

# Price Waterhouse Chartered Accountants LLP

## INDEPENDENT AUDITORS' REPORT

### To the Members of Rotary South Asia Society for Development and Co-operation

#### Report on the Financial Statements

1. We have audited the accompanying financial statements of Rotary South Asia Society for Development and Co-operation (the "Society"), which comprise the Balance Sheet as at March 31, 2017, the Income and Expenditure Account and the Receipts and Payments Account for the year then ended, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

#### Executive Committee's Responsibility for the Financial Statements

2. The Executive Committee of the Society is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Society in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India pursuant to Rule 23 of the Rules and Regulation of the Society. 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.

#### Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence, about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Society's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Executive Committee, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

6. 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 purpose of our audit; and

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Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)



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To the Members of Rotary South Asia Society for Development and Co-operation

Report on the Financial Statements

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- (b) In our opinion, proper books of account as required by the bye-laws of the Society and Societies Registration Act, 1860/ The Bombay Public Trust Act, 1950 (the "Act") have been kept by the Society so far as it appears from our examination of those books;
- (c) The Balance Sheet, the Income and Expenditure Account and the Receipts and Payments Account dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, and to the best of our information and according to the explanations given to us, the accompanying financial statements give the information required by the Act, read with Rule 23 of the Rules and Regulation of the Society in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- (a) in the case of the Balance Sheet, of the state of affairs of the Society as at March 31, 2017;
- (b) in the case of the Income and Expenditure Account, of the net deficit for the year ended on that date; and
- (c) in the case of the Receipts and Payments account, of the cash flows for the year ended on that date.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016  
Chartered Accountants



Pinaki Chowdhury  
Partner  
Membership Number: 057572

Kolkata  
September 6, 2017



**Rotary South Asia Society for Development and Co-operation**  
**Balance Sheet as at March 31, 2017**

(All amounts in Rupees)

Particulars	Note	As at March 31, 2017	As at March 31, 2016
<b><u>SOURCES OF FUNDS</u></b>			
General Fund	3	(8,43,090)	1,20,426
Programme Related Funds	4	2,57,15,451	2,87,01,509
<b><u>Non-current Liabilities</u></b>			
Long-term Provision	5	2,14,455	1,18,739
<b><u>Current Liabilities</u></b>			
Other Current Liabilities	6	84,70,398	43,83,217
<b>TOTAL</b>		<b>3,35,57,214</b>	<b>3,33,23,891</b>
<b><u>APPLICATION OF FUNDS</u></b>			
<b><u>Non-current Assets</u></b>			
Fixed Assets			
Tangible Assets	7	1,56,004	2,35,383
<b><u>Current Assets</u></b>			
Cash and Bank Balances	8	3,18,43,507	3,08,64,452
Short-term Loans and Advances	9	3,85,593	20,78,798
Other Current Assets	10	11,72,110	1,45,258
<b>TOTAL</b>		<b>3,35,57,214</b>	<b>3,33,23,891</b>

The Notes are an integral part of these financial statements.

This is the Balance Sheet referred to in our Report of even date.

For Price Waterhouse Chartered Accountants LLP  
Firm's Registration Number: 012754N/N500016  
Chartered Accountants

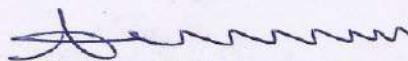


**Pinaki Chowdhury**  
Partner  
Membership No. 057572

Place: Kolkata  
Date : September 6, 2017

For and on behalf of the Executive Committee

  
**Kalyan Banerjee**  
(President)

  
**Shekhar Mehta**  
(Member)



**Rotary South Asia Society for Development and Co-operation**  
**Income and Expenditure Account for the year ended March 31, 2017**

