	50,385	50,385
Public relation grant (Cricket match with income tax officials - 2010)	56,212	-
Diamond jubilee chairmen meet	28,450	28,450
Expenses of Vice President - 2008	-	10,424
ICAI Receivable - Capital Budget	566,412	411,312
Capital Grant (2010-11)	325,262	
Library Grant (2010-11)	20,730	-
Renovation of SIRC building	1,048,536	1,048,536
Revenue grant receivables	828,753	1,425,586
Orientation Programme at Kumarakom	750,000	-
Statutory audit fee : 2007-2008	-	22,500
: 2008-2009	-	27,000
CA day grant : 2007-2008	10,000	10,000
Debate competition	87,075	87,075
Sports events	106,640	106,640
Haridwar expenses	6,850	277,868
Leave salary	360,224	360,224
Investor awareness programme	7,000	15,000
ICAI annual day	20,305	20,305
Commission on sale of publications	1,648,564	1,215,241
Other receivables	22,944	106,911
<b>Total</b>	<b>6,644,818</b>	<b>5,534,071</b>
<b>SCHEDULE X</b>		
<b>Other income</b>		
Receipts for library services	29,320	21,546
Sundry income	55,169	107,363
<b>Total</b>	<b>84,489</b>	<b>128,909</b>
<b>SCHEDULE XI</b>		
<b>Other expenses</b>		
Bank charges	13,516	28,889
Professional fees:	15,666	8,273
Conveyance	37,061	18,346
Website expenses	158,271	131,083
Blood donation camp	36,106	28,569
Sculptures at SIRC Premises and Construction of pedestal	-	155,669
Cricket match with Income Tax officials (Public relations grant)	56,212	50,385
SIRC Directory Expenses	81,240	-
Public Relation Expenses	53,000	-
Travel - Staff and Others	164,644	16,389
Miscellaneous expenses	143,414	152,994
<b>Total</b>	<b>759,130</b>	<b>590,597</b>



**SOUTHERN INDIA REGIONAL COUNCIL  
OF THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA**

ICAI Bhawan 122, Mahatma Gandhi Road, Nungambakkam, Chennai-600034

<b>SCHEDULE - V : FIXED ASSETS</b>									
Particulars	Rate of depreciation in %	GROSS BLOCK			DEPRECIATION			NET BLOCK	
		Opening balance	Additions / (Deletions) during the year	As at	Upto	For the year	Total	As at	As at
		April 1, 2010		March 31, 2011	April 1, 2010			March 31, 2011	March 31, 2010
<i>(Figures in rupees)</i>									
<b>ASSETS - SIRC</b>									
Furnitures and fixtures	10	4856291	8550	4864841	2016984	284181	2301165	2563676	2839307
Electrical installations and fittings	10	2143214		2143214	845559	129766	975325	1167889	1297655
Lift	10	838670		838670	444241	39443	483684	354986	394429
Generator	10	702107		702107	541478	16063	557541	144566	160629
Office equipment	15	2098126	4800	2102926	1456202	96299	1552501	550425	641924
Photocopier	15	104000		104000	23157	12126	35283	68717	80843
Air conditioners	15	1421000	121000	1542000	881621	81541	963162	578838	539379
Electronic items	15	7529	22700	30229	610	2538	3148	27081	6919
Mineral water dispenser	15	93750		93750	21594	10823	32417	61333	72156
Cycles	20	1326		1326	1296	6	1302	24	30
Computers	60	1561236	57400	1618636	1434363	78860	1513223	105413	126873
LCD projectors	60	108281	110812	219093	84691	15793	100484	118609	23590
Library books	100	5721096	554157	6275253	5721096	554157	6275253	-	-
<b>Total</b>		19656626	879419	20536045	13472892	1321596	14794488	5741557	6183734
<b>ASSETS - COACHINGCLASSES</b>									
Furnitures and fixtures	10	392982	-	392982	301270	9171	310441	82541	91712
Electrical installations and fittings	10	93573	27,173	120746	77595	3296	80891	39855	15978
Office equipment	15	78392	-	78392	70819	1136	71955	6437	7573
Mineral water dispenser	15	31250	-	31250	7198	3608	10806	20444	24052
Air conditioners	15	33532	-	33532	17388	2422	19810	13722	16144
<b>Total</b>		629729	27,173	656902	474270	19633	493903	162999	155459
<b>Grand total</b>		20286355	906592	21192947	13947162	1341229	15288391	5904556	6339193
Previous year figures		19920420	365935	20286355	12728476	1218686	13947162	6339193	7191944

**SOUTHERN INDIA REGIONAL COUNCIL OF  
THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA  
122 Mahatma Gandhi Road, Nungambakkam, Chennai – 600034**

**ANNEXURE – XII**

**Significant Accounting Policies and Notes on accounts**

**A. Statement of Significant Accounting Policies**

a. Accounting Convention

These accounts are drawn up on historical cost basis and have been prepared in accordance with the applicable Accounting Standards issued by the Institute of Chartered Accountants of India

b. Revenue recognition

All Income and Expenditures are accounted on accrual basis. Income from Earmarked Funds is credited directly to the respective earmarked funds.

c. Fixed Assets and Depreciation

- i. Fixed assets are stated at historical costs less depreciation.
- ii. Depreciation on Fixed Assets is charged under Written Down Value method as per the rates prescribed by ICAI.
- iii. Pro rata depreciation is provided on additions to fixed assets (Other than Library books)
- iv. Depreciation on addition to the Library Books is provided for at 100%

d. Inventories

Inventories are accounted at cost.

