



SAMPATH & RAMESH

CHARTERED ACCOUNTANTS

(Regd. No. (FRN) 005947S)

AUDITOR'S REPORT

To
**THE TRUSTEES,
CENTRE FOR PEOPLE'S FORESTRY- CPF
SECUNDERABAD-500 017.**

We have audited the attached consolidated Balance Sheet of **Centre for People's Forestry**, H.No. 12-13-483/39, 1st Floor, Lane 6, Street No.14, Nagarjuna Nagar, Colony, Tarnaka, Secunderabad -17 as on 31st March 2010 and annexed Income and Expenditure Account and Receipts & Payments Account for the period 01.04.2009 to 31.03.2010. These financial statements are the responsibility of the Trust. Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted our audit in accordance with the auditing standards of generally accepted in India. Those standards require that we plan and perform to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on test basis, evidence supporting the amounts and disclosures in financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management as well as evaluating overall financial statement presentation. We believe our audit provides 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 purpose of our audit.



A. K. K.

In our opinion, proper books of accounts have been kept by the Trust so far as it appears from our examination of those books.

The Balance Sheet and the Income & Expenditure Account dealt with by this report are in agreement with the Books of Account.

In our opinion and to the best of information and according to the explanations given to us, the accounts read with the schedule and notes thereon give a true and fair view:

- A. In the case of Balance sheet, of the state of affairs of the Trust as at 31st March 2010.
- B. In the case of Income & Expenditure Account of the excess of income over expenditure for the year ended on that date.
- C. In the case of Receipts & Payments Account, of the cash Flows for the period ended on that date.

**For SAMPATH & RAMESH
Chartered Accountants,**

only
A. Krishna Reddy

**(A.KRISHNA REDDY)
Partner
M.No: 204755
Place: Hyderabad.
Date: 07-07-2010.**



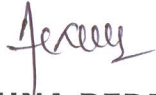
CENTRE FOR PEOPLE'S FORESTRY

12-13-483/39, Lane 6, Street No.14, Nagarjuna Nagar Colony, Tarnaka, Secunderabad-17

SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF OUR AUDIT REPORT OF EVEN DATE

- a. The financial statements have been prepared in accordance with historical cost concept and generally accepted accounting standards.
- b. Fixed assets are reflected at cost less depreciation.
- c. The depreciation on fixed assets is charged at the rates prescribed under the Income-Tax Act.
- d. Income received/receivable and expenditure incurred or estimated with reasonable certainty are recognized as income and expenditure respectively.
- e. Foreign Exchange transactions in relation to receipt of donations / contributions accounted for at the exchange rates prevalent on the date of transaction, exchange differences related to amounts receivable arising on account of fluctuation in exchange rates are not separately recognized.

For **SAMPATH & RAMESH**
Chartered Accountants



(A.KRISHNA REDDY)
Partner
M.No: 204755.
Place: Hyderabad
Date: 07-07-2010.



For **CENTRE FOR PEOPLE'S FORESTRY**



(Dr.D.SURYAKUMARI)
Director



CENTRE FOR PEOPLE'S FORESTRY

12-13-483/39, Lane 6, Street No.14, Nagarjuna Nagar Colony,Tarnaka, Secunderabad-17

NOTES ON ACCOUNTS

- a. Centre for People's Forestry activities consists of community forest Management programmes and Environmental programmes carried out either directly or in collaboration with CBO's, NGO's and Govt. Departments
- b. The Trust had Registered with Income Tax department as charitable institution under section 12 A of Income Tax Act vide No. Hqrs.-I/14/12A/DIT (E) 2003 conditions/ required for exemption of income, consequently the income of the Trust is exempted from Tax.
- c. There are no contingent liabilities or claims due.
- d. Figures have been regrouped wherever necessary and rounded off to nearest rupee.

For **SAMPATH & RAMESH
FORESTRY
Chartered Accountants**



(A.KRISHNA REDDY)
Partner
M.No: 204755.
Place: Hyderabad
Date: 07-07-2010.



For **CENTRE FOR PEOPLE'S**



(Dr.D.SURYAKUMARI)
Director



CENTRE FOR PEOPLE'S FORESTRY - CPF

H.No.12-13-483/39, Street No.14, Tarnaka, Secunderabad - 500 017

CONSOLIDATED RECEIPTS & PAYMENTS ACCOUNT DURING THE PERIOD FROM 01.04.2009 to 31.03.2010.