(All amounts in Rupees)			
Particulars	Note	Year ended March 31, 2017	Year ended March 31, 2016
<b>Income</b>			
Donation	11		
Programme related Donation			
Amount received during the year		3,13,72,340	3,65,30,080
Add : Balance at the beginning of the year		2,87,01,509	-
Less : Unutilised at the year-end		2,57,15,451	2,87,01,509
		<b>3,43,58,398</b>	<b>78,28,571</b>
General Donation		<b>98,52,298</b>	<b>1,07,41,585</b>
		<b>4,42,10,696</b>	<b>1,85,70,156</b>
Other Income	12	23,75,381	4,81,692
		<b>4,65,86,077</b>	<b>1,90,51,848</b>
<b>Expenses</b>			
Programme Expenses	13	4,36,76,827	1,39,63,448
Training and Meeting Expenses		14,32,294	5,88,611
Employee Benefits	14	9,64,029	18,04,854
Depreciation	7	2,01,373	1,14,368
Interest		1,650	8,261
Other Expenses	15	12,73,420	12,16,655
		<b>4,75,49,593</b>	<b>1,76,96,197</b>
Excess of (Expenditure over Income) / Income over Expenditure transferred to General Fund		<b>(9,63,516)</b>	<b>13,55,651</b>

The Notes are an integral part of these financial statements.

This is the Income and Expenditure Account referred to in our report of even date.

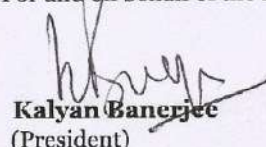
For Price Waterhouse Chartered Accountants LLP  
Firm's Registration Number: 012754N/N500016  
Chartered Accountants



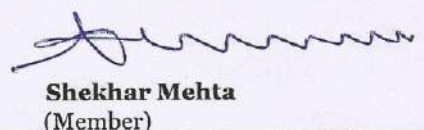
**Pinaki Chowdhury**  
Partner  
Membership No. 057572

Place: Kolkata  
Date : September 6, 2017

For and on behalf of the Executive Committee



**Kalyan Banerjee**  
(President)



**Shekhar Mehta**  
(Member)



**Rotary South Asia Society for Development & Co-operation**  
**Receipts and Payments Account for the year ended March 31, 2017**

(All amounts in Rupees)					
Year Ended March 31, 2016	Receipts	Year Ended March 31, 2017	Year Ended March 31, 2016	Payments	Year Ended March 31, 2017
	By Balance Brought Forward			By Employee Benefits	
100	Cash in Hand	4,323	15,61,482	Salaries	8,20,066
2,74,154	Balance with Savings Account	2,13,60,129	58,093	Staff Welfare Expenses	1,09,405
-	Balance with Fixed Deposits	95,00,000			
4,72,38,665	To Donation	4,12,14,639		By Programme Expenses:	
3,20,294	To Interest on Savings Account	11,51,070	7,69,357	Teacher's Support	22,29,989
-	To Loan Received	-	7,77,284	E-Learning	25,39,640
3,12,041	To TDS Deducted	4,15,376	34,67,424	Adult Literacy	29,62,778
			39,24,064	Child Development	2,28,54,502
			15,26,672	Happy School	31,32,919
			840	By Programme Promotion Expenses	-
			77,493	By Printing and Stationery	1,11,728
			-	By Postage and Courier Charges	4,312
			5,69,799	By Training and Meeting Expenses	12,45,214
			21,554	By Telephone and Internet Expenses	93,079
			7,721	By Interest Expenses	1,650
			9,872	By Travelling and Conveyance Expenses	2,61,275
			3,90,398	By Website Maintenance Expenses	-
			5,25,092	By Human Resources Expenses	1,00,052
			-	By Professional Fees	4,18,560
			63,335	By Miscellaneous Expenses	85,130
			2,90,503	By Payment to Government Authorities	5,20,124
			3,17,618	By Purchase of Fixed Assets	1,24,443
			6,89,105	By Payment to Creditors	34,78,132
			2,03,438	By Outstanding Salaries	5,08,750
			6,800	By Advance for Expenses	-
			8,000	By Advance to Suppliers	-
			20,14,858	By Advance paid to Implementing Agencies	22,085
			-	By Loans/advances to Employees	1,48,197
				By Balance Carried Forward	
				Cash in Hand	5,298
			4,323	Balance with Savings Account	99,72,368
			2,13,60,129	Balance with Fixed Deposits	2,18,65,841
			95,00,000		
<b>4,81,45,254</b>		<b>7,36,45,537</b>	<b>4,81,45,254</b>		<b>7,36,45,537</b>

This is the Receipts and Payments Account referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP  
Firm's Registration Number: 012754N/N500016  
Chartered Accountants



