

AUDITORS' REPORT

We have audited the attached Balance Sheet of **School For Democracy** as at **March 31, 2008** and the annexed Income & Expenditure Account for the period ended on that date which is in agreement with the books of account maintained by the said trust or institution.

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. In our opinion, proper books of account have been kept by the head office and the branches of the above named trust / institutions visited by us so far as appears from our examination of those books and proper returns adequate for the purpose of audit have been received from branches not visited by us, subject to the comments given below:

In our opinion and to the best of our information and according to the explanations given to us, the said accounts give a true and fair view:

- (i) In the case of Balance Sheet, of the state of affairs of the above named trust / institution as at **March 31' 2008**.
- (ii) in the case of the Income & Expenditure Account, of the Surplus of its accounting year ending on **March 31' 2008**.

The prescribed particulars are annexed hereto.

Place: New Delhi
Date : 16/09/2008

FOR SMS & ASSOCIATES
Chartered Accountants


(Shukdev Sadhoo)
Partner

M.N. 84188

Nikhil Dey

ANNEXURE

Statement of particulars

I. Application of income for charitable or religious purpose

1. Amount of income of the previous year applied to charitable or religious purpose in India during that year.

Rs. 3,55,688/-

2. Whether the trust / institution has exercised the option under clause (2) of the 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.

NIL

3. Amount of income accumulated or set apart / finally set apart for application to charitable or religious purposes, to the extent it does not exceed 15 per cent of the income derived from property held under trust wholly / in part only for such purpose.

NIL

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, the details thereof.

YES

Nishil Day



