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## **AUDITOR'S REPORT**

To the members of Sri Murugan Society of Alberta

I have audited the Balance Sheet of Sri Murugan Society of Alberta as on April 30, 2011 and the Statements of Revenue and Expenses for the year then ended. These financial statements are the responsibility of the Sri Murugan Society of Alberta and my responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. These standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material mis-statement. An audit includes examining, on a 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 the overall statement presentation.

In common with many non-profit organizations, the Society derives revenues from various sources, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, my verification was limited to the amounts recorded in the books of the Society and I was not able to determine whether any adjustments might be necessary to revenues, net income, assets and members equity

In my opinion, except for the effect of adjustments, if any, which I might have decided necessary, had I been able to satisfy myself on the completeness of revenues referred to above, these financial statements present fairly in all material respects, in accordance with generally accepted accounting principles, the financial position of Sri Murugan Society of Alberta as on April 30, 2011 and the results of its activities for the year then ended.

Calgary

June 9, 2011

Original Signed by Mukesh Shah, CMA

**Sri Murugan Society of Alberta**  
**Balance Sheet as at April 30, 2011**

	Note	2011	2010
<b><u>ASSETS</u></b>			
<u>Current Assets:</u>			
Cash at Bank - General Account		21,202	27,393
Cash at Bank - Casino Account		61,432	2,422
		82,634	
Short Term Investments - Guarateed Investment Certificate	1	493,618	470,075
Current Account with SMS_INCA_Bengali-Vedanta	2	222	5,936
Accounts Receivable	3	14,337	2,892
		508,177	
<u>Long Term Investments</u>			
Common Shares in First Calgary Bank	4	1,390	1,103
Equity in common land	5	187,524	182,939
		188,914	
<b>TOTAL ASSETS</b>		<b>779,725</b>	<b>692,760</b>
<b><u>LIABILITIES &amp; EQUITY</u></b>			
<u>LIABILITIES</u>			
Advance from Sai Centre towards land purchase	6	55,981	51,693
		55,981	
<u>EQUITY</u>			
Retained earnings b/f		641,067	626,004
Retained earnings for this period		82,677	15,063
		723,744	
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>779,725</b>	<b>692,760</b>

On behalf of the Board

Original signed by President

Original signed by Treasurer

Sri Murugan Society of Alberta

Statement of Revenue & Expenses  
For the 12 month period May 1, 2010 to April 30, 2011

<u>2010</u>	<u>2011</u>	<u>Note</u>
	<b>Revenue</b>	
500	Memberships	
7,393	Donations	704
3,152	Till collections	7,625
9,070	Bank interest	3,461
2,090	Income from casino pool	5,787
3,390	Fund raising activity - Isai Thendral III	70,794
<u>25,595</u>	<b>Total Revenue</b>	<u>88,371</u>
	<b>Expenses</b>	
96	Bank charges	1
502	Administrative Expenses	1,330
266	Service Activities	46
2,489	Special functions / festivals	805
1,300	Hall rent	2,075
2,158	Casino Expenses	0
2,134	Fund raising activity expenses	0
1,587	Land Upkeep & Maintenance	1,437
<u>10,532</u>	<b>Total Expenses</b>	<u>5,694</u>
<u>15,063</u>	<b>Excess of Revenue over Expenses</b>	<u>82,677</u>

**Sri Murugan Society of Alberta**

**Notes to the Financial Statements  
April 30, 2011**

Last year's numbers have been reclassified where necessary, to make comparisons meaningful.

