



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF**  
**CALVARY CHAPEL TRUST**

**Opinion**

We have audited the accompanying financial statements of **CALVARY CHAPEL TRUST** (the Trust), which comprise the Balance Sheet as at 31st March, 2022, the Statement of Income and Expenditure for the year then ended and notes to the financial statements, including summary of the significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Trust as at 31<sup>st</sup> March, 2022 and of its financial performance for the year then ended in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI).

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by ICAI. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Trust in accordance with the *Codes of Ethics* issued by ICAI and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the state of affairs, results of operations of the Trust in accordance with the accounting principles generally accepted in India. 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.

In preparing the financial statements, management is responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Trust or to cease operations, or has no realistic alternative but to



Those charged with governance are responsible for overseeing the Trusts's financial reporting process.

### **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also-

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's

ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, related safeguards.

**For R.K. KHANNA & ASSOCIATES**

Chartered Accountants

(Firm Regn. No.106082W)



**UDIN: 22027444ATXBPJ1037**

**(S. MANJU GEORGE)**

Partner

(Membership No.027444)

Place: Bangalore

Date : 21<sup>st</sup> September 2022



**CALVARY CHAPEL TRUST, BANGALORE**  
**BALANCE SHEET AS AT 31ST MARCH 2022**

*(all amounts in Rupees)*

	Sch. No.	31st March 2022		31st March 2021
<b>SOURCES OF FUNDS :</b>				
<b>GENERAL FUND</b>				
Per last Balance Sheet...		43,84,305.02		73,86,914.64
Add: Excess of Income over Expenditure for the year...		1,56,06,449.22		1,01,33,648.45
		1,99,90,754.25		
Less: Amount Transferred to Capital Fund...		(1,17,42,463.62)	82,48,290.63	(1,31,36,258.07)
<b>CAPITAL FUND</b>				
Per last Balance Sheet...		15,83,39,017.91		14,52,02,759.84
Add: Amount Transferred from General Fund..		1,17,42,463.62	17,00,81,481.53	1,31,36,258.07
<b>TOTAL...</b>			<b>17,83,29,772.16</b>	<b>16,27,23,322.94</b>
<b>APPLICATION OF FUNDS :</b>				
<b>FIXED ASSETS</b>				
	<b>A</b>		16,53,95,519.72	15,36,53,056.10
<b>CURRENT ASSETS, LOANS AND ADVANCES</b>				
Loans and Advances...	<b>B</b>	32,84,639.22		23,68,474.82
Deposits...	<b>C</b>	19,45,019.00		18,40,069.00
Cash and Bank Balances...	<b>D</b>	79,10,552.47	1,31,40,210.69	49,27,856.61
<b>CURRENT LIABILITIES</b>				
Amount Due...			(2,05,958.25)	(66,133.60)
<b>NET CURRENT ASSETS...</b>				
			1,29,34,252.44	90,70,266.83
<b>TOTAL...</b>			<b>17,83,29,772.16</b>	<b>16,27,23,322.93</b>

Significant accounting policies & Note to Accounts - as per schedule 'M'

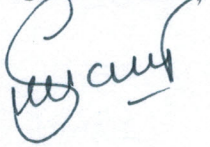
Schedules 'A' and 'M' forms part of this Balance Sheet...

Per our Report of even date attached....

**For R. K. KHANNA & ASSOCIATES**

Chartered Accountants

(Firm Regn. No: 105082W)



**(S. Manju George)**

Partner

(Membership No.027444)



