

## **SOULFREE**

**Guru Vandhanaa, 108/1 Manakulla Vinayakar Koil Street,  
Chengam Road, Tiruvannamalai, Tamil Nadu – 606603**



### **Annual Report for the Year 2021-2022**

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**Auditor:**

M/s R. Sundararajan and Associates  
Chartered Accountants  
Chennai



**INDEPENDENT AUDITOR'S REPORT**

The Members of the Soulfree

**Opinion**

We have audited the financial statements of Soulfree ("the trust"), which comprises the balance sheet as at March 31, 2022, and the statement of Income and Expenditure Account and the Receipts and Payments Account for the year then ended.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Trust as at March 31, 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 Code 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 of the Trust is responsible for the preparation of the financial statements in accordance with the accounting principles generally accepted in India and for such internal control as management determines is necessary to enable the preparation of financial statements that 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 do so.

The Management is responsible for overseeing the Trust's financial reporting process.





## **Auditor's 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 the 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, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.



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.

**For M/s.R.Sundararajan and Associates**  
**Chartered Accountants**  
**FRN: 008282S**



**Narasimma Raghavan .R**  
**Partner**

**M.No:211700**

**UDIN:22211700ATHUXH9944**

Date: 20/09/2022

Place: Chennai



**SOULFREE**

Guru Vandhanaa, 108/1 Manakulla Vinayakar Koil Street, Chengam Road,  
Tiruvannamalai, Tamil Nadu – 606603

**BALANCE SHEET AS AT 31.03.2022**

Particulars		Note	As at 31.03.22 Amount (Rs.)	As at 31.03.21 Amount (Rs.)
<b><u>EQUITY &amp; LIABILITIES</u></b>				
1	<b>Capital</b>			
	a. Corpus fund	1A	5,55,00,657	3,44,94,444
	b. General fund	1B	73,77,341	89,13,794
2	Current Liabilities	2	16,34,737	8,73,811
3	Provisions	3	4,38,537	16,48,297
<b>Total</b>			<b>6,49,51,272</b>	<b>4,59,30,346</b>
<b><u>ASSETS</u></b>				
1	<b>Non-Current Assets</b>			
	Fixed Assets (including Capital WIP)	4	4,85,83,051	2,29,18,526
2	<b>Current Assets</b>	5	1,63,68,221	2,30,11,820
<b>Total</b>			<b>6,49,51,272</b>	<b>4,59,30,346</b>

Notes on Accounts and Significant accounting policies - Schedule II

As Per our report of even date attached  
For M/s.R.Sundararajan and Associates  
Chartered Accountants  
FRN: 008282S

  
Narasimma Raghavan  
Partner  
M.No: 211700  
Place : Chennai  
Date : 20-09-2022  
UDIN : 22211700ATHUXH9944



For Soulfree

  
Vijayalakshmi Srinivasan  
Trustee





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**INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31.03.2022**

Particulars		NOTE	As at 31.03.22 Amount (Rs.)	As at 31.03.21 Amount (Rs.)
I	Total Income	6	1,64,62,497	1,00,48,400
II	Total Income		1,64,62,497	1,00,48,400
III	<b>Expenses</b>			
	Employees Benfit Expense	7	18,58,155	5,00,110
	Donation expenses	8	61,81,401	37,09,338
	Financial cost	9	21,229	6,198
	Other Expenses	10	39,92,599	5,81,569
	Depreciation & Amortisation Expense	4	59,45,566	72,607
IV	Total expenses		1,79,98,950	48,69,822
V	Excess of Income over Expenditure(II-IV)		(15,36,453)	51,78,578

**Notes on Accounts and Significant accounting policies - Schedule II**

As Per our report of even date attached  
For M/s.R.Sundararajan and Associates  
Chartered Accountants  
FRN: 008282S

