



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE GOVERNING BODY OF CHILD FUND INDIA

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of CHILD FUND INDIA (the Society), which comprise the Balance Sheet as at March 31, 2019 and the Income and Expenditure Account for the year then ended, and including a summary of significant accounting policies and other explanatory information/notes related thereto.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give a true and fair view in conformity with accounting principles generally accepted in India and report as below:

- a) In the case of Balance Sheet of the state of affairs of the Society as at March 31, 2019 and,
- b) In case of the Income and Expenditure account, of the Excess of Income over Expenditure for the year ended on that date; and

Basis for our opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India (ICAI), as were applicable. 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 Society 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 Act 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.

We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.



INDEPENDENT AUDITORS' REPORT (CONTD...)

Responsibilities of the Management and those charged with Governance for the Financial Statements

The Society's Management is responsible for the preparation of Financial Statements that give a true and fair view of the financial position and financial performance of the Society in accordance with the accounting principles generally accepted in India including the accounting standards prescribed by the Institute of Chartered Accountants of India. This responsibility also includes maintenance of adequate accounting records in accordance with applicable provisions for safeguarding of the assets of the Society and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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.

In preparing the Financial Statements, management is responsible for assessing the Society'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 Society or to cease operations, or has no realistic alternative but to do so.

The Management and/or others who are charged with governance, are responsible for overseeing the Society'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 Standards on Auditing (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.



INDEPENDENT AUDITORS' REPORT (CONTD...)

As part of an audit in accordance with SA's, 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 controls 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 Society's internal financial 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 Society'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 Society to cease to continue as a going concern though none exist presently.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.



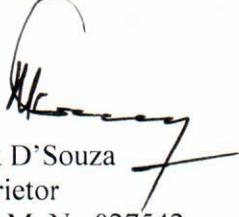
INDEPENDENT AUDITORS' REPORT (CONTD...)

Report on other legal and regulatory requirements

Further, we report that:

- a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Society so far as appears from our examination of those books of account.
- c) The Balance Sheet and Income and Expenditure Account dealt with by this report are in agreement with the books of account of the Society.

For MARK D'SOUZA & CO
Chartered Accountants
Firm Registration No.002014S


Mark D'Souza
Proprietor
ICAI M. No.027542
UDIN: 19027542AAAAAI8838



Date: 26th August 2019
Place: Bangalore

Child Fund India
Balance Sheet as at 31 March 2019

(All amounts in ₹, unless other wise stated)

	Note	As at 31 March 2019	As at 31 March 2018
Sources of funds			
Unrestricted funds			
Corpus fund	1	439,037	439,037
General fund	2	77,467,436	70,683,098
Restricted funds			
Project fund	3	37,824,720	93,016,471
Loan funds			
Secured Loans	4	40,000,000	-
Current liabilities and provisions			
Current liabilities	5	16,270,469	8,198,153
Provisions	6	1,316,930	1,010,761
		173,318,592	173,347,520
Applications of funds			
Fixed assets	7	3,517,851	4,201,422
		3,517,851	4,201,422
Current assets			
Cash and bank balances	8	165,173,051	164,548,755
Loans, advances and deposit	9	4,627,690	4,597,343
		169,800,741	169,146,098
		173,318,592	173,347,520
		-	-
Summary of significant accounting policies, notes on accounts and other explanatory information	14		

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

For MARK D'SOUZA & CO.

Chartered Accountants
Firm Reg. No. 002014S

MARK D'SOUZA
Proprietor
M.No: 027542
UDIN: 19027542AAAAAI8838



For and on behalf of Child Fund India

Dr. Philip Lewis
Dr. Philip Lewis
President

J A Martins
J A Martins
Treasurer

Neelam Makhijani
Neelam Makhijani
CEO



Bincy Antony
Bincy Antony
Finance Director

Date: 26th August 2019
Place: Bangalore

Child Fund India

Income and Expenditure Account for the year ended 31 March 2019

(All amounts in ₹, unless other wise stated)

	Note	Year ended 31 March 2019	Year ended 31 March 2018
Income			
Grants and donations allocated from Project Funds	10	297,658,118	263,977,488
Other Income	11	8,342,432	8,660,722
Total		306,000,550	272,638,210
Expenditure			
Grant expenses	10	114,454,652	95,691,943
Other grant expenses			
Relief of the poor- children	10	147,109,724	133,532,148
Relief of the poor- designated fund for children	10	18,424,657	17,323,722
Employee benefit expenses	12	13,431,883	11,741,096
Administrative expenses	13	5,111,724	4,520,861
		298,532,640	262,809,770
Depreciation during the year		947,223	1,167,718
		299,479,863	263,977,488
Total		6,520,687	8,660,722
Excess of income over expenditure transferred to general fund			
		6,520,687	8,660,722
Summary of significant accounting policies, notes on accounts and other explanatory information	14		

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

For MARK D'SOUZA & CO.