**For CALVARY CHAPEL TRUST**



**( Mr. L Gunasekaran )**

Trustee



**(Mrs. Victoria Gunasekaran)**

Trustee

Place : Bangalore

Date: 21/09/2022

**CALVARY CHAPEL TRUST, BANGALORE**  
**INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2022**

*(all amounts in Rupees)*

	Sch No.	For the year ended 31st March 2022		For the year ended 31st March 2021
<b>INCOME</b>				
Donations....				
Foreign Contribution...		10,49,85,057.00		8,11,45,598.05
Local Contribution others...		66,07,067.00		67,18,710.00
Church Offerings...		7,77,256.00		11,76,085.00
Interest from Bank....		47,259.76		64,308.56
Other Income...		30,986.89	11,24,47,626.65	-
<b>TOTAL....</b>			<b>11,24,47,626.65</b>	<b>8,91,04,701.61</b>
<b>EXPENDITURE:</b>				
<b>Expenditure on Objects...</b>				
Child Care...	E	4,51,85,943.16		3,61,18,318.90
HIV/AIDS Care and Support...	F	76,74,760.50		47,64,405.00
Child Development Centers...	G	1,64,15,307.00		1,36,22,279.50
Adult Literacy Programme...	H	29,41,283.00		26,13,614.00
Health Care...	I	11,36,648.00		12,18,916.00
Church Expenses..	J	6,09,195.32		11,27,673.53
Corona Relief Expense..	K	26,14,836.00	7,65,77,972.98	36,73,350.44
<b>Administration Expenses..</b>	L	1,12,03,816.59	1,12,03,816.59	78,17,937.84
<b>Depreciation...</b>			90,59,387.86	80,14,557.95
<b>TOTAL....</b>			<b>9,68,41,177.43</b>	<b>7,89,71,053.16</b>
<b>Excess of Income over Expenditure Transferred to General Fund...</b>			<b>1,56,06,449.22</b>	<b>1,01,33,648.45</b>

Significant accounting policies & Note to Accounts - as per schedule 'M'

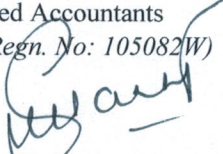
Schedules 'A' and 'M' forms part of this Balance Sheet...

Per our Report of even date attached...

**For R. K. KHANNA & ASSOCIATES**

Chartered Accountants

(Firm Regn. No: 105082W)

  
 (S. MANJU GEORGE)

Partner

(Membership no.027444)



**For CALVARY CHAPEL TRUST**



(Mr. L. Gunasekaran)

Trustee



(Mrs. Victoria Gunasekaran)

Trustee

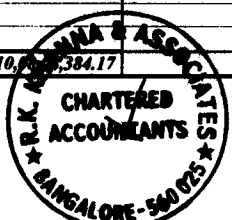
Place : Bangalore

Date: 21/09/2022



**CALVARY CHAPEL TRUST, BANGALORE**  
**CENTRAL OFFICE- FOREIGN CONTRIBUTION ACCOUNT**  
**RECEIPTS AND PAYMENTS ACCOUNT FOR THE PERIOD ENDED 31.03.2022**