  
Narasimma Raghavan  
Partner



For Soulfree

  
Vijayalakshmi Srinivasan  
Trustee

M.No: 211700  
Place : Chennai  
Date : 20-09-2022  
UDIN : 22211700ATHUXH9944



**RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31.03.2022**

RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31-03-2022				Amount (Rs.)		
Receipts	31-03-2022		31-03-2021	Payments	31-03-2022	31-03-2021
Opening Balances				Current Liabilities		
To Bank Accounts	2,14,32,946		79,99,524	By Sundry Creditors	15,68,226	1,78,01,108
To Cash in Hand	15,984	2,14,48,930	-	By Tax Deducted at Source paid	2,34,509	2,14,493
				By Prior Year Audit Fee & Expenses	11,800	45,599
				By Repayment of unsecured loans	-	12,500
					18,14,535	
Income				Fixed Assets:		
To Corpus Fund	1,90,58,746		1,46,26,500	By Furnitures	3,999	
To Donation received	1,55,94,781		94,78,023	By Building & Construction	1,31,32,265	
To Interest received	1,73,113		11,08,797	By Furniture & Fittings	8,96,473	
To Interest on IT refund	6,940		681	By Office equipment	18,20,648	
To other income	1,35,700		-	By plant & Machinery	92,90,089	
To IT refund	86,880	3,50,56,160	68,289	By Kitchen equipments	21,56,945	
				By Computers & Accessories	22,78,901	
					2,95,79,320	
To Bank Deposits Matured		20,06,800	1,33,10,000	Current Assets:		
				By Bank Deposits	1,00,06,800	
				By Electricity Deposits	67,200	1,00,74,000
						30,75,000
				Indirect Expenses:		
				By Bank charges	14,767	625
				By Membership fees	45,301	35,445
				By Donation in Kind - Gift box	29,70,173	8,63,669
				By Interest Paid	6,462	5,547
				By Software Maintenance	1,39,347	4,248
				By EB Charges	2,98,274	53,495
				By General Expenses	1,22,098	37,939
				By Helper Charges	65,700	1,31,560
				By Insurance Vehicle & Equipment	57,588	8,700
				By Repair & Maintenance	89,416	87,032
				By Stationery & Postage Expenses	1,65,219	1,38,028
				By Stipend Paid	6,50,500	5,13,276
				By Telephone Expenses	25,711	22,584
				By Medical Expenses	3,511	5,686
				By Miscellaneous Expenses	27,737	12,982
				By Office Expenses	16,478	-
				By Donation in Kind -Wheel Chair	53,05,470	17,46,768
				By Travelling Expenses	24,843	7,850
				By Salary	14,93,624	3,18,750
				By Mess Expenses	6,14,917	
					1,21,37,136	
				Closing Balances		
				By Cash in hand	23,569	15,984
				By Bank Accounts	48,83,330	2,14,32,946
					49,06,899	
Total		5,85,11,890	4,65,91,814	Total		5,85,11,890
						4,65,91,814

As Per our report of even date attached  
For M/s.R.Sundararajan and Associates  
Chartered Accountants  
FRN: 008282S

*Narasimma Raghavan .R*  
Partner  
M.No: 211700  
Place : Chennai  
Date : 20-09-2022  
UDIN : 22211700ATHUXH9944