Chartered Accountants

Firm Reg. No. 002014S

MARK D'SOUZA

Proprietor

M.No: 027542

UDIN: 19027542AAAAAI8838

Date: 26th August 2019

Place: Bangalore



For and on behalf of Child Fund India

Dr. Philip Lewis
Dr. Philip Lewis
President

Neelam Makhijani
Neelam Makhijani
CEO

J A Martins
J A Martins
Treasurer

Bincy Antony
Bincy Antony
Finance Director



Child Fund India

Summary of significant accounting policies and other explanatory information

(All amounts in ₹, unless other wise stated)

	As at 31 March 2019	As at 31 March 2018
1 Corpus fund	439,037	439,037
2 General fund		
Balance at the beginning of the year	70,683,098	62,022,376
Add: Surplus during the year	6,520,687	8,660,722
Add: Purchase of Fixed assets out of FC grants	965,856	
Less: Transfer of assets to Partner NGO	(702,205)	
Balance at the end of the year	77,467,436	70,683,098
3 Project fund		
Balance at the beginning of the year	93,016,471	150,339,415
Add: Funds received during the year	258,445,762	206,654,542
Less: Expenditure incurred during the year	(313,637,513)	(263,977,486)
Balance at the end of the year	37,824,720	93,016,471
4 Loan funds		
Secured Loans	40,000,000	-
	40,000,000	-
5 Current liabilities		
Trade payables	15,051,061	6,485,134
Statutory dues	1,126,464	1,094,617
Employees payable	92,944	24,402
Expenses payable	-	594,000
	16,270,469	8,198,153
6 Provision		
Provision for compensated absences	1,316,930	1,010,761
	1,316,930	1,010,761

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Child Fund India

Summary of significant accounting policies and other explanatory information

(All amounts in ₹, unless other wise stated)

7 Fixed assets

Particulars	Furnitures and Fixtures	Office Equipment	Vehicles	Computers	Buildings	Total
Gross block						
Balance as at 1 April 2016	2,719,951	4,753,871	6,337,805	4,631,895	263,470	18,706,992
Additions	-	79,257	-	44,094	-	123,351
Balance as at 31 March 2017	2,719,951	4,833,128	6,337,805	4,675,989	263,470	18,830,343
Additions	-	93,990	-	475,424	-	569,414
Deletions	740,729	1,477,434	2,171,772	907,948	-	5,297,883
Balance as at 31 March 2018	1,979,222	3,449,684	4,166,033	4,243,465	263,470	14,101,874
Additions	195,635	-	-	770,221	-	965,856
Deletions	544,384	306,237	353,297	957,735	-	2,161,653
Balance as at 31 March 2019	1,630,473	3,143,447	3,812,736	4,055,951	263,470	12,906,077
Accumulated depreciation						
Balance as at 1 April 2016	1,004,186	2,340,779	3,777,970	3,013,595	263,470	10,400,000
Charge for the year	257,365	496,869	511,967	546,238	-	1,812,439
Balance as at 31 March 2017	1,261,551	2,837,648	4,289,937	3,559,833	263,470	12,212,439
Deletions	355,145	923,899	1,460,447	740,214	-	3,479,705
Charge for the year	160,919	299,667	267,313	439,819	-	1,167,718
Balance as at 31 March 2018	1,067,325	2,213,416	3,096,803	3,259,438	263,470	9,900,452
Deletions	311,129	235,699	327,299	585,322	-	1,459,449
Charge for the year	122,137	233,146	209,693	382,247	-	947,223
Balance as at 31 March 2019	878,333	2,210,863	2,979,197	3,056,363	263,470	9,388,226
Net block						
As at 31 March 2017	1,458,400	1,995,480	2,047,868	1,116,156	-	6,617,904
As at 31 March 2018	911,897	1,236,268	1,069,230	984,027	-	4,201,422
As at 31 March 2019	752,140	932,584	833,539	999,588	-	3,517,851