31.3.2021	RECEIPTS	31.03.2022	31.3.2021	PAYMENTS	31.03.2022
	<b>Opening Balances:</b>				
1,639.00	Cash	1,550.00			
5,43,812.95	State Bank of India - SB	23,796.98		<b>Programme Expenses:</b>	
4,75,018.13	State Bank of India - CA	24,92,875.79	4,86,502.00	<b>Child care programme expenses</b>	
	State Bank of India - CA, New Delhi	1,52,743.24	900.00	Food Expenses	1,39,258.00
	<b>Contributions</b>			Clothing Expenses	1,42,740.00
	<b>USA:</b>		2,982.00	Education Expenses	2,33,000.00
7,74,12,810.00	Calvary Chapel, Boise	10,18,84,257.00		Health Care Expenses	
85,224.00	Tamil Gospel Church		38,985.00	Toiletries Expenses	
39,175.00	Neshanic Reformed Church		4,38,496.00	Sports & Entertainment	560.00
	<b>UK :</b> Christina Baskaran	2,95,750.00	64,310.00	Travel Expenses	3,82,033.00
21,973.05	Abigail Balasingam		5,10,825.00	Printing Stationery	80,522.00
10,32,572.00	<b>Austria:</b> Fackeltraeagar	23,70,700.00	11,400.00	Repairs & Maintenance	76,049.00
	<b>Germany:</b>		4,05,500.00	Gardening	
9,43,884.00	Ingrid Sieverding		74,346.00	Honorarium, Gift and Allowance	3,06,000.00
	Christa Hanna Rose			Functions & celebrations	
3,65,800.00	Christa Zurmuehl				<b>13,60,162.00</b>
12,44,160.00	Waypoint Christian Church				
	Oekumenischereine	4,34,350.00		<b>Child Development Center expenses</b>	
			1,96,966.00	Travel Expenses	65,052.00
7,996.00	Bank Interest	10,034.00	3,04,966.00	Honorarium, Gift & Allowance	88,000.00
	<b>Refunds &amp; Recoveries:</b>		20,000.00	Poor Help	2,12,250.00
2,80,000.00	Rental and Lease Deposits	1,25,000.00	4,000.00	Food Expenses	26,156.00
5,98,500.00	Staff Loan	10,18,000.00	9,118.00	Repairs & Maintenance	48,500.00
1,64,60,917.44	Advance for Expenses	1,71,91,064.00	9,260.00	Printing & Stationery	
2,15,887.60	TDS Deduction	3,39,302.00	8,000.00	Rent	
51,000.00	Prof. Tax Deducted	54,200.00			<b>4,39,958.00</b>
			<b>1,55,511.00</b>	<b>HIV+/AIDS Care &amp; Support expenses:</b>	<b>5,78,449.00</b>
9,42,000.00	VFBF Contribution	6,36,000.00			
86,015.00	LIC	46,445.00		<b>Literacy Expense:</b>	
0.00	Other Income - Rent from Manipur		65,000.00	Education help	2,29,550.00
			43,000.00	Shum Women & Children	1,81,900.00
	E.P.F.	4,64,291.00		TV Literacy Programme	
	ESIC	32,023.00		Literacy Expenses	
	Management Contribution from Projects - E.P.F.	4,64,291.00			<b>4,11,450.00</b>
	Management Contribution from Projects - ESIC	1,31,048.00	<b>8,04,511.00</b>	<b>Health/Medical Care expenses</b>	
				Staff Medical Expenses	4,14,636.00
				General Medical Allowances	4,05,287.00
	Sale of Vehicle	30,000.00			<b>8,19,923.00</b>
			<b>35,700.00</b>	<b>Leprosy Programme</b>	<b>22,000.00</b>
			<b>21,52,465.44</b>	<b>Corona Relief Work</b>	<b>10,47,053.00</b>
				<b>Grants given to Projects</b>	
	<b>Cental office employee</b>		35,67,100.00	<b>Child Care:</b>	
	EPF	86,362.00	16,36,000.00	Home of Hope for Girls, Bangalore	41,32,852.00
	ESIC	9,639.28	50,49,418.00	Home of Hope for Senior Boys, Bangalore	24,72,401.00
	Management contribution	86,362.00	19,17,482.00	Home of Hope for Boys, Bangalore	86,23,265.00
			32,91,900.00	Home of Hope for Special Children, Bangalore	22,79,435.00
	Profit on sale of Assets	22,210.00	39,64,800.00	Home of Hope for Children (G), Nachikuppam	36,82,472.00
			87,19,500.00	Home of Hope for Girls, Nazareth	39,86,600.00
				Home of Hope for Boys, Nazareth	1,14,32,954.00
				Home of Hope for Boys, Manipur	
			80,18,000.00	Home of Hope for Special Children, Varanasi	1,01,68,351.00
			10,32,572.00	Home of Hope for Boys, Koppal	29,27,700.00
					<b>4,97,06,030.00</b>
			13,38,500.00	<b>HIV+/AIDS Care &amp; Support:</b>	
			16,96,500.00	Odisha Community Development Project	14,55,468.00
			17,95,324.00	Jharkhand Community Development Project	17,82,100.00
			5,82,600.00	Bihar Community Development Project	21,90,929.00
				Thondi Community Development Project	15,33,121.00
					<b>69,61,618.00</b>
			4,66,000.00	<b>Child Development Centers:</b>	
			34,93,300.00	Community Development Project, Bangalore	
			9,34,500.00	Children Center Department, Koppal	38,63,870.00
			6,03,500.00	Shimoga Community Development Project	10,63,900.00
			14,84,680.00	Hukkeri Community Development Project	7,04,500.00
			21,37,850.00	Yadagiri Community Development Project	16,96,200.00
			1,99,000.00	Krishnagiri Community Development Project	20,92,000.00
			8,66,300.00	Child Development Project, Puthoor	1,28,000.00
			17,09,670.00	Heaven's Gate, Nagercoil	14,36,500.00
			21,97,000.00	Gujarath Community Development Project	23,15,500.00
				Himachal Pradesh Community Development Project	27,71,620.00
					<b>1,60,72,090.00</b>
			<b>18,71,850.00</b>	<b>Adult Literacy Programme:</b>	
				Adult Literacy, Koppal	20,73,431.00
10,38,384.17	C/O	12,84,02,294.29	6,44,16,089.44	C/O	7,94,92,164.00



