

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 2018, 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 06 August 2018 on the financial affairs of the Company for the year ended 31st March 2018. 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, 2018, and **Deficit** 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 there under, 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)
Mumbai: 21 December 2018



Ummeed Child Development Center
SUMMARY - FCRA FUND
(PERIOD FROM 01.04.2017 TO 31.03.2018)
ICICI Bank - A/c no. 000401132181 & Cash Account (FCRA)

PARTICULARS	Amount (Rs.)	Amount (Rs.)
CASH & BANK BALANCE AS ON 01.04.2017		
- ICICI Bank A/c No. 000401132181	6,106,843	
- FCRA Cash A/c	1,241	
FIXED DEPOSIT with ICICI BANK	23,436,508	29,544,592
ADD: INCOME		
Bank Interest	169,784	
Donations Received	5,446,262	
Accrued interest in FD Balance	1,101,640	
FD Interest received in Bank	69,641	
Grant Received	4,972,932	11,760,259
		41,304,851
LESS: EXPENSES		
Project Expense		
Computer Consumable, Photocopy, Printing & Stationary	249,584	
Idpac Expense	1,089,768	
Meeting Expenses	44,571	
Office Expenses	38,380	
Postage & Courier	4,093	
Professional & Consulting Charges	559,627	
Regulatory	24,400	
Rent Rates & Taxes	5,000	
Repairs & Maintenance	85,147	
Staff Salary	6,155,893	
Staff Welfare Expenses	8,435	
Tds	1,961,422	
Translation Expense	17,620	
Utilities	66,799	10,310,739
Administrative expenses		
Travelling Expenses Including Conveyance	18,242	
Bank Charges	14,926	
Staff Salary	2,152,143	2,185,311
Capital Expenditure		
Asset Purchased	6,131,485	6,131,485
		22,677,316
AMOUNT REPRESENTED BY		
-FIXED DEPOSIT with ICICI BANK	10,401,690	
- ICICI Bank A/c No. 000401132181	12,275,626	22,677,316
		22,677,316

FOR SLM & CO LLP

CHARTERED ACCOUNTANTS

Firm's Registration No. W-100030

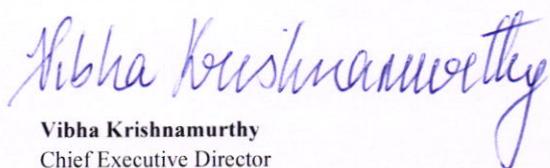

Sanjay Makhiya
 Partner

Membership No. 042150

Date 19th December 2018



FOR UMMEED CHILD DEVELOPMENT CENTER


Vibha Krishnamurthy
 Chief Executive Director

Date 19th December 2018

UMMEED CHILD DEVELOPMENT CENTER

Balance Sheet as at 31st March 2018

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

Particulars	Notes	As at
		March 31,2018
		Rupees
<u>EQUITY AND LIABILITIES</u>		
Shareholders' Funds		
Reserves and Surplus	3	26,726,157
Current liabilities		
Other current liabilities	4	1,404,234
Payable	5	657,271
TOTAL		28,787,661
<u>ASSETS</u>		
Non-current assets		
Fixed Assets		
Tangible assets	6	6,110,345
Current assets		
Cash and bank balances	7	22,677,316
TOTAL		28,787,661

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 Vakhija
Sanjay Vakhija
Partner

Membership No: 042150

Date: 19th December 2018

For And On Behalf Of The Board Of Directors

Ashish Karamchandani

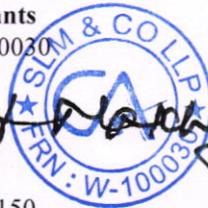
Ashish Karamchandani
Director

DIN : 01894569

Date: 19th December 2018

Vibha Krishnamurthy

Vibha Krishnamurthy
Chief Executive Director



UMMEED CHILD DEVELOPMENT CENTER

Statement of Income & Expenditure for the year ended 31st March 2018

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

Particulars	Notes	Year ended March 31,2018 Rupees
INCOME		
Contributions and Donations	8	9,017,460
Other Income	9	1,471,209
TOTAL		10,488,669
EXPENDITURE		
Utilization of funds	10	13,159,757
Depreciation	6	405,028
TOTAL		13,564,785
Surplus Before Exceptional And Extraordinary Items And Tax (I-II)		(3,076,116)
Exceptional Item		
Surplus Before Extraordinary Items And Tax (III-IV)		(3,076,116)
Extraordinary Items		
Surplus Before Tax		(3,076,116)
Tax Expense		
Surplus after tax		(3,076,116)
Surplus for the year from operations		(3,076,116)