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Child Fund India

Summary of significant accounting policies and other explanatory information

(All amounts in ₹, unless other wise stated)

	As at 31 March 2019	As at 31 March 2018
8 Cash and bank balances		
Cash on hand	74,199	23,253
Balances with banks in current/ saving accounts	39,720,096	164,229,960
Deposits with bank in fixed deposits	125,378,756	295,542
	165,173,051	164,548,755
9 Loans, advances and deposit <i>(Unsecured, considered good)</i>		
TDS receivables	3,570,343	2,774,434
Security deposits	747,066	235,000
Advances and other amounts recoverable in cash or kind or for value to be received	310,281	1,587,909
	4,627,690	4,597,343

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Child Fund India

Summary of significant accounting policies and other explanatory information

(All amounts in ₹, unless other wise stated)

10 Project fund Particulars	Balance as at 01 April 2018	Receipts	Total	Expenses	Balance as at 31 March 2019
Local fund	A (1,114,607)	72,221,558	71,106,951	67,903,856	3,203,095
Foreign fund	B 94,131,078	170,244,809	264,375,887	229,754,262	34,621,625
Total project fund	93,016,471	242,466,367	335,482,838	297,658,118	37,824,720
Local fund - A	Balance as at 1 April 2018	Receipts	Total	Expenses	Balance as at 31 March 2019
Link workers scheme- Andhra Pradesh	(937,583)	33,100,117	32,162,534	30,050,428	2,112,106
Link workers scheme- Telangana	(1,253,872)	20,341,492	19,087,620	18,876,087	211,533
Target Intervention -Jagitla	9,880	1,852,253	1,862,133	1,619,106	243,027
Target Intervention -TI Ramagundam	268,561	1,766,471	2,035,032	1,678,192	356,840
Samajik Suvidha Sanam- Govt of Delhi	181,260	-	181,260	181,260	-
Sustainable nutrition education & health-Copalamba	1,550,216	1,236,500	2,786,716	2,738,858	47,858
Acciona-Swavalamba	(76,270)	992,942	916,672	1,170,188	(253,516)
Early learning & development standards-Ambedkar	-	2,857,775	2,857,775	2,857,775	-
Youth skill development program-Flour Daniel	(236,529)	236,529	-	-	-
Improving success through academic readiness-Jindal	(199,807)	1,246,031	1,046,224	1,360,472	(314,248)
Technicolor-Splash	-	3,116,500	3,116,500	1,541,672	1,574,828
Local Donations	(420,463)	5,474,948	5,054,485	5,829,818	(775,333)
			-		
Total (A)	(1,114,607)	72,221,558	71,106,951	67,903,856	3,203,095
Foreign fund- B	Balance as at 01 April 2018	Receipts	Total	Expenses	Balance as at 31 March 2019
Activities	76,555,601	108,328,293	184,883,894	164,778,809	20,105,085
Relief of the poor- children	-	-	-	147,109,724	-
Employee expenses	-	-	-	13,431,883	-
Administrative expenses	-	-	-	4,237,202	-
Total (a)	76,555,601	108,328,293	184,883,894	164,778,809	20,105,085
Grant expenses					
Women entrepreneurs program-Citi Foundation	-	17,160,784	17,160,784	15,800,706	1,360,078
ChildFund India Youth Resource Center-GIVE2ASIA	-	2,107,050	2,107,050	266,913	1,840,137
Brickfield (Mukti)-Germany	(11,387)	1,511,900	1,500,513	1,511,900	(11,387)
Child trafficking program (BMZ)	4,891,012	-	4,891,012	9,150,726	(4,259,714)
Floods relief in Kerala-ChildFund Korea	-	5,100,419	5,100,419	4,955,598	144,821
Promoting Access and Continuity in Education (PACE)	5,270,731	3,161,414	8,432,145	5,242,858	3,189,287
Bernard van leer Foundation-SASA	313,287	-	313,287	313,287	-
PEACE - Protective, Enabling, Accountable and Child Friendly Environments	-	6,003,270	6,003,270	105,407	5,897,863
Donations	-	1,838,853	1,838,853	1,835,440	3,413
Special program fund	542,275	-	542,275	-	542,275
SLDP-German Grant Disha	441,658	-	441,658	441,658	-
Youth livelihood empowerment programme	-	3,680,171	3,680,171	3,680,171	-
Nutritional- Spirulina tank	764,361	-	764,361	-	764,361
Non sponsorship Programmes (NSP)	-	3,246,132	3,246,132	3,246,132	-
Program Development fund	5,000,000	-	5,000,000	-	5,000,000
Total (b)	17,211,937	43,809,993	61,021,930	46,550,796	14,471,134
Relief of the poor-designated fund for children (c)	363,540	18,106,523	18,470,063	18,424,657	45,406
Total B (a+b+c)	94,131,078	170,244,809	264,375,887	229,754,262	34,621,625