31.3.2021	RECEIPTS	31.03.2022	31.3.2021	PAYMENTS	31.03.2022
10,08,08,384.17	B/F	12,84,02,294.29	6,44,16,089.44	B/F	7,94,92,164.00
				<b>Administration</b>	
			29,63,038.00	Honorarium & Salary	29,60,702.00
			1,96,600.00	Gifts & Allowances, Spl Allowances	8,97,541.00
			69,407.00	Hospitality	78,921.00
				Staff Welfare expenses;	
			9,85,000.00	- Volunteers' F.B.F.	6,84,000.00
			99,659.00	- Life Insurance	60,089.00
				- Contribution to MUT Smile Program	
				EPF - Account No.01	6,35,799.00
				EPF Admn. - Account No.,02	19,332.00
				Pension - Account No.10	2,92,143.00
				EDLI - Account No.21	19,332.00
				Admin - Account No.22	1,600.00
				ESIC	1,45,716.00
				Management contibution ESIC	9,639.28
				Management contibution EPF	86,362.00
			2,33,410.00	Rent	3,12,690.00
			4,14,142.00	Travel & Conveyance	14,32,347.00
			1,77,613.00	Rates, Taxes	2,11,156.00
			1,44,012.00	Insurance	1,77,862.00
				Prof. Tax Enrolment, Returns amount etc....	
				Books & Periodicals	
			2,22,791.00	Printing & Stationery	42,007.00
			45,109.00	Postage & Courier	1,47,643.00
			43,305.00	Telephone & Internet	49,172.00
			1,97,856.00	Audit Fee & Professional Charges	3,14,206.00
			3,38,395.00	Promotional Expenses	7,05,000.00
				Security expenses	
			68,935.68	Bank Charges	68,686.36
			41,086.00	Electricity and Water	55,057.00
			3,36,358.00	Repairs & Maintenance:	7,82,352.00
			68,359.00	Computer Maintenance	1,14,949.00
			10,610.00	Bad debts	
				<b>Deposits, Loans and Advances</b>	
			1,25,000.00	Rental and Lease Deposit	2,25,000.00
			10,11,000.00	Staff Loan	9,20,000.00
			1,17,27,723.44	Advance for Expenses	1,82,94,079.00
			1,68,904.00	TDS Paid	3,39,302.00
			50,000.00	Prof. Tax	54,400.00
			57,233.60	TDS Recoverable	
				TCS on Vechile	17,586.00
				<b>Fixed Assets</b>	
				Land	
			1,20,55,653.00	Building	81,39,000.00
				" Tree House	
			3,08,600.00	" Road	
				Compound wall	
			95,657.00	Furniture and fittings	
			7,93,139.00	Equipments	1,32,588.00
			1,47,272.00	Vehicle	30,34,030.00
			1,87,171.00	Bore well, Motor & Pump set	
			3,38,290.00	Computer & Accessories	1,70,110.00
				<b>Closing Balance;</b>	
			1,550.00	Cash	2,465.00
			23,796.98	State Bank of India - SB	12,735.98
			24,92,875.79	State Bank of India - CA	72,44,933.93
			1,52,743.24	State Bank of India - New Delhi MB	19,596.74
10,08,08,384.17	Total	12,84,02,294.29	10,08,08,384.17	Total	12,84,02,294.29

For R. K. KHANNA & ASSOCIATES

Chartered Accountants  
(Firm/Regn.No: 105082W)

(S. Manju George)  
Partner  
(Membership No.027444)

Place : Bangalore  
Date: 21/09/2022

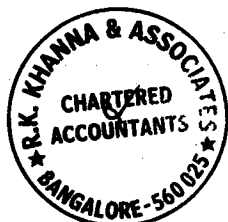


For CALVARY CHAPEL TRUST

(Mr. L.Gunasekaran)  
Trustee

(all amounts in Rupees)