For Soulfree

*Vijayalakshmi*  
Vijayalakshmi Srinivasan  
Trustee



Note 4: Fixed Assets Schedule as at 31 March 2022

S.No		Name of the Asset / Asset Group	Amount (Rs.)						Depreciation Rate	Depreciation			Net Block As on 31/3/22
			Gross Block			Depreciation							
		As on 1/4/2021	Additions (more than 180 days)	Additions (less than 180 days)	Deletions	AS on 31/3/2022	on assets as on 01.04.2021	More than 180 days	Less than 180 days	AS on 31/3/2022			
1	Furniture	2,916	7,36,103	11,03,097		18,42,116	292	73,610	55,155	1,29,057	17,13,059		
2	Hospital Cots & Beds	13,80,191				13,80,191	1,38,019	-	-	1,38,019	12,42,172		
3	Printer, Computer and related accessories	4,430	2,19,303	20,50,158		22,73,891	1,772	87,721	4,10,032	4,99,525	17,74,366		
4	Kitchen Equipments	7,10,021	2,47,356	2,23,354		11,80,731	2,84,008	98,942	44,671	4,27,621	7,53,110		
5	Plant and machinery	1,21,080	41,04,125	81,37,765		1,23,62,970	18,162	6,15,619	6,10,332	12,44,113	1,11,18,857		
6	Vehicle	3,71,546				3,71,546	55,732	-	-	55,732	3,15,814		
7	Building & Construction			3,27,60,066		3,27,60,066	-	-	32,76,007	32,76,007	2,94,84,059		
8	Office Equipments	-	3,90,020	15,59,835		19,49,855	-	58,503	1,16,988	1,75,491	17,74,364		
	<b>Total</b>	<b>25,90,184</b>	<b>56,96,907</b>	<b>4,58,34,275</b>	<b>-</b>	<b>5,41,21,366</b>	<b>4,97,985</b>	<b>9,34,395</b>	<b>45,13,185</b>	<b>59,45,565</b>	<b>4,81,75,801</b>		
	Building Renovation WIP - Note (ii)	2,03,28,342									4,07,250		
	Plant and Machinery WIP - Note (ii)										4,85,83,051		
	<b>Total Fixed Assets including Capital WIP</b>	<b>2,29,18,526</b>									<b>4,85,83,051</b>		

**Notes:**

(i) The building is taken on lease from government at free of cost for a period of three years (Dec 2019 to Dec 2022), as per the MOA lease period will be extended on fulfillment of terms and conditions. Therefore, the value of building and construction will be amortised over a period of 5 years i.e. 60 Months. As the Building was put to use in October 2021 Amortisation is calculated from October 2021 to March 2022

(ii) Put to use in the subsequent Financial Year





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**NOTES:**

Particulars	As at 31.03.2022	As at 31.03.2021
<b>Note 1 - Capital</b>		
<b>A. Corpus fund</b>		
Opening Balance	3,44,94,443	1,87,04,143
Add: Additions during the year	2,10,06,214	1,57,90,301
	<b>5,55,00,657</b>	<b>3,44,94,444</b>
<b>B. General fund</b>		
Opening Balance	89,13,794	44,01,447
Add: Excess of Income over Expenditure	(15,36,453)	51,78,578
Less: Prior year income overstated	-	6,66,231
	<b>73,77,341</b>	<b>89,13,794</b>
<b>Total</b>	<b>6,28,77,998</b>	<b>4,34,08,237</b>
<b>Note 2 - Current liabilities</b>		
Tax Deduction at Source Payable	29,440	50,848
Sundry Creditors	16,05,297	8,22,963
	<b>16,34,737</b>	<b>8,73,811</b>
<b>Note 3 - Provisions</b>		
Retention money & Expenses payable	4,38,537	16,48,297
	<b>4,38,537</b>	<b>16,48,297</b>
<b>Note 4 - Fixed Assets</b>		
Refer Page 7	5945565.137	497984.9858
<b>Note 5 - Current Assets</b>		
Advance paid to suppliers	31,76,373	14,39,185
Cash in Hand	23,569	15,984
Deposits	82,00,040	-
Bank Accounts	48,83,330	2,14,32,946
TDS Receivable	15,234	1,23,705
Prepaid Expenses	69,675	
	<b>1,63,68,221</b>	<b>2,30,11,820</b>



