

INDEPENDENT AUDITOR'S REPORT

To
Gopalan College of Engineering and Management,
Gopalan Foundation

Opinion

We have audited the financial statements of Gopalan College of Engineering and Management ("the Unit"), which comprise the balance sheet as at 31st March 2024, the income & expenditure account for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion and to the best of our information and according to the explanations given to us, the accompanying financial statements give a true and fair view in conformity with accounting principles generally accepted in India.

- a. In the case of balance sheet, of the state of affairs of the Unit as at 31st March 2024,
- b. In the case of income & expenditure account, excess of income over expenditure of the Unit for the year then ended.

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 entity 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 is responsible for the preparation of these financial statements that give a true and fair view of the state of affairs and results of operations of the Unit 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.

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 scepticism 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, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- 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 entity'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 entity to cease to continue as a going concern.

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.



Place: Bangalore
Date: September 27, 2024

For Gnanoba & Bhat
Chartered Accountants
Firm Registration No: 000939S

Umesh R
Partner
Membership No: 027892
UDIN: 24027892BKFRYT4223

**GOPALAN COLLEGE OF ENGINEERING AND MANAGEMENT
UNIT OF GOPALAN FOUNDATION ®
182/1, HOODI VILLAGE, SONNENAHALLI, K.R PURAM, WHITEFIELD, BENGALURU 560048.**

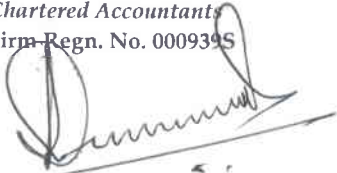
BALANCE SHEET AS AT 31ST MARCH 2024

PARTICULARS	Sch	As at March 2024		As at March 2023	
		Amount in Rs.		Amount in Rs.	
<u>SOURCES OF FUNDS</u>					
<u>Surplus and Earmarked Funds</u>					
(a) Capital Account Income & Expenditure account	1	1,80,32,221	1,80,32,221	32,51,500	32,51,500
<u>Non Current Liabilities And Provisions</u>					
(b) Long term provision	2	1,70,883	1,70,883	1,70,883	1,70,883
<u>Current Liabilities And Provisions</u>					
(a) Sundry Creditors	3	29,41,819	14,23,75,522	33,39,775	15,29,17,159
(b) Other Liabilities	4	13,94,33,703		14,95,77,384	
			16,05,78,626		15,63,39,542
<u>APPLICATION OF FUNDS</u>					
<u>Non Current Assets</u>					
(a) Property, Plant & Equipments and Intangible Assets - Property Plant and Equipments	5	10,29,44,515	10,29,52,515	11,39,73,675	11,39,81,675
(b) Long Term Loans and Advances Deposits	6	8,000		8,000	
<u>Current Assets, Loans & Advances</u>					
(a) Cash and Bank Balances	7	2,14,75,088	5,76,26,111	1,92,37,916	4,23,57,867
(b) Short Term Loans and Advances	8	20,33,721		39,25,543	
(c) Other Current Assets	9	3,41,17,302		1,91,94,408	
			16,05,78,626		15,63,39,542

NOTE : The Schedules referred to above form an integral part of the Balance Sheet

As per our report of even date

For Gnanoba & Bhat
Chartered Accountants
Firm Regn. No. 0009395



UMESH R
Partner.
Membership No. 027892

DATE : September 27, 2024
PLACE: Bangalore



For Gopalan Foundation ®



C Gopalan
(President)



C Pramod
(Vice - President)



GOPALAN COLLEGE OF ENGINEERING AND MANAGEMENT
UNIT OF GOPALAN FOUNDATION ®
182/1, HOODI VILLAGE, SONNENAHALLI, K.R PURAM, WHITEFIELD, BENGALURU 560048.

