

**AUDITOR'S REPORT****Report on the Financial Statements under Foreign Contribution Regulation Act.****Opinion**

We have conducted a limited review of the standalone financial statements of **UMMEED CHILD DEVELOPMENT CENTER** ("the Company") for the purpose of Foreign Contribution Regulation Act, which comprise the Balance Sheet as at 31st March 2020, and the Statement of Income and Expenditure, for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information on the basis of the affairs of the organisation through the funds received from foreign sources in designated bank account and on the basis of the statutory auditor's report dated 21 August 2020 on the financial affairs of the Company for the year ended 31st March 2020. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and **Surplus** for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

For SLM & CO LLP
CHARTERED ACCOUNTANTS
(Firm's Registration No. W100030)


Sanjay Makhija

Partner

Membership No: 042150

UDIN: 20042150AAAAEK9328

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Ummeed Child Development Center
SUMMARY - FCRA FUND
(PERIOD FROM 01.04.2019 TO 31.03.2020)
ICICI Bank - A/c no. 000401132181 & Cash Account (FCRA)

| PARTICULARS | Amount (Rs.) | Amount (Rs.) |
|---|--------------|-------------------|
| CASH & BANK BALANCE AS ON 01.04.2019 | | |
| - ICICI Bank A/c No. 000401132181 | 11,999,588 | |
| - FCRA Cash A/c | 8,124 | |
| FIXED DEPOSIT with ICICI BANK | 16,735,542 | 28,743,254 |
| ADD: INCOME | | |
| Bank Interest | 260,358 | |
| Grant Income | 23,351,143 | |
| Donations Received | 564,236 | |
| FD Interest | 2,060,562 | |
| GMCD Income | 136,781 | 26,373,080 |
| | | 55,116,334 |
| LESS: EXPENSES | | |
| EXPENSE ON ACTIVITIES | | |
| I.T.Consulting Services - Project Related | 658,380 | |
| Donation returned to donor | 645 | |
| Incidentals Expenses | 1,315 | |
| Local Conveyance Expense | 19,773 | |
| Meeting Expense | 14,505 | |
| Printing & Stationery Expense | 24,214 | |
| Salaries | 5,756,015 | |
| Statutory Payment | 330,593 | |
| Tally Customization | 65,609 | |
| Toys, Clinic Supplies, Etc | 4,565 | |
| Translation Costs | 22,317 | |
| Travel Expense - Domestic | 84,749 | |
| Ummeed Professional Fees | 320,347 | |
| WorkShop Expenses | 1,510 | 7,304,537 |
| ADMINISTRATIVE EXPENSES | | |
| Statutory Payment | 62,082 | |
| Meeting Expense | 403 | |
| Staff Salary | 650,158 | 712,643 |
| | | 47,099,153 |
| AMOUNT REPRESENTED BY | | |
| -FIXED DEPOSIT with ICICI BANK | 38,188,558 | |
| - ICICI Bank A/c No. 000401132181 | 7,008,102 | |
| CASH BALANCES | | |
| Cash (FCRA) | 1,232 | 47,099,153 |
| Advance to Vendor | 1,901,261 | |
| | | 47,099,153 |

FOR SLM & CO LLP
CHARTERED ACCOUNTS
Firm's Registration No.W-100030

Sanjay Makhija
Sanjay Makhija
Partner
Membership No: 042150
Date: 18 December 2020

FOR UMMEED CHILD DEVELOPMENT CENTER

Vibha Krishnamurthy
Vibha Krishnamurthy
Executive Director

Date: 18 December 2020

UMMEED CHILD DEVELOPMENT CENTER
Balance Sheet as at 31st March 2020

As per Foreign Contribution Regulation Act, 2015 (for utilization of foreign funds)

| Particulars | Notes | As at March 31,2020 |
|--------------------------------------|-------|------------------------|
| | | Rupees |
| <u>EQUITY AND LIABILITIES</u> | | |
| Shareholders' Funds | | |
| Reserves and Surplus | 3 | 34,633,291 |
| Current liabilities | | |
| Other current liabilities | 4 | 16,925,741 |
| Payable | 5 | 303,235 |
| TOTAL | | 51,862,267 |
| <u>ASSETS</u> | | |
| Non-current assets | | |
| Fixed Assets | | |
| Tangible assets | 6 | 4,436,599 |
| Long-term loans and advances | 7 | 326,605 |
| Current assets | | |
| Advances | 8 | 1,901,171 |
| Cash and bank balances | 9 | 45,197,892 |
| TOTAL | | 51,862,267 |

The accompanying notes are an integral part of the financial statements.