			31st March 2022	31st March 2021
<b>SCHEDULE B :</b>				
<b>LOANS AND ADVANCES</b>				
Staff Loan...			7,56,500.00	8,58,500.00
Advance for expenses...			24,85,336.22	14,42,732.22
Tax Deducted at Source Recoverable...			42,803.00	67,242.60
			<b>32,84,639.22</b>	<b>23,68,474.82</b>
<b>SCHEDULE C :</b>				
<b>DEPOSITS</b>				
Gas Deposit...			41,156.00	41,156.00
Telephone Deposit...			16,949.00	16,949.00
Rental Deposit...			18,21,600.00	17,16,650.00
Electricity Board Deposit...			62,314.00	62,314.00
Cable TV Deposit...			3,000.00	3,000.00
			<b>19,45,019.00</b>	<b>18,40,069.00</b>
<b>SCHEDULE D :</b>				
<b>CASH AND BANK BALANCES</b>				
Cash in Hand...				
Foreign Contribution Accounts			46,821.00	90,251.00
Local Contribution Accounts			5,205.00	1,827.00
			<b>52,026.00</b>	<b>92,078.00</b>
Cash at Bank...				
	<b>Particulars</b>	<b>Bank, Branch &amp; Account Number</b>	<b>Amount</b>	<b>Amount</b>
	<b>FC A/C.</b>			
1	Foreign Contribution A/c.	SBI, New Delhi Main Branch A/c. No.400 C.A.	19,596.74	23,796.98
		SBI, St.Marks Road, A/c. No.10977254610 S.B.	12,735.98	24,92,875.79
		SBI, Banagirinagar A/c No.35608289049 C.A.	72,44,933.93	1,52,743.24
	<b>Transferred and Held at Project/Programme Sites:</b>			
2	Home of Hope for Girls, Bangalore	SBI, Padmanabhanagar A/c. No.34691939507	17,204.42	20,002.18
3	Home of Hope for Senior Boys, Bangalore	SBI, Padmanabhanagar A/c. No.10075383344	13,170.46	21,302.06
4	Home of Hope for Boys, Bangalore	SBI, Banagirinagar A/c No.35072012399	53,182.24	2,34,692.08
5	Home of Hope for Children, Nachikuppam (General A/c.)	Bank of Baroda, Veppanapalli A/c. No.11280100010549	4,180.32	1,44,341.88
6	Home of Hope for Girls, Nazareth	Tamilnad Mercantile Bank Ltd., A/c.No.054100710400503	14,117.38	2,21,114.38
7	Home of Hope for Boys, Nazareth	SBI, Nazareth A/c. No.35339292818	857.03	1,58,266.03
8	Home of Hope for Special Children, Varanasi	SBI, Lahurabir, Varanasi, A/C. No.32837310979	11,015.24	3,56,603.84
9	Home of Hope for - Boys Special Children, Koppal	Syndicate Bank, Koppal A/c. No.180122033455	16,364.07	8,067.07
10	Odisha Community Development Project	SBI, ADB Khodasingh, Odisha, A/c No.32779678904	24,473.55	1,28,009.05
11	Jharkhand Community Development Project	SBI, Ranchi, A/c No.32794322969	19,432.00	50,787.50
12	Bihar Community Development Project	SBI, Bihar A/c. No.33752641263	4,774.50	1,28,869.00
13	Thondi Community Dev. Project	SBI, 4Thondi, Ramanathapuram A/c No.35385218147	53,709.85	1,11,408.85
14	Community Development, Bangalore	SBI, Padmanabhanagar, A/c.No.34615088454	36,373.31	37,671.31
15	Children Center Department., Koppal	SBI, Koppal A/c. No. 30304213536	5,992.05	1,30,451.55
16	Shimoga Community Development Project	SBI, Gopalagowda Extn. Shimoga, A/c. No.32945947121	1,341.58	23,648.58
17	Hukkeri Community Development Project	SBI, Hukkeri, A/c.No.32941505426	1,911.00	29,945.00
18	Yadagiri Community Development Project	SBI, Yadgir A/c. No.33097027695	8,421.00	58,243.50
19	Child Development Project, Puthoor	SBI, Chittoor, A/c.No.30884104056	5,494.00	31,515.50
20	Heaven's Gate, Nagercoil	SBI, Thengampudur A/c. No.38080200866	1,353.19	48,834.19
21	Gujarath Com. Development	SBI, Gandhidam A/c. No.10316592733	11,899.00	1,03,311.00
22	Himachal Pradesh Community Development Project	SBI, Barmana A/c. No.32917971066	1,122.00	23,335.50
			<b>75,83,654.84</b>	<b>47,39,836.06</b>
	<b>Local Contribution A/C.</b>			
23	Local Contribution A/C.	SBI, St.Marks Road, A/c. No.34623725202 - CA	92,367.08	37,436.64
24	Local Contribution A/c, Nachikuppam (Home A/c.)	Bank of Baroda, Veppanapalli A/c. No.11280100000693	1,766.72	1,147.76
25	Local Contribution A/c- Calvary Chapel Church, Bangalore	SBI, Hanumanthanagar, A/c No.39927504735	1,70,677.87	47,899.19
26	Local Contribution A/c. Home of Hope for Girls, Nazareth	SBI A/c. No.39665793062	8,668.96	4,376.96
27	Local Contribution A/c.Home of Hope for Boys, Nazareth	TamilNadu Merchantile Bank Ltd A/c No.054150050800264	1,391.00	5,082.00
			<b>2,74,871.63</b>	<b>95,942.55</b>
	<b>Fixed Deposit - LC</b>		<b>0.00</b>	<b>0.00</b>
			<b>78,58,526.47</b>	<b>48,35,778.61</b>
	<b>Total Cash and Bank balances</b>		<b>79,10,552.47</b>	<b>49,27,856.61</b>