**Note 1**    Short Term Investments  
a) Guaranteed Investment Certificates

Sl. No.	Balance 1-May-10	Interest Received	Utilized in the year	Invested in the year	Balance 30-Apr-11	Maturity Date	Interest Rate	Interest accrued
1	\$ 86,244	\$ 648	\$ -	\$ -	\$ 86,892	30-Sep-11	1.30%	\$ 527
2	\$ 36,441	\$ 274	\$ -	\$ -	\$ 36,715	1-Oct-11	1.30%	\$ 221
3	\$ 107,647	\$ 808	\$ -	\$ -	\$ 108,455	10-Oct-11	1.75%	\$ 780
4	\$ 33,334	\$ 251	\$ -	\$ -	\$ 33,585	14-Oct-11	1.75%	\$ 235
5	\$ 85,636	\$ 644	\$ -	\$ -	\$ 86,280	1-Nov-11	1.75%	\$ 532
6	\$ 77,688	\$ 581	\$ -	\$ -	\$ 78,269	3-Mar-12	1.25%	\$ 155
7	\$ -	\$ 280	\$ (70,280)	\$ 70,000	\$ -			
8	\$ 20,650	\$ 168	\$ -	\$ -	\$ 20,818	26-Oct-11	1.75%	\$ 134
9	\$ 11,508	\$ 80	\$ -	\$ -	\$ 11,588	26-Oct-11	1.75%	\$ 74
10		\$ 23		\$ 20,000	\$ 20,023	26-Oct-11	1.75%	\$ 129
11	\$ 10,927	\$ 66	\$ -	\$ -	\$ 10,993	26-Oct-11	1.75%	\$ 71
	<b>\$ 470,075</b>	<b>\$ 3,823</b>	<b>\$ (70,280)</b>	<b>\$ 90,000</b>	<b>\$ 493,618</b>			<b>\$ 2,858</b>

**Note 2**    Current Account with SMS\_INCA\_Bengali\_Vedanta A/c  
This refers to the balance in the account that SMS has with SMS\_INCA\_Bengali\_Vedanta Society of Calgary, created by the three main principals, for the sole purpose of subdividing the common land.

**Note 3**    Accounts Receivable

	<u>2010-11</u>	<u>2009-10</u>
Sai Centre	\$ 1,455	\$ 1,577
Interest Receivable - Interest earned on the term c	\$ 2,858	\$ 1,217
GST Receivable	\$ 24	\$ 98
Security Deposit Receivable	\$ 10,000	\$ -
	<u>\$ 14,337</u>	<u>\$ 2,892</u>

**Note 4**    Common Shares  
Common shares of First Calgary Savings & Credit Union Ltd. Held by SMS.

**Note 5**    Equity in common land  
This is SMS's share of equity in the common land held in the name of the three main principals, SMS, INCA and Bengali\_Vedanta Society. This corresponds to SMS's share of approximately 13.33 acres out of the total parcel of 40 acres. A breakdown of the SMS costs incurred on subdivision in this fiscal year is as follows:

	<u>2010-11</u>	<u>2009-10</u>
D.A. Watt Consulting	\$ 632	\$ 386
Arup Datta Consulting	\$ 3,078	\$ 7,017
Open House Rent & Expenses	\$ -	\$ 241
Colliers International Realty	\$ 875	\$ -
	<u>\$ 4,585</u>	<u>\$ 7,644</u>

We are in the process of selling the land, since the re-zoning application was rejected by the Municipal District of Rocky View for the second time.

**Note 6** Advance from Sai Centre

This represents payment received in advance from the Sai Centre towards its purchase of approximately 4 acres of land from SMS. It does not include additional amounts incurred during the years 2009-10 and 2010-11 towards their share of capital costs. Once SMS sells its share of the land, it will transfer the amount due to Sai centre after deducting their share of unpaid capital costs.

**Note 7** Fund raising activities

There was no fund raising activity during the year.

	<u>2010-11</u>	<u>2009-10</u>
\$	-	\$ 3,390
\$	-	\$ (2,134)
\$	-	\$ 1,256

**Note 8** Service Activities

Service activities carried out by the Society, such as making and delivering sandwiches to the Calgary Drop-in Centre.

**Note 9** Special Functions / Festivals

This refers to the Kantha Shasty Pooja, Saraswathy Pooja and Ganesha Abisheka pooja.

**Note 10** Land Upkeep & Maintenance Expenses.

The expenses incurred by SMS in the upkeep and maintenance of the land.

	<u>2010-11</u>	<u>2009-10</u>
Property Taxes	\$ 1,119	\$ 1,369
Insurance	\$ 298	\$ 223
Bank Charges and Interest	\$ 20	\$ -
Postage Expenses	\$ -	\$ (5)
	<u>\$ 1,437</u>	<u>\$ 1,587</u>