Child Fund India

Summary of significant accounting policies and other explanatory information

(All amounts in ₹, unless other wise stated)

	Year ended 31 March 2019	Year ended 31 March 2018
11 Other income		
Interest income		
savings bank accounts	1,612,690	2,510,824
deposit accounts	6,729,148	5,933,701
Liabilities written back	-	176,496
Miscellaneous income	594	39,701
	8,342,432	8,660,722
12 Employee benefits expense		
Salaries, wages and bonus	12,895,115	11,146,151
Gratuity	173,733	12,580
Leave encashment	306,169	361,450
Staff welfare expenses	56,866	220,915
	13,431,883	11,741,096
13 Administrative expenses		
Travel and conveyance	693,624	781,396
Board meetings and conference expense	326,155	703,906
Rent	667,113	254,922
Audit fees	559,500	737,500
Interest Expense	874,522	-
Communication expense	144,786	87,069
Website and software renewal	99,608	283,673
Insurance expense	35,511	82,915
Printing and stationery	209,207	43,371
Professional Charges	1,247,948	1,378,893
Miscellaneous expenses	253,750	167,216
	5,111,724	4,520,861

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Child Fund India

14. Summary of significant accounting policies, notes on accounts and other explanatory information

(All amounts in ₹ except otherwise stated)

I) Background

a) The Society is registered under Societies Registration Act, 1860 vide no. S/15160 dated 31 December 1984 under State of Delhi, registered under Sec. 12A(a) vide No CIT/D-IV/TE(7)/85/95 dated 18 April 1985 of the Income Tax Act, 1961 and under the Foreign Contribution (Regulation) Act 1976 (now 2010) vide No. 0231650315 dated 19 July 1985. Child Fund India strives to ensure that deprived, excluded and vulnerable children have the capacity to improve their lives and become young adults, parents and leaders who inspire lasting and positive change in their communities. Child Fund India promotes communities whose individuals and institutions participate in valuing, protecting, and advancing the worth and rights of children.

II) Summary of significant accounting policies

a) Basis of preparation of financial statements

The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ("Indian GAAP") and in compliance with the accounting standards ("AS") issued by the Institute of Chartered Accountants of India. The accounting policies have been consistently applied by the Society and are consistent with those used in the previous year except for capitalization of Assets as mentioned in Note No. 14 II (f) (b). There are no other entities over which the Child Fund India exercises controlling interest, thus there is no requirement of consolidating any entities into the Child Fund India's financial statements. The financial statements are prepared in Indian Rupees and rounded off to nearest rupee.

b) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the Society to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of liabilities at the date of financial statements and the reported amount of revenues and expenses during the period reported. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

c) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Society and the revenue can be reliably measured. Fund received specifically towards Child Development among DEV (deprived excluded and vulnerable) category for identified children and their communities is categorized as "Relief of the poor-children" and DFC (designated funds for children).

In consonance with the Covenants (Grant Agreements with the Donors), the Grants are recognized as Income to the extent they are utilized in the respective year/s. The balance of unutilized Grants - which in terms of the Grant Agreements, are specifically restricted / agreed to belong to the Donor/s are carried forward in the respective Project Fund Account as Donor/s Funds to be utilized in the subsequent years.