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**NOTES:**

Particulars	As at 31.03.2022	As at 31.03.2021
<b>Note 6 - Total Income</b>		
Donations Received	1,59,98,671	94,78,023
Interest Received	1,68,848	2,23,350
Fixed Deposit Interest	1,52,338	3,46,346
Interest on IT refund	6,940	681
Other Income	1,35,700	-
<b>Total</b>	<b>1,64,62,497</b>	<b>1,00,48,400</b>
<b>Note 7 - Employee benefit expenses</b>		
Helper charges	65,700	1,31,560
Staff welfare	10,500	-
Salary	17,81,955	3,68,550
<b>Total</b>	<b>18,58,155</b>	<b>5,00,110</b>
<b>Note 8 - Donation expenses</b>		
Stipend Paid	6,50,500	5,13,276
Donation in Kind - Gift Box	23,39,735	8,61,273
Donation in Kind - Wheel chair	30,71,400	23,34,789
Donation in Kind - Articles	1,19,766	-
<b>Total</b>	<b>61,81,401</b>	<b>37,09,338</b>
<b>Note 9 - Financial cost</b>		
Interest paid	6,462	5,547
Bank charges	14,767	651
<b>Total</b>	<b>21,229</b>	<b>6,198</b>
<b>Note 10 - Other expenses</b>		
Audit Fees	23,800	5,340
Software Maintanance	69,672	4,248
Electricity Charges	3,33,342	63,453
Food Expenses	8,205	860
Fuel Expenses	58,897	5,100
General Expenses	3,87,759	45,579
Insurance	57,588	8,700
Medical Expenses	1,72,019	5,686
Telephone Expenses	25,907	25,063
Repair and Maintanance	10,47,971	1,58,110
Stationery & Postage Expenses	1,83,619	1,38,028
Professional Charges	62,000	-
Miscellaneous Expenses	1,01,811	1,12,002
Travelling Expenses	65,763	9,400
Office Expenses	3,64,214	-
Mess Expenses	10,30,032	-
<b>Total</b>	<b>39,92,599</b>	<b>5,81,569</b>





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**Notes on Accounts & Significant Accounting Policies**

**Method of Accounting**

The Trust follows Mercantile System of Accounting and recognizes Income and Expenditure Account on accrual basis.

**Going Concern**

The accounts have been prepared under the concept of Going Concern.

**Consistency**

There has been no change in the method of accounting employed compared to the immediately preceding previous year.

**Fixed Assets**

Fixed Assets are stated at cost less depreciation. The cost of assets comprises its purchase price & any directly attributable cost of bringing the asset to working condition for its intended use. Expenditure for additions, improvements and renewals are capitalized and expenditure for maintenance and repairs are charged to Income and Expenditure A/c.

**Depreciation**

The fixed assets are depreciated over the useful life of the assets. The useful life is based on the evaluation determined by the management. The useful life so determined corresponds to the rates prescribed by the Income Tax Rules 1962. The depreciation is provided accordingly on written down value method on the rates so prescribed.

**Provisions**

The Organization creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

**Investments:**

Investments of trust consist only of Fixed Deposits with bank and are stated at cost. The Investment as of 31st March 2022 is Rs.81,32,840

**Income and Expenditure Recognition**

Contribution by way of donations are accounted in receipt basis and cost are recognised on accrual basis. Interest received on Bank Deposits is recognized as revenue in accordance with Certificate received from bank.

**Donations Received in Kind**

Donations received in kind has been accounted at it's monetary value and capitalised / expensed based on the purpose of such donation.

**Previous Year Figures**

Previous Year figures have been regrouped and reclassified wherever necessary to confirm the classifications adopted for the Current Year.

**Accounting for Taxes**

The Trust's Income is exempt under section 11 to 13 of the Income Tax Act 1961.

**FCRA Related Bank A/c**

The Trust opened a Bank Account with State Bank of India, New Delhi Main Branch for receipt of Foreign Contributions on 11th January, 2021 and got the FCRA approval from Government of India on 08th March, 2021. The transactions commenced only from FY 2021-22.

**As Per our report of even date attached  
For M/s.R.Sundararajan and Associates  
Chartered Accountants  
FRN: 008282S**

  
**Narasimma Raghavan, R.**  
**Partner**  
**M.No: 211700**  
**Place : Chennai**  
**Date : 20-09-2022**  
**UDIN : 22211700ATHUXH9944**



**For Soulfree**



**Vijayalakshmi Srinivasan**  
**Trustee**