RECEIPTS	31.03.2010	31.03.2009	PAYMENTS	31.03.2010	31.03.2009
	Amount Rs	Amount Rs		Amount Rs	Amount Rs
Opening Balance			Promoting sustainability of Community Forest managemnet through VSS networks in A.P-core	8,314,632	8,495,243
Cash in Hand	10,294	10,063	To institutionalize community based watershed management, bamboo harvest and adda leaf regeneration within state controlled forest lands-Ford Foundation	3,321,829	2,460,044
Cash at State Bank of India	652,700	792,855	Enabling Practical Just and Sustainable Forest Use (IIED)	-	540,374
Cash at Corporation Bank	86,602	158,887	Sustainable Management of Fodder Resources (SDC-IC)	-	940,902
Cash at Corporation Bank (SDTT A/c)	651,299	3,345,718	Promoting Cross Learning in CFM in India (Novib)	-	146,000
Fixed Deposits with SBI Lalaguda Branch	3,000,000	2,053,170	Orissa & Jharkhand Forestry Programme (Novib)	6,048,170	4,918,523
Grant received towards:			Strengthening VSSs & Embroidery Project-ASW	396,778	93,002
Promoting sustainability of Community Forest managemnet through VSS networks in A.P-Novib			Strengthening VSSs (AEI)	636,240	765,017
Oxfam Novib - Netherlands	9,950,250	7,720,860	Forestry system for fodder generarion & management (Winrock)	-	480,000
Orissa & Jharkhand Forestry Programme			Impact of climate change on the water cycle and ecosystem functioning at the river basin scale-UKIERI	1,068,987	-
Oxfam Novib - Netherlands	2,824,485	6,136,710	Enhancement of Livelihoods through Rock Bee Honery Harvesting-SDTT	1,538,749	2,781,372
Oxfam-India	2,956,531		Training on Rock Bee Honey Harvesting (GCC)		65,507
Enabling Practical Just and Sustainable Forest Use			Embroidery Project (AP Forest Academy)		57,427
International Institute for Environment and Development (IIED), UK		490,313	Embroidery as a livelihood alternative for Lambada tribal women in VSSs of Telangana Region of A.P-SPG	334,493	-
Indian Institute of Forest Management, Bhopal	66,000		Special work Assignment Expenditure	3,296	-
Sustainable Management of Fodder Resources			General Activities		10,200
Swiss Agency for Development and Cooperation (SDC-IC)	-	963,039	Deposits		
Reclamation of grazing land and establishment of agre forestry system for fodder generation & management			Telephone Deposit		
Winrock International India		480,000	Rental Deposit	16,800	
			Advances		
Balance c/f	20,198,161	22,151,615	Balance c/f	21,679,974	21,753,611

A. K. Reddy



S



CENTRE FOR PEOPLE'S FORESTRY - CPF

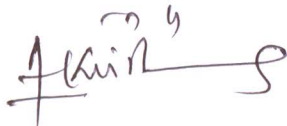
H.No.12-13-483/39, Street No.14, Tarnaka, Secunderabad - 500 017

CONSOLIDATED RECEIPTS & PAYMENTS ACCOUNT DURING THE PERIOD FROM 01.04.2009 to 31.03.2010.

RECEIPTS	31.03.2010	31.03.2009	PAYMENTS	31.03.2010	31.03.2009
	Amount Rs	Amount Rs		Amount Rs	Amount Rs
Balance b/f	20,198,161	22,151,615	Balance b/f	21,679,974	21,753,611
to institutionalize community based watershed management, bamboo harvest and adda leaf regeneration within state controlled forest lands					
The Ford Foundation	4,417,132	2,494,692	Programme Advance	27,494	6,593
Strengthening VSSs & Embroidery Project			Travel Advances	-	5,379
ASW, Berlin	350,000	100,000	Staff Advances	89,500	
Strengthening VSSs			Return of TDS 2007-08		11,060
AEI, Luxembourg.	576,799	801,947			
Impact of climate change on the water cycle and ecosystem functioning at the river basin scale					
UKIERI	1,336,025	-			
Enhancement of Livelihoods through Rock Bee Honey Harvesting					
Sir Dorabji Tata Trust (SDTT)	1,100,000				
Special work Assignment	35,880				
AP Forest Academy		78,196			
SPG/ONGC	500,000				
Refund of TDS	26,820				
Bank Interest			By Closing Balance		
On SB Account with SBI	41,980	74,089	Cash in Hand	9,092	10,294
On Fixed Deposits	257,409	340,373	Cash at SBI Lalaguda Branch	1,599,393	652,700
On SB Account with Corporation Bank (Non-FC)	4,179	2,169	Cash at Corporation Bank, Tarnaka Branch	191,670	86,602
On SB Account with Corporation Bank (SDTT a/c)	44,870	58,179	Cash at Corporation Bank, Tarnaka Branch (SDTT A/c)	258,551	651,299
Refund of Advances			Fixed Deposits with SBI Lalaguda Branch	5,000,000	3,000,000
Programme Advances Refunded	91,419	76,278	Fixed Deposits with corporation bank	125,000	
	28,980,674	26,177,538		28,980,674	26,177,538