**SCHEDULE M :  
SIGNIFICANT ACCOUNTING POLICIES AND NOTE TO ACCOUNTS**

**Background**

The Calvary Chapel Trust came into existence on 1st October 1991 for the main purpose of taking care of orphans/destitute/HIV infected Children, providing nutritious assistance to infected children and family, and providing education/counselling to infected people.

**1. Basis of accounting and preparation of financial statements**

The financial statements of the Trust are prepared under the historical cost convention on cash basis of accounting in accordance with the normally accepted Accounting Principles and are in line with the relevant law and guidelines and Accounting Standards prescribed by the Institute of Chartered Accountants of India.

**2. Significant Accounting Policies**

**i. Use of estimates**

The preparation of financial statements in conformity with India GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Future results could differ from these estimates.

**ii. Capital Fund**

Capital Fund represents value of Fixed Assets carried forward in the Books. Excess on short fall if any, is transferred from the General Fund during the year.

**iii. Property, plant and Equipment**

The Property, Plant and Equipment are stated at their cost of acquisition or construction less accumulated depreciation, including any cost attributable to bringing the assets to their working condition for their intended use. Subsequent expenditures relating to Property, Plant and Equipment are capitalized only when it is probable that future economic benefits associated with these will flow to the Machine and cost of the item can be measured reliably.

All the additions to constructed building are accounted on completion of construction.

Repairs & maintenance costs are recognized in the statement of Income and Expenditure when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the assets and resultant gains or losses are recognized in the statement of Income and Expenditure.

Depreciation on Property, Plant and Equipment is provided on the written down value method over the estimated useful life. The depreciation method, the useful life and residual value are determined by the management at the time the asset is acquired and renewed periodically individually at the end of each financial year.

The rates of depreciation are as prescribed in the Income Tax Act, 1961, existing in the year of purchase of asset.

**iv. Revenue recognition**

The revenue received as Donation is accounted on receipt of the same.

**3. Note to Accounts**

i. In Home of Hope boys, project been in manipur has been closed with no access to the area assets of book value Rs.3,56,675.39/- have been written off during the year. The Management is of the view that there is no residual value for the same.

**ii. Related Party Disclosures:**

(All amounts in Rupees)

Name of Related party	Relationship	Transactions	For the year ended 31st MARCH 2022
Mr. R. Selvaraj	President	Honorarium	4,71,675.00
Mr. L. Gunasekaran	Trustee	Honorarium	7,05,696.00
Mr. Prabhakar Sathiaraj	Treasurer	Honorarium	1,65,000.00
Mrs. Victoria Gunasekaran	Trustee	Honorarium	3,43,693.00
Mr. Heinrich	Trustee	Honorarium	2,58,941.00

**iii. Impact of Covid Pandemic:** The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic and other activities. The Trust has evaluated the impact of this pandemic on its operations and services, based on the internal and external information available till the date of approval of the financial results and the current indicators of future outlook. In terms of this evaluation, the Trust does not foresee any significant risk - medium or long term, to its ability to continue its operations and services.

Per our Report of even date attached...

**For R. K. KHANNA & ASSOCIATES**

Chartered Accountants

(Firm Regn. No: 105082W)

**For CALVARY CHAPEL TRUST**

(Mr. I. Gunasekaran)  
Trustee

(S. MANJU GEORGE)

Partner

(Membership no.027444)



(Mrs. Victoria Gunasekaran)  
Trustee

Place : Bangalore

Date: 21/09/2022