Auditor's Report

Signed in terms of separate report of even date

SLM & CO LLP

For And On Behalf Of The Board Of Directors

Chartered Accountants

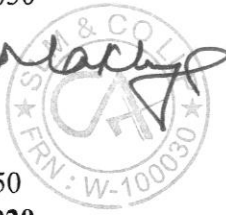
Firm Regn No: W-100030

Sanjay Makhija
Sanjay Makhija

Partner

Membership No: 042150

Date: 18 December 2020



Ashish Karamchandani

Ashish Karamchandani

Director

DIN : 01894569

Date: 18 December 2020

Vibha Krishnamurthy

Vibha Krishnamurthy

Executive Director

Date: 18 December 2020

UMMEED CHILD DEVELOPMENT CENTER
Statement of Income & Expenditure for the year ended 31st March 2020
As per Foreign Contribution Regulation Act, 2015 (for utilization of foreign funds)

| Particulars | Notes | Year ended March 31,2020 Rupees |
|-----------------------------|-------|---------------------------------------|
| INCOME | | |
| Contributions and Donations | 10 | 14,524,282 |
| Other Income | 11 | 2,549,873 |
| TOTAL | | 17,074,155 |
| EXPENDITURE | | |
| Utilization of funds | 12 | 8,133,929 |
| Depreciation | 6 | 225,582 |
| TOTAL | | 8,359,511 |
| Surplus/(Deficit) | | 8,714,645 |

Significant Accounting Policies

The accompanying notes are an integral part of the financial statements.

Auditor's Report

Signed in terms of separate report of even date.

SLM & CO LLP

Chartered Accountants

Firm Regn No: W-100030

Sanjay Makhija
Sanjay Makhija
 Partner

Membership No: 042150

Date: 18 December 2020

For And On Behalf of The Board of Director

Ummeed Child Development Centre

Ashish Karamchandani
Ashish Karamchandani
 Director

DIN : 01894569

Date: 18 December 2020

Vibha Krishnamurthy
Vibha Krishnamurthy
 Executive Director

Date: 18 December 2020

UMMEED CHILD DEVELOPMENT CENTER

Notes Forming Part Of the Financial Statements for the year ending 31 March 2020

1 Nature of Operations

The Company is registered u/s 8 of the Companies Act, 2013 for providing specialised care for underprivileged children with developmental disabilities.

1.1 The financial statements have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP) under the historical cost convention on accrual basis in compliance with all material aspects of the Accounting Standards (AS) notified by the Companies Accounting Standard Rules, 2006 (as amended) and the provisions of the Companies Act, 2013. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

2 Summary of Significant Accounting Policies

2.1 Accounting policy

Current/ Non-Current classification of assets and liabilities

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the acquisition of assets and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as up to twelve months for the purpose of current – non current classification of assets and liabilities.

2.2 Use of Estimates

The preparation of financial statements requires the management to make estimates and assumptions that affect the reported amounts of assets & liabilities, the disclosure of contingent assets and liabilities on the date of the financial statements and reported amounts of revenues and expenses during the year reported. Actual results could differ from these estimates.

2.3 Fixed Assets

Fixed assets are stated at cost, less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Items of fixed assets held for disposal are stated at lower of the net book value and net realisable value and are shown under other current assets.

2.4 Depreciation

Depreciation on fixed assets is provided on the SLM over the remaining useful life of the assets estimated by the management. The management estimates the useful life for the different categories of fixed assets as follows :

| Assets | Schedule XIV Rates (WDV) |
|-----------------------------|--------------------------|
| Office Equipment | 5 years |
| Furniture other than chairs | 5 years |
| Chairs | 3 years |
| Computers | 3 years |
| Clinic Premises | 25 Years |
| Servers & Network | 4 Years |
| Books | 5 years |
| Air Conditioner | 5 years |

Intangible Assets: The maximum permissible life allowed by AS 26 for intangibles is 10 years. The management has estimated the life of intangibles as 4 years

2.5 Asset Fund

Fixed assets purchased out of grants received are charged off to the respective grants. These assets are capitalized and reflected under 'Additions' in the Fixed Asset register. An equal amount is transferred to the Asset Fund accounts for control purposes. Depreciation on fixed assets purchased out of grant funds is debited to the Asset Fund account. Accordingly, deletion of such fixed assets due to sale/disposal are also adjusted from the Asset Fund account.