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Child Fund India

14. Summary of significant accounting policies, notes on accounts and other explanatory information

(All amounts in ₹ except otherwise stated)

Grants income

Financial assistance provided by the donors, funding agencies and Government is recognized in the year it was received or when the entitlement for the revenue is established. Most of the government grants and assistance received are recognized as revenue when all of the following conditions have been satisfied:

- (i) the Society obtains control of the grant or the right to receive the grant;
- (ii) it is probable that the contribution will flow to the Society; and
- (iii) the amount of the grant can be reliably measured.

The revenue from Grant income is recognized over the periods necessary to match with related costs and only when there is reasonable assurance that the conditions attached to them will be complied and the grants will be received.

Interest income

Interest income is recognized using time proportion method, based on the rate implicit in the transaction.

- d) Programs implemented through other partner NGO's are treated as sub-grants and are charged off to expense/s under the head/s of account/s it is meant to be spent at the time of disbursement. Conversely, unspent balance received from partner NGO's at the closure of the program is treated as Grant Payable in the year of its receipt, under the head/s of account/s reported unspent.

e) Income Tax

The Society is registered under Section 12A of the Income Tax Act, 1961 ('the Act'). Under the provisions of the Act, the income of the Society is exempt from tax, subject to the compliance of terms and conditions specified in the Act.

As per provisions of Section 115BBC of the Act, viz anonymous donations, a provision is made if a liability is determined.

f) Fixed assets and depreciation

Fixed assets

- a) Fixed assets are stated at cost less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.
- b) Assets acquired out of grants are capitalized from the current year.

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Child Fund India

14. Summary of significant accounting policies, notes on accounts and other explanatory information

(All amounts in ₹ except otherwise stated)

Depreciation

- c) Assets are depreciated on Written Down Value (WDV) method, at the following rates based on estimated life of the assets as per the decision of the Governing Council:

Particulars	Rate of depreciation %
i) Furniture's and fixtures	15
ii) Office equipment	20
iii) Computers	33
iv) Vehicles	20
v) Building	10

g) Employee benefits

The Accounting policy followed by the organization in respect of its employee benefit scheme is set out below.

Provident fund

The Society makes contribution to statutory provident fund in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952. This is post-employment defined contribution plan and the contribution paid or payable is recognized as an expense in the period in which services are rendered by the employee. The Society has no legal or constructive obligations to pay further contributions after payment of the fixed contribution. The contributions recognised in respect of defined contribution plans are expensed as and when they accrue. Liabilities and assets may be recognised if underpayment or prepayment has occurred and are included in current liabilities or current assets, respectively, as they are normally of a short term nature.

Gratuity

Child Fund India provides gratuity, a defined benefit retirement plan, to its eligible employees. In accordance with the Payment of Gratuity Act, 1972, the gratuity plan provides a lump sum payment to the eligible employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's basic salary and tenure of employment with Child Fund India. The amount deposited in the LIC Gratuity is debited to the Income and Expenditure Account.

Compensated absences

Liability in respect of compensated absences becoming due and expected to be availed or encashed is recognised on the basis of value of estimated amount required to be paid or estimated value of benefits expected to be availed by the employees.

Other short-term benefits

Expense in respect of other short term benefits is recognised on the basis of amount paid or payable for the period during which services are rendered by the employees.



Child Fund India

14. Summary of significant accounting policies, notes on accounts and other explanatory information

(All amounts in ₹ except otherwise stated)

h) Corpus fund

Corpus fund relates to the funds contributed by the founder members at incorporation and donations received with specific directions that they shall form part of the corpus of the Society.

i) General fund:

The Society also receives "General fund" which are unrestricted in nature. The surplus earned during the year, being general purpose in nature is carried forward for use in future periods. In case of deficit, if in any year, this is first adjusted against general fund and remaining is adjusted from the specified fund.

j) Project fund

Project fund are grants received from various funding agencies to carry out specific activities. These are held in Society until used for the purpose specified and deposits / investments are earmarked against them. Revenue from the restricted fund is recognized during the year in the Income and Expenditure Account to match the related expenditure (including capital expenditure). The balance amount is carried forward in the restricted fund for use in future periods.

k) Expenditure

The Society implements and supports locally led, community based initiatives that strengthen families and communities. Programmes includes healthcare support, quality education and livelihood skills for strengthening training, research and policy development in the area of children through projects conducted by itself or by other partner organizations to which it disburses grants. Accordingly, "Program expenditure" includes amount disbursed to partner organisations till the year end.

l) Provisions and Contingencies

The Society makes a provision when there is a present obligation as a result of a past event where the outflow of economic resources is probable and a reliable estimate of the amount of the obligation can be made.