As per our report of even date attached

for **SAMPATH & RAMESH**
Chartered Accountants



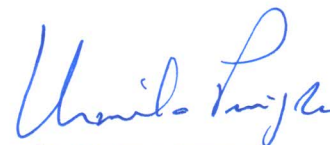
(A.KRISHNA REDDY)
Partner
M.No: 204755



for **CENTRE FOR PEOPLE'S FORESTRY**



(Dr.D.SURYAKUMARI)
Director



(Dr.URMILA PINGLE)
Managing Trustee



PLACE : HYDERABAD
DATE : 07-07-2010

CENTRE FOR PEOPLE'S FORESTRY - CPF

H.No.12-13-483/39, Street No.14, Tarnaka, Secunderabad - 500 017

CONSOLIDATED INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDING 31.03.2010.

PARTICULARS	Schedule No	31.03.2010	31.03.2009
		Amount Rs	Amount Rs
INCOME:			
Grant Received from			
Oxfam Novib - Netherlands	8	12,774,735	13,857,570
Oxfam India		2,956,531	
Indian Institute of Forest Management, Bhopal		66,000	490,313
Swiss Agency for Development and Cooperation (SDC-IC)			963,039
Winrock International India			480,000
The Ford Foundation, New Delhi		4,417,132	2,494,692
ASW, Berlin		350,000	100,000
AEI, Luxembourg.		576,799	801,947
Impact of climate change on the water cycle and ecosystem functioning at the river basin scale-UKIERI		1,336,025	
Sir Dorabji Tata Trust (SDTT)		1,100,000	
AP Forest Academy			78,196
Special work Assignment		35,880	
SPG/ONGC		500,000	
Other Income:			
Resource Fee/Subscriptions			
Bank Interest	9	348,438	474,810
		24,461,540	19,740,567
EXPENDITURE:			
Promoting sustainability of Community Forest managemnet through VSS networks in A.P-core	10	8,150,599	8394053
To institutionalize community based watershed management, bamboo harvest and adda leaf regeneration within state controlled forest lands-Ford Foundation	11	3,253,929	2370319
Enabling Practical Just and Sustainable Forest Use (IIED)			540374
Sustainable Management of Fodder Resources (SDC-IC)			940902
Orissa & Jharkhand Forestry Programme (Novib)	12	5,993,440	4798129
Promoting Cross Learning in CFM in India (Novib)			146000
Strengthening VSSs & Embroidery Project-ASW	13	396,778	93002
Forestry system for fodder generarion & management (Winrock)			480000
Strengthening VSSs (AEI)	14	636,240	715567
Impact of climate change on the water cycle and ecosystem functioning at the river basin scale-UKIERI	15	1,068,987	
Enhancement of Livelihoods through Rock Bee Honey Harvesting - (SDTT)	16	1,538,749	2781372
Embroidery as a livelihood alternative for Lambada tribal women in VSSs of Telangana Region of A.P-SPG	17	334,493	
Special work Assignment Expenditure		3,296	
Honey Harvesting (GCC)			65507
Embroidery Project (AP Forest Academy)			57427
General Activities			10200
Depreciation	4	299,205	329,031.00
		21,675,716	21,721,883
Surplus/Deficit for the year (Transfer to Balance Sheet)		2,785,824	(1,981,316)

As per our report of even date attached

for **SAMPATH & RAMESH**
Chartered Accountants

(A.KRISHNA REDDY)
Partner
M.No: 204755
PLACE : HYDERABAD
DATE : 07-07-2010.



for **CENTRE FOR PEOPLE'S FORESTRY**

(DR.D.SURYAKUMARI)
Director

(DR.URMILA PINGLE)
Managing Trustee



CENTRE FOR PEOPLE'S FORESTRY - CPF

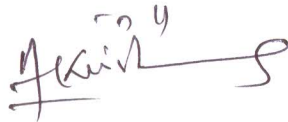
H.No.12-13-483/39, Street No.14, Tarnaka, Secunderabad - 500 017

CONSOLIDATED BALANCE SHEET AS AT 31.03.2010.