INCOME AND EXPENDITURE STATEMENT FOR THE PERIOD 1ST APRIL 2023 TO 31ST MARCH 2024

PARTICULARS	SCH	2023-24	2022-23
		Amount in Rs.	Amount in Rs.
INCOME			
Fees from activities	10	11,46,86,791	8,89,05,662
Other Income	11	20,87,884	8,02,639
TOTAL		11,67,74,675	8,97,08,301
EXPENDITURE			
Employee Benefit Expenses	12	6,11,78,576	5,35,90,937
Direct Operating Expenses	13	1,08,45,585	28,19,635
Finance Cost	14	12,865	2,786
Depreciation	5	1,75,46,757	1,91,27,752
Other Operating Expenses	15	1,24,10,169	99,87,186
		10,19,93,953	8,55,28,297
Excess of Income over expenditure		1,47,80,722	41,80,004

NOTE : The Schedules referred to above form an integral part of the Income & Expenditure account

As per our report of even date

For Gnanoba & Bhat
Chartered Accountants
Firm Regn. No. 000939S

UMESH R
Partner.
Membership No. 027892

DATE : September 27, 2024

PLACE: Bangalore

For Gopalan Foundation ®

C Gopalan (President) C Pramod (Vice President)



GOPALAN COLLEGE OF ENGINEERING AND MANAGEMENT
UNIT OF GOPALAN FOUNDATION @
Schedules to Balance Sheet

Schedule - 1 Income & Expenditure account	Amount in Rs.	
	As at 31.03.2024	As at 31.03.2023
Opening Balance	32,51,500	(9,28,505)
Less: Transferred to Corpus Fund	-	-
	32,51,500	(9,28,505)
Add: Excess of Income over expenditure for the year	1,47,80,722	41,80,004
Total	1,80,32,221	32,51,500

Schedule - 2 Long term provision	Amount in Rs.	
	As at 31.03.2024	As at 31.03.2023
Provision for Gratuity	1,70,883	1,70,883
Total	1,70,883	1,70,883

Schedule - 3 Sundry Creditors	Amount in Rs.	
	As at 31.03.2024	As at 31.03.2023
Trade Payables	29,41,819	33,39,775
Total	29,41,819	33,39,775

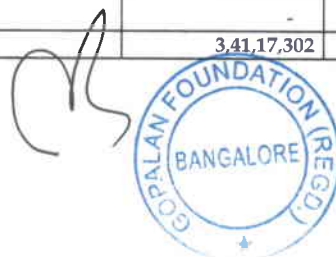
Schedule - 4 Other Current Liabilities	Amount in Rs.	
	As at 31.03.2024	As at 31.03.2023
(a) Advance - Fees collected	4,41,895	10,26,890
(b) Statutory Liabilities	4,28,573	4,465
(c) Branch Accounts	13,21,23,952	14,60,02,107
(d) Other Liabilities	64,39,282	25,43,922
Total	13,94,33,703	14,95,77,384

Schedule - 6 Deposits	Amount in Rs.	
	As at 31.03.2024	As at 31.03.2023
Rental Deposit - Gopalan Enterprises	8,000	8,000
Total	8,000	8,000

Schedule - 7 Cash and Bank Balances	Amount in Rs.	
	As at 31.03.2024	As at 31.03.2023
(a) Main Cash	79,590	51,875
(b) Indian Overseas Bank	41,352	3,09,369
(c) Axis Bank	1,12,09,116	1,87,56,643
(d) Bank of Baroda	1,45,030	1,20,030
(e) Fixed Deposits with Banks	1,00,00,000	-
Total	2,14,75,088	1,92,37,916

Schedule - 8 Short term Loans and Advances	Amount in Rs.	
	As at 31.03.2024	As at 31.03.2023
(a) Related Parties	18,09,564	18,09,564
(b) Advance to suppliers	2,24,157	21,15,978
Total	20,33,721	39,25,543

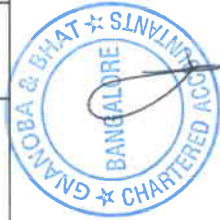
Schedule - 9 Other Current Assets	Amount in Rs.	
	As at 31.03.2024	As at 31.03.2023
(a) Interest accrued but not due	5,28,653	-
(b) Income Tax paid in Advance	58,739	-
(c) Fees receivable	3,35,29,910	1,80,38,608
(d) Consumables	-	11,55,801
Total	3,41,17,302	1,91,94,408