2.6 Impairment

The carrying amounts of assets are reviewed at each Balance Sheet date to determine if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to the present value at interest rate specific to the asset and in case where the specific rate is not available at the weighted average cost of capital which is adjusted for country risk/currency risk.

2.7 Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

SLM & COLLP
 CHARTERED ACCOUNTANTS
 FERN: W/00030

UMMEED CHILD DEVELOPMENT CENTER

Notes Forming Part Of the Financial Statements for the year ending 31 March 2020

2.8 Revenue recognition policy

Restricted grant funds are recognised as income to the extent grant conditions are met and the amount is utilised during the financial year. Unutilised grant funds are reflected under "Current Liabilities" in the Balance Sheet as "Grants received in advance - restricted funds. Unrestricted grants and donations are recognised as income in the year of receipt. Grants with firm commitment but not received during the year are recognised as receivable under Current Assets.

2.9 Retirement and other employee benefits

Retirement benefits in the form of Provident Fund, a defined contribution scheme, as well as Gratuity Fund contributions are charged to the Statement of Income and Expenditure of the year in which the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective authorities.

2.10 Foreign Currency Transactions

Conversion

Foreign currency monetary items are reported using the closing rates as on March 31st 2020. Non monetary items which are carried in terms of historical costs denominated in a foreign currency are reported using the exchange rate at the date of transaction.

Exchange Difference

It was observed that foreign currency transactions have been accounted in accordance with AS-11 issued by the ICAI. Transactions arising in foreign currency during the year are converted at bank rates as per bank advice received during the year. In the absence of bank intimation, and for transactions outstanding as on the year end date, the bank rate prevailing on that date is taken.

2.11 Taxes On Income

The Company has been registered as a Not-For-Profit company under the provisions of the Companies Act, 2013. By virtue of the license granted to the Center by the Central Government of India under section 8 of the Act, the word "PRIVATE LIMITED" has not been used as a part of its name. The income of the Center is exempt from Income Tax under the provisions of section 11 of the Income Tax Act, 1961. Hence the applicability of Accounting Standard (AS-22) Accounting for Taxes is not applicable.

2.12 Segment Reporting Policies

Segment Policies:

The Company is registered u/s 8 of the Companies Act, 2013 for providing specialised care for children with developmental disabilities. The activities of the Company are primarily concentrated in one geographical location. As such, there is no separate reportable segment as per accounting standard 17 on segment reporting.

2.13 Earnings Per Share

The Center has been registered as a Not-For-Profit company under the provisions of the Companies Act, 2013. By virtue of the license granted to the Center by the Central Government of India under section 8 of the Act, the word "PRIVATE LIMITED" has not been used as a part of its name. The income of the Center is exempt from Income Tax under the provisions of section 11 of the Income Tax Act, 1961. Hence disclosure requirements for EPS are not applicable to the Company.

2.14 Provisions

A provision is recognised when an enterprise has a present obligation as a result of a past event; 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 are not discounted to its present value and are determined based on 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.

2.15 Operating Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Income and Expenditure on straight line method basis over the lease term.

2.16 Cash and Cash Equivalents

Cash and cash equivalents in the cash flow statement comprise cash at bank in current/ savings accounts as well as fixed deposits with maturity period of less than three months and cash in hand.

Auditor's Report

Signed in terms of separate report of even date.