PARTICULARS	Schedule No	AS ON 31.03.2010	AS ON 31.03.2009
SOURCE OF FUNDS:			
Corpus Fund	1	4,000	4,000
Reserves & Surplus			
Specific Reserves	2	8,641,925	5,856,101
General Reserves	3	139,152	139,152
		8,785,077	5,999,253
APPLICATION OF FUNDS			
Fixed Assets:			
Gross Block	4	1,672,304	1,714,672
Less: Depreciation		299,205	329,031
Net Block		1,373,099	1,385,641
Current Assets, Loans & Advances			
Deposits and Advances	5	228,272	212,717
Cash and Bank Balances	6	7,183,706	4,400,895
		7,411,978	4,613,612
Less: Current Liabilities & Provisions			
Current Liabilities	7	-	-
Net Current Assets		7,411,978	4,613,612
Miscellanies exp to the expenditure A/c adjusted written off		-	-
		8,785,077	5,999,253
		-	-

As per our report of even date attached

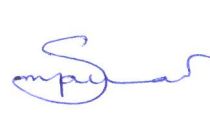
for **SAMPATH & RAMESH**
Chartered Accountants



(A.KRISHNA REDDY)
Partner
M.No: 204755
PLACE : HYDERABAD
DATE : 07-07-2010.



for **CENTRE FOR PEOPLE'S FORESTRY**



(DR.D.SURYAKUMARI)
Director



(DR.URMILA PINGLE)
Managing Trustee



CENTRE FOR PEOPLE'S FORESTRY - CPF

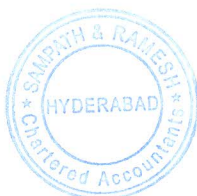
H.No.12-13-445, Street No.1, Tarnaka, Secunderabad - 500 017

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31.03.2010

PARTICULARS	Schedule No	AS ON 31.03.2010	AS ON 31.03.2009
Corpus Fund	1	4,000	4,000
		4,000	4,000
Reserves & Surplus			
Specific Reserve	2	5,856,101	7,837,417
Add/less: During the Year (Surplus/Deficit) (Excess of Income over expenditure)		2,785,824	1,981,316
		8,641,925	5,856,101
General Reserve	3	129,321	129,321
Add/less: During the Year (Surplus/Deficit)		9,831	9,831
		139,152	139,152
Deposits and Advances	5		
Telephone Deposit		12,250	12,250
Rental Deposit		79,200	62,400
Programme Advances (Annexure-2)		27,494	9,540
Travel Advances -			5,379
Staff Loans - (Annexure - 1)		93,500	80,500
Tax Deducted at Source (TDS)		15,828	42,648
		228,272	212,717
Cash & Bank Balances	6		
Cash in Hand		9,092	10,294
Cash at SBI Lalaguda		1,599,393	652,700
Cash at Corporation Bank, Tarnaka Branch		191,670	86,602
Cash at Corporation Bank (SDTT A/c)		258,551	651,299
Fixed Deposits with SBI Lalaguda Branch (Annexure - 3)		5,125,000	3,000,000
		7,183,706	4,400,895
			-

Arcy

S

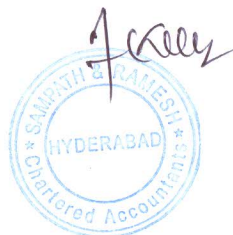


CENTRE FOR PEOPLE'S FORESTRY - CPF

H.No.12-13-483/39, Street No.14, Tarnaka, Secunderabad - 500 017

SCHEDULES FORMING PART OF INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDING 31.03.2010