A disclosure is made for a liability when there is a:

- i) possible obligation, the existence of which will be confirmed by the occurrence/non-occurrence of one or more uncertain events, not fully with-in the control of the Society; or
- ii) present obligation, where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- iii) present obligation, where a reliable estimate cannot be made.

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Child Fund India

14. Summary of significant accounting policies, notes on accounts and other explanatory information

(All amounts in ₹ except otherwise stated)

III) Notes on Accounts

	31-Mar-19	31-Mar-18
a) Contingent Liabilities (to an extent not provided for):		
i) Bank Guarantee issued on 07th December 2018 (valid unto 06th July 2020) by Axis Bank in favour of Grameen Impact Investments India Private Limited for the Project - Women Holistic Enhancement and Empowerment Livelihood (Wheel) Impact Bond, secured by equivalent fixed deposit with bank.	4,00,00,000	-
ii) Estimated amount of contracts remaining to be executed on capital accounts and not provided for - Tangible Assets	-	-

b) During the year the Society has received a loan from Grameen Impact Investments India Private Limited amounting to Rs 400 Lakhs secured by a Bank Guarantee towards the project, Women Holistic Enhancement & Empowerment Livelihood (WHEEL) Impact Bond under Grameen Outcome Accelerated Lending (GOAL) Series. The said Bank guarantee is fully secured by Fixed Deposits of Rs. 400 Lakhs.

c) Taxes on Income:

The Society is registered under Section 12A of the Income Tax Act, 1961 ('the Act'), the income of which is exempt from tax subject to certain conditions. Provision has not been made for income tax as there is no taxable income.

d) During the year the society has changed the policy of accounting the fixed assets acquired out of grants. Accordingly, assets acquired out of grants with effect from 01.04.2018 are capitalised. The value of the assets acquired out of grants before 31.03.2018 are not quantified.

e) The institution is in the process of determining the applicability of GST and the liability if any arising out of the said law is not considered during the year.

f) Fixed Assets Register is being compiled, difference if any between the financial records and physical verification of assets can be ascertained only on completion of the respective works.

g) Confirmation of Balances from parties with whom the Society has transactions are awaited. Accounts with certain parties are under review and are subject to reconciliation.

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Child Fund India

14. Summary of significant accounting policies, notes on accounts and other explanatory information

(All amounts in ₹ except otherwise stated)

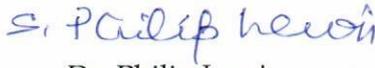
h) Previous year figures have been regrouped and reclassified wherever considered necessary to make it comparable with current year's presentation.

For MARK D'SOUZA & CO
Chartered Accountants
Firm Registration No.002014S

For and on behalf of Child Fund India


MARK D'SOUZA
Proprietor
ICAI M. No.027542
UDIN: 19027542AAAAAI8838




Dr. Philip Lewis
President


J A Martins
Treasurer

Date: 26th August 2019
Place: Bangalore


Neelam Makhijani
CEO


Bincy Antony
Finance Director



Child Fund India

PAN: AAATC4960B
Status: TRUST
DOF: 31-Dec-84
12A Reg. No. CIT/D-IV/TE(7)/85/95

Assessment Year: 2019-20
Previous Year: 2018-19

Statement showing Assessable Income

Receipts during the year	242,466,367	
Add: Other income	<u>8,342,432</u>	250,808,799
Application		
Application of Income- Expenditure before depreciation	298,532,640	
Add: Purchase of Fixed Assets during the Year	965,856	
Less: Considered in application of Income-Expenditure	<u>965856</u>	-
	298,532,640	
Less: Provision for leave encashment	<u>306,169</u>	298,226,471
		<u>Total income</u>
		(47,417,672)

Amount accumulated and set apart U/s 11(2) of the Income Tax Act (ITA) to be invested in the modes specified u/s 11(5) of the ITA

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Assessable Income		NIL
Total Tax Due		NIL
Less: Tax Deducted at Source		795,909
Refund due		<u><u>795,909</u></u>

Signature of the Assessee

Dr. Philip Lewis
Dr. Philip Lewis
President