SLM & CO LLP

Sanjay Makhija

Partner

Membership No: 042150

Date: 18th December 2020

For And On Behalf Of The Board Of Directors

Ashish Karamchandani

Director

DIN : 01894569

Date: 18th December 2020

Vibha Krishnamurthy

Executive Director

Date: 18th December 2020

| UMMEED CHILD DEVELOPMENT CENTER | | |
|---|--|---------------------------------|
| Notes to financial statements for the year ended 31 March 2020 | | |
| 3 | Reserves and Surplus | March 31,2020 Rupees |
| | 1.Surplus: | |
| | Surplus/ (deficit) in the statement of Income and Expenditure | |
| | Opening balance | 21,244,199 |
| | Surplus / Deficit for the year | 8,714,645 |
| | | 29,958,844 |
| | 2.Fixed Assets Fund | |
| | At the beginning of the Accounting Period | 1,886,768 |
| | Additions during the year | |
| | Less: Utilisation during the year | 453,908 |
| | At the end of the Accounting period | 1,432,860 |
| | 3. GMCD Contingency Reserve | |
| | At the beginning of the Accounting Period | |
| | Additions during the year | 136,781 |
| | Less: Utilisation during the year | |
| | At the end of the Accounting period | 136,781 |
| | 3.Premises Fund | |
| | At the beginning of the Accounting Period | 3,241,261 |
| | Additions during the year | - |
| | Less: Utilisation during the year | 136,454 |
| | At the end of the Accounting period | 3,104,807 |
| | Total | 34,633,291 |
| 4 | Other liabilities | March 31,2020 Rupees |
| | Current | |
| | Unearned revenue (Grant received in advance) | 16,825,384 |
| | Statutory dues | 100,357 |
| | Total | 16,925,741 |
| 5 | Payables | March 31,2020 Rupees |
| | Creditors for Expenses | 303,235 |
| | Total | 303,235 |



UMMEED CHILD DEVELOPMENT CENTER
Notes to financial statements for the year ended 31 March 2020

6. Fixed Assets

| Particulars | As on April 1, 2019 | Additions to Assets | Depreciate for the year | As on March 31, 2020 |
|---|---------------------|---------------------|-------------------------|----------------------|
| Clinic Premises | 3,241,262 | | 136,454 | 3,104,808 |
| Servers and networks | 104,692 | | 63,688 | 41,004 |
| Furniture & Fixtures | - | | | - |
| Computers & Printer | 169,200 | | 147,913 | 21,288 |
| Air conditioner | 1,717,947 | | 460,550 | 1,257,397 |
| Office Equipments : | 19,441 | | 7,338 | 12,103 |
| Bailey testing kite | - | | | - |
| Total | 5,252,543 | - | 815,944 | 4,436,599 |
| Less: Depreciation on Fixed Assets Fund & Premises Fund transferred to Fund Account | | | 590,362 | |
| Depreciation for the year FY 2019-20 | | | <u>225,582</u> | |



 SLM & COLLP
 W-100030

| UMMEED CHILD DEVELOPMENT CENTER | | |
|---|---|----------------------|
| Notes to financial statements for the year ended 31 March 2020 | | |
| 7 | Long-term loans and advances | March 31,2020 |
| | | Rupees |
| | Tax refunds | 3,26,605 |
| | | 3,26,605 |
| 8 | Advances | March 31,2020 |
| | | Rupees |
| | Advance to ICT Health Technology Services (I) Pvt. Ltd. | 17,11,000 |
| | Advance to Wingspan Travels Pvt. Ltd. | 90 |
| | Prepaid expense | 1,90,081 |
| | Total | 19,01,171 |
| 9 | Cash and bank balances | March 31,2020 |
| | | Rupees |
| | (i) Cash in hand | 1,232 |
| | (ii) Balances with banks: | |
| | – In Savings accounts | 70,08,102 |
| | – Fixed Deposit with Bank | 1,70,06,858 |
| | Fixed Deposit with HDFC Ltd. | 2,11,81,700 |
| | Total | 4,51,97,892 |
| 10 | Contributions and Donations | March 31,2020 |
| | | Rupees |
| | Grants Receipt | 1,39,60,046 |
| | Donations Received | 5,64,236 |
| | Total | 1,45,24,282 |
| 11 | Other income | March 31,2020 |
| | | Rupees |
| | <u>Interest income on</u> | |
| | - Bank deposits and Savings account | 2,60,358 |
| | Fixed deposit interest | 22,89,515 |
| | Total | 25,49,873 |
| 12 | Utilization of funds | March 31,2020 |
| | | Rupees |
| | Consultancy fees | 73,750 |
| | Honorarium | 1,000 |
| | I.T.project expenses | 8,99,504 |
| | Incidental Program expense | 1,510 |
| | Meeting Expense | 13,908 |
| | Miscellaneous Expenses | 4,030 |
| | Professional Fees | 3,46,293 |
| | Printing & Stationery Expense | 29,018 |
| | Staff salaries | 65,46,195 |
| | Donation returned to donor | 645 |
| | Travel expense including conveyance | 1,01,597 |
| | Tally customisation | 71,684 |
| | Toys & clinic supplies ,etc | 19,998 |
| | Translation expenses | 24,797 |
| | Total | 81,33,929 |