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

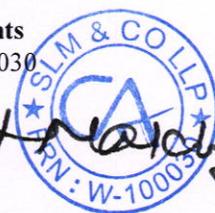
Chartered Accountants

Firm Regn No: W-100030

Sanjay Makhija
Sanjay Makhija
Partner

Membership No: 042150

Date: 19th December 2018



For And On Behalf of The Board of Director

Ashish Karamchandani
Ashish Karamchandani
Director

Vibha Krishnamurthy
Vibha Krishnamurthy
Chief Executive Director

DIN: 01894569

Date: 19th December 2018

UMMEED CHILD DEVELOPMENT CENTER

Notes Forming Part Of the Financial Statements for the year ending 31 March 2018

1 Nature of Operations

The Company is registered u/s 8 of the Companies Act, 2013 for providing specialised care for under privileged 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 products and the time between the acquisition of assets for processing 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 asset 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	Estimated Useful life in years
Office Equipments	5 years
Furniture other than chairs	5 years
Chairs	3 years
Computers	3 years
Clinic Premises	25 years
Server & 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 lives of intangibles as 4 years

2.5 Asset Funds

Fixed assets purchased out of grants received are charged off to the respective donors. These assets are capitalized and an equal amount is transferred to the Asset Fund accounts for control purposes. Depreciation on fixed assets purchased out of grant received is debited to the Assets Fund account. Accordingly, deletion of such fixed assets due to sale/disposal are also adjusted from the Asset Funds account.

2.6 Impairment

The carrying amounts of assets are reviewed at each balance sheet date 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.

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 are recognised as receivable under Current Assets as "Program Income and Grants Receivable".

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 when 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. 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.



UMMEED CHILD DEVELOPMENT CENTER		
Notes to financial statements for the year ended 31 March 2018		
3	Reserves and Surplus	March 31,2018 Rupees
	1.Surplus:	
	<u>Surplus/ (deficit) in the statement of Income and Expenditure</u>	
	Opening balance	29,802,273
	Surplus for the year	(3,076,116)
	Total	26,726,157
4	Other liabilities	March 31,2018 Rupees
	<u>Current</u>	
	Unearned revenue (Grant received in advance)	1,404,234
	Total	1,404,234
5	Payables	March 31,2018 Rupees
	Creditors for Expenses	657,271
	Total	657,271
7	Cash and bank balances	March 31,2018 Rupees
	(ii)Balances with banks:	
	– In Savings accounts	12,275,626
	– Fixed Deposit With Bank	10,401,690
	Total	22,677,316

UMMEED CHILD DEVELOPMENT CENTER
Notes to financial statements for the year ended 31st March 2018

6. Fixed Assets

Particulars	As on April 1 2017	Additions to Assets	Depreciation For The Year	As on March 31 2018
Tangible assets				
Clinic Premises	-	3,411,362	33,646	3,377,716
Air Conditioner	27,226	2,269,538	118,125	2,178,640
Computers & Printer	87,586	446,650	178,510	355,726
Server	232,068		63,688	168,380
Equipments	34,118		7,338	26,780
Furniture & Fixtures	6,825	-	3,721	3,104
Total				
Intangible assets	387,823	6,127,550	405,028	6,110,345

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UMMEED CHILD DEVELOPMENT CENTER		
Notes to financial statements for the year ended 31 March 2018		
8	Contributions and Donations	March 31,2018 Rupees
	Grants Receipt	3,568,698
	Donations Received	5,448,762
	Total	9,017,460
9	Other income	March 31,2018 Rupees
	<u>Interest income on</u>	
	- Bank deposits and Savings Account	169,784
	Fixed interest	1,301,425
	Total	1,471,209
10	Utilization of funds	March 31,2018 Rupees
	Bank Charges	14,926
	Computer Consumable, Photocopy, Printing & Stationary	249,584
	Idpac Expense	1,089,768
	Waad expenses	93,200
	Meeting Expenses	44,571
	Miscellaneous Expense	15,080
	Office Expenses	40,880
	Postage & Courier	4,093
	Professional Fees	650,864
	Regulatory	24,400
	Rent Rates & Taxes	5,000
	Repairs & Maintenance	89,082
	Staff Salary	8,765,790
	Staff Welfare Expenses	8,435
	Tds	1,961,422
	Translation	17,620
	Travelling Expenses Including Conveyance	18,242
	Utilities	66,800
	Total	13,159,757