**GOPALAN COLLEGE OF ENGINEERING AND MANAGEMENT
UNIT OF GOPALAN FOUNDATION ®**

**Schedule - 5
Property, Plant & Equipments**

Particulars	Rate	Gross				Depreciation			Net Block As at 31.03.2024	Net Block As at 31.03.2023
		As on 01.04.2023	Additions	Deletions	As at 31.03.2024	As on 01.04.2023	For the year	On deletions		
Land	0%	2,07,419	-	-	2,07,419	-	-	-	2,07,419	2,07,419
Building	10%	11,12,00,169	-	-	11,12,00,169	90,07,214	-	3,01,35,246	8,10,64,923	9,00,72,137
Office Equipments	20%	15,27,776	-	-	15,27,776	1,97,076	-	7,39,474	7,88,302	9,85,378
Computers & Softwares	40%	1,16,22,194	45,65,373	-	1,61,87,567	41,06,871	-	1,00,27,234	61,60,333	57,01,831
Vehicles	30%	2,03,422	-	-	2,03,422	29,903	-	1,33,649	69,773	99,676
Electrical Equipments	20%	32,02,819	-	-	32,02,819	4,09,960	-	15,62,975	16,39,844	20,49,804
Furniture & Fixtures	25%	46,88,199	12,76,860	-	59,65,059	10,52,698	-	28,06,979	31,58,080	29,33,918
Other Equipments	20%	1,54,34,996	6,75,364	-	1,61,10,360	22,45,287	-	71,29,200	89,81,160	1,05,51,083
Sports Equipments	50%	29,725	-	-	29,725	3,716	-	26,010	3,715	7,431
Library Books	50%	18,64,943	-	-	18,64,943	3,68,387	-	14,96,557	3,68,386	7,36,773
Idols & Structures	20%	9,81,600	-	-	9,81,600	1,25,645	-	4,79,021	5,02,579	6,28,224
Total		15,09,63,262	65,17,597	-	15,74,80,859	1,75,46,757	-	5,45,36,344	10,29,44,515	11,39,73,675



GOPALAN COLLEGE OF ENGINEERING AND MANAGEMENT
UNIT OF GOPALAN FOUNDATION ®
Schedules to Income & Expenditure Account

Schedule - 10	Amount in Rs.	
	As at 31.03.2024	As at 31.03.2023
Fees from activities		
Fees	11,46,86,791	8,89,05,662
Total	11,46,86,791	8,89,05,662

Schedule - 11	Amount in Rs.	
	As at 31.03.2024	As at 31.03.2023
Other Income		
(a) Interest Income	12,12,597	6,54,125
(b) Miscellaneous Income	8,75,287	1,48,514
Total	20,87,884	8,02,639

Schedule - 12	Amount in Rs.	
	As at 31.03.2024	As at 31.03.2023
Employee benefit Expenses		
(a) Salaries & Wages	5,70,99,881	4,89,90,401
(b) Contribution to PF and other funds	26,68,741	23,66,396
(c) Gratuity and Leave Encashment	10,91,691	7,83,063
(d) Staff Welfare Expense	3,18,263	14,51,077
Total	6,11,78,576	5,35,90,937

Schedule - 13	Amount in Rs.	
	As at 31.03.2024	As at 31.03.2023
Direct Operating Expenses		
Admission Expenses	1,27,406	2,03,155
Commission on Admission	-	60,000
Library Expenses	22,275	3,850
VTU Related Fees & Charges	50,56,067	9,53,200
Workshop & Seminar	34,180	86,996
Examination Expenses	37,680	78,012
Games & Sports Expense	17,210	45,910
Graduation Day Expenses	2,52,000	1,30,288
Lab Expenses	83,286	70,238
Orientation Program	1,02,963	47,677
Affiliation Charges	25,12,000	80,000
Inspection Charges	46,296	17,500
College / Office related	1,22,510	-
Transportation Charges	22,150	27,887
Functions/ Events Expenses	1,59,118	86,318
Uniforms & Dress Expenses	4,13,615	2,89,998
Other School Related Expenses	63,925	-
Gateway Charges	-	22,420
Food & Beverages	17,72,904	6,16,185
Total	1,08,45,585	28,19,635

Schedule - 14	Amount in Rs.	
	As at 31.03.2024	As at 31.03.2023
Finance cost		
(a) Interest Expense	6,213	-
(b) Other Finance Cost	6,652	2,786
Total	12,865	2,786



Schedule - 15 Other Operating Expenses	Amount in Rs.	
	As at 31.03.2024	As at 31.03.2023
Advertisement / promotion Expenses	13,64,061	10,59,659
Rates & Taxes	-	84,879
Insurance	2,48,487	2,96,273
Repairs & Maintenance		
- Building	11,75,113	45,71,120
- Others	29,51,544	8,54,669
Office expenses	13,89,965	13,37,479
Hotel & Accomodation	-	4,400
Membership & Subscriptions	10,73,800	2,41,206
Newspapers & Periodicals	11,831	11,519
Printing & Stationery	10,62,198	6,37,210
Postage & Courier Charges	6,783	8,379
Telephone Expenses	6,36,598	5,45,500
Travelling & Conveyance Expenses	53,786	43,056
Consultation and Professional Charges	62,000	87,700
Miscellaneous Expenses	23,74,003	2,04,137
Total	1,24,10,169	99,87,186

Note: Previous year figures have been regrouped and reclassified where necessary to confirm to current year figures.