**B. Notes on Accounts**

- a. 10% of Gross Receipts from Seminars and Conference held at SIRC premises amounting to ₹ 247676/- (previous year ₹ 118255/-) has been transferred to Building Maintenance Fund account during the year. The balance of surplus of ₹ 2162966/- (previous year ₹ 518509/-) has been transferred to Other Reserves.
- b. The outstanding receivables in respect of 40<sup>th</sup> Regional Conference, 41<sup>st</sup> Regional Conference, 42<sup>nd</sup> Regional Conference, Newsletter Advertisement, Creditors for expenses are subject to confirmation from the respective parties and consequential reconciliation arising therefrom, if any.
- c. Staff retirement benefit are provided for at ICAI – New Delhi





d. Earmarked Funds:

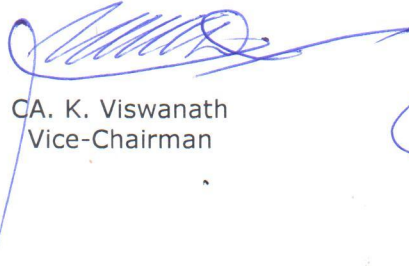
	2010-2011	2009-2010
Earmarked Funds	1156675	1099925
Earmarked Investments	910002	910002
	=====	=====
Balance	246673*	189923
	=====	=====

\*Amount credited by bank in various Savings Bank accounts.

- e. Land and Building of SIRC of ICAI are accounted for at ICAI NewDelhi.
- f. Previous year's figures have been re-grouped or re-classified wherever considered necessary to make it comparable with those of current year.



CA. S. Murali  
Secretary



CA. K. Viswanath  
Vice-Chairman



CA. K. Shanmukha  
Sundaram  
Chairman

As per our Report of even  
Date

for SEKARAN & VENKATESH  
Chartered Accountants  
FRN 005125S



P.R. Venkateswaran  
Partner (M.No. 028527)



CA. E. Phalguna Kumar  
Treasurer



Y.S. Rawat  
Senior Deputy Secretary

Place : Chennai

Date : May 11, 2011



**SOUTHERN INDIA REGIONAL COUNCIL OF THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA**  
**122, MAHATMA GANDHI ROAD, NUMGAMBAKKAM, CHENNAI - 600 034.**  
**CASH FLOW STATEMENT FOR THE FINANCIAL YEAR 2010-11**

	FOR THE YEAR ENDED 31.03.2011		FOR THE YEAR ENDED 31.03.2010	
<b>Cash Flow from Operating Activities</b>				
Net income	2,410,642		636,734	
Adjustments for:				
Depreciation	1,341,229		1,218,686	
Interest income	(1,426,097)		(1,511,976)	
<b>Operating profit before working capital changes</b>	2,325,774		343,444	
(Increase)/Decrease in current assets	2,335,489		(814,229)	
(Increase) / Decrease in Advances and Prepayments	259,691		(393,490)	
Increase in ICAI Current account	(1,110,747)		(1,303,184)	
Increase in current liabilities and provisions	5,792,122		390,657	
Increase in Branch current account	412,210		(402,000)	
Increase in icai payable account	617,307		223,358	
Decrease in other receivables	834,903		(1,529,277)	
Decrease in current liabilities and provisions	-		-	
Increase in earmarked funds	56,749		36,829	
<i>Net cash from Operating Activities</i>		11,523,498		(3,447,892)
<b>Cash flow from investing activities</b>				
Purchase of fixed assets	(906,592)		(365,935)	
Interest received	1,426,097		1,511,976	
<i>Net cash from Investing Activities</i>		519,505		1,146,041
<b>Cash flow from financing activities</b>				
Increase in capital grant	879,419		929,684	
<i>Net cash from Financing Activities</i>		<b>879,419</b>		<b>929,684</b>
Net decrease in Cash and cash equivalents		12,922,422		(1,372,167)
ADD: Cash and cash equivalents at the beginning		20,038,167		21,410,335
<b>Cash and cash equivalents at the end</b>		<b>32,960,589</b>		<b>20,038,168</b>

*Handwritten signature*

*Handwritten signature*

*Handwritten signature*



*Handwritten signature*

*Handwritten signature*