PARTICULARS	Schedule No	31.03.2010	31.03.2009
		Amount Rs.	Amount Rs.
Grant Received from Oxfam Novib, Netherlands & Oxfam India	8		
Promoting sustainability of Community Forest managemnet through VSS networks in A.P-Novib		9,950,250	7,720,860
Orissa & Jharkhand Forestry Programme		5,781,016	6,136,710
		15,731,266	13,857,570
Resource Fees/Consultancies/Subscriptions			
Resource Fee Received		-	-
Subscriptions for Maa Adavi News Letter		-	-
Subscriptions for Resource Material		-	-
		-	-
Bank Interest	9		
Fixed Deposits with SBI (FC)		257,409	340,373
SB Account with SBI (FC)		41,980	74,089
SB Account with Corporation Bank (NFC)		4,179	2,169
SB Account with Corporation Bank SDTT)		44,870	58,179
		348,438	474,810
Promoting sustainability of Community Forest managemnet through VSS networks in A.P-(oxfam Novib)	10		
Support to VSS			
At State Level			
Salary to Project Coordinator		134,965	
Salary to Cashier cum Accountant		90,328	
Honorarium to 5 Vanasamakhya Programme Executives		266,798	195,100
Travel Expenses to 5 VS Prog Executives		98,663	67,779
Monitoring of VSS performance		38,167	
Monitoring of project investments and returns from the forest in VSS's of two divisions			
Workshops			
Meetings			
Exposure visit		172,656	
Awareness Camps		42,791	
Consultancy charges on Action plan preparation		79,398	
Facilitation Charges		120,385	
Workshops on mainstreaming concerns of HIV / AIDS		187,657	280,864
VSS Information Centres Maintenance			55,047
		1,231,808	598,790
At Local Vs level			
Honorarium to 4 Divisional Facilitators in 4 ranges		76,800	
Travel Expenses to 4 Divisional Facilitators in 4 ranges		20,213	
Insurance to 4 Divisional Facilitators		1,060	
Action plan preparation		1,967	
Facilitation charges			
		100,040	-
Salaries & Allowances		3,857,311	3,327,734
<i>Expenses - Non Recurring</i>			
Expenses - Recurring			
Office Rent, Water and Electricity		260,004	253,802
Telephone Expenses		74,168	83,195
Printing & Stationery		89,416	85,511
Office Maintenance & Upkeep		54,887	90,285
Guests & Hospitality		54,826	50,029



S



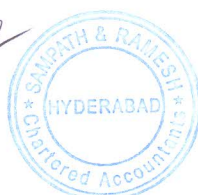
CENTRE FOR PEOPLE'S FORESTRY - CPF

H.No.12-13-483/39, Street No.14, Tarnaka, Secunderabad - 500 017

SCHEDULES FORMING PART OF INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDING 31.03.2010

Computers and Networking maintenance		63,395	87,679
Internet and Website Maintenance		36,743	37,629
Vehicle Maintenance		73,486	67,555
Local Conveyance		45,044	47,321
Annual Calendars		53,000	61,280
Staff Annual Retreat for all staff members		59,854	37,481
Audit Fee		26,180	18,708
Postage & Telegrams		16,494	29,865
Books for Library		7,889	20,877
Contingencies		30,810	50,928
		946,196	1,022,145
Programme Expense			
Travel/monitoring expenses		406,231	308,084
Information, documentation & Publications		208,720	261,941
BOT Meetings		128,333	120,688
Annual Partners Meeting		170,899	261,270
Printing of Annual Reports		117,190	184,448
Resource Material Development		44,850	82,226
Advocacy & Lobbying		19,712	102,589
Staff Capacity		53,812	60,159
Dissemination		11,435	23,028
Review Meetings		85,512	
Training to VS Representatives		535	
Review Meetings		3,916	
Training & Orientation		36,699	
Review Meetings		16,237	
Action Research Studies		124,498	126,527
Review of biodiversity register		65,790	
Micro plan review			
Documentation of sustainable harvesting practices of NTFPs. Sustained yield analysis of plantations (Bamboo under AEI)		3,204	
GPS systems		59,846	
Mainstreaming concerns of HIV/AIDS		98,886	
Executing Micro Insurance Agency		66,083	
Climate change activities		47,415	
Exposure Visits			48,790
Honorarium to Volunteers at GCC sales Centres			19,276
Adda leaf activity in Orissa			308,000
External Evaluation			706,181
Consultancy charges for Social Security			1,400
Unforeseen Initiative Fund			170,286
		1,769,803	2,784,893
Livelihood Enhancement through Adda Leaf			
Coordination & Administration At CPF Level			
Salary to Project Coordinator			173,403
Travel			53,771
Administration Expenses			3,014
		-	230,188

A K S



S