GOPALAN FOUNDATION

5, RICHMOND ROAD, BENGALURU - 560 025

NOTES TO ACCOUNT FOR BALANCE SHEET AND STATEMENT OF INCOME & EXPENDITURE AS ON AND FOR THE YEAR ENDED MARCH 31, 2024

NOTE 16: FOUNDATION INFORMATION AND SIGNIFICANT ACCOUNTING POLICIES

A. INSTITUTIONAL INFORMATION:

Gopalan College of Engineering and Management ('GCEM') is a unit of Gopalan Foundation ('the Foundation'), a Society registered under Karnataka Societies Registration Act, 1960, with the objective of promotion of education, science, literature, fine arts, charity and sports and to establish educational institutions, management of institutions, takeover of educational institutions, etc. and to do all activities incidental and ancillary to the objectives of the Foundation.

Gopalan Foundation is registered under Section 12A of the Income Tax Act, 1961.

B. SIGNIFICANT ACCOUNTING POLICIES:

1. BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS:

The financial statements of the Foundation and its units have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). The financial statements have been prepared on accrual basis under the historical cost convention and in line with Guidance Note on Accounting for Schools issued by the ICAI on July 21, 2005 complying with the principles of fund-based accounting.

2. USE OF ESTIMATES:

The preparation of the financial statements in conformity with Indian GAAP requires the Foundation and its units to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/materialise.

3. PROVISION AND CONTINGENCIES:

A provision is recognised when the unit has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities, if any, are disclosed in the Notes.

4. RECEIPTS AND INCOME:

The unit receives income mostly in the nature of fees. Such income is accounted for on accrual basis based on fees agreed to be paid by the students.

The unit also earns income from investments in the nature of Interest on Fixed Deposits, Savings Bank Interest, other income. These incomes are accounted for in the books when right to receive such income is established.



5. **PAYMENTS AND APPLICATION:**

The unit applies the receipts towards activities engaged in attaining the objects, expenses incurred for running the day-to-day activities, acquiring assets for the use in undertaking activities engaged in attaining the objects of the unit.

6. **PROPERTY, PLANT & EQUIPMENT:**

All assets, movable and immovable acquired out of free funds are acquired in the name of the Foundation. The asset is capitalised at cost plus all expenses including borrowing cost incurred up to the point the asset is ready to put to use. Assets acquired out of funds with specific instructions to purchase Fixed Assets are shown separately.

The assets are reviewed for impairment in value at the end of each accounting period and if the value is found to be impaired, the carrying values of assets are adjusted for such impairment.

Intangible assets are initially recognised as per the requirements of AS 26 - Intangible Assets

Depreciation and amortisation are provided as per the rates which are decided by the management based on technical evaluation and in line with Guidance Note on Accounting for Schools issued by the ICAI.

7. **BORROWING COST:**

All borrowing costs except the ones mentioned under Property, Plant & Equipment are charged to Income and Expenditure Account in the year in which it is incurred.

8. **EMPLOYEE BENEFITS:**

a. **Short Term Benefits:**

All employee benefits falling due wholly within 12 months of rendering services are classified as short-term employee benefits. The benefits like salaries, wages, short term compensated absences, etc., and incentives, if any are recognised in the period in which the employee renders the service.

b. **Post Retirement Benefits:**

i. **Gratuity:**

The Foundation has made arrangements with the Life Insurance Corporation of India (LIC) whereby a group gratuity policy has been effected by the entity which is administered by the LIC and the Foundation has deposited lump sum amounts with the LIC during the year as well as in earlier years. The Foundation has obtained an actuarial valuation for the year ended 31st March 2024.

ii. **Leave Encashment:**

As per the leave policy of the Foundation, leaves cannot be encashed and accordingly, no provision is required to be made in the accounts towards the liability, if any.



Place: Bangalore
Date: September 27, 2024

For Gopalan Foundation

C Gopalan
President



C Pramod
Vice - President