**Pinaki Chowdhury**  
Partner  
Membership No. 057572

Place: Kolkata  
Date : September 6, 2017

For and on behalf of the Executive Committee



**Kalyan Banerjee**  
(President)



**Shekhar Mehta**  
(Member)



## **Rotary South Asia Society for Development and Co-operation**

### **Notes forming part of the financial statements for the year ended March 31, 2017**

#### **1. Society overview**

Rotary South Asia Society for Development and Co-operation (the 'Society') was incorporated on February 15, 2014 with the primary object of providing education, health facilities and other benevolent assistance throughout India in keeping with the Society's Memorandum of Association.

#### **2. Statement of Significant Accounting Policies**

##### **Basis of preparation of financial statements**

These financial statements of the Society have been prepared under the historical cost convention and in accordance with applicable accounting standards issued by the Institute of Chartered Accountants of India and the generally accepted accounting principles ("GAAP").

##### **Fixed Assets and depreciation**

Fixed assets (Tangible) are stated at cost less accumulated depreciation. Cost includes inward freight, non refundable duties/ taxes, and expenses incidental to acquisition/ installation of assets.

Depreciation on fixed assets is provided on the basis of written down value method in accordance with estimated useful lives at the following rates:

Particulars	Rate of depreciation (Per annum)
Computer	60%
Furniture	10%

The above rate and method of depreciation are also in line with the estimated useful lives, as determined by the management. The appropriateness of depreciation period and depreciation method is reviewed by the management in each financial year.

##### **Donation / Contribution**

Society receives Donation/Contribution for its various approved programmes, which is recognised during the year in the Income and Expenditure Account on time proportion basis and to match the related expenditure. The balance amount is carried forward for use in future periods as per terms of the approved programmes.

Donation/Contribution received for general purpose is recognised in the accounts during the period in which it is received.

##### **Other Income**

Interest Income is recognised on time proportion basis taking into account the amount outstanding and the rate applicable.

##### **Expenditure**

The Society implements its programmes for education, health facilities and other benevolent assistance through projects conducted by itself or by other local non-governmental organizations. Accordingly, expenditure incurred by the Society includes amount disbursed to other local agencies in accordance with the agreements with them and in connection with/ incidental to related programme.

Training and Meeting Expense include the related expenditure in connection with/ incidental to training/meeting and is recognized in the Income and Expenditure Account on accrual basis. Such expenses are allocated between administrative and programmes equally.

Common expenses attributable to programme are allocated equally among all related programmes.

Administrative expenses are recognised in the Income and Expenditure Account on accrual basis during the period to which it relates.

##### **Employee Benefits**

a. Short term employee benefits: These are recognised in the Income and Expenditure Account in the period in which the employee renders the related service.

b. Post Employment Benefit Plans: Gratuity, a defined benefit plan and unfunded is provided in the Income and Expenditure Account, Based on management's estimate.

c. Provident Fund : Contribution towards Provident Fund to Government administered Provident Fund is recognised as expense.





**Rotary South Asia Society for Development and Co-operation**  
**Notes to financial statements for the year ended March 31, 2017**

*(All amounts in Rupees)*

As at  
March 31, 2017

As at  
March 31, 2016

**3 General Fund**

Balance at the beginning of the year	1,20,426	(12,35,225)
Excess of (Expenditure over Income) /Income over Expenditure transferred from Income and Expenditure Account	(9,63,516)	13,55,651
Balance at the end of the year	<b>(8,43,090)</b>	<b>1,20,426</b>

**4 Programme Related Funds (2016-17)**

Particulars	Child Development	Adult Literacy	Happy School	Teacher Support	Total
Balance at the beginning of the year-April 01, 2016	2,87,01,509	-	-	-	2,87,01,509
Add: Donation Received during the year 2016-17	2,94,42,825	8,58,000	9,75,515	96,000	3,13,72,340
Less: Transferred to Income and Expenditure Account on utilisation	3,24,28,883	8,58,000	9,75,515	96,000	3,43,58,398
Balance at the end of the year- March 31, 2017	2,57,15,451	-	-	-	2,57,15,451

**4.1 Programme Related Funds (2015-16)**

Particulars	Child Development	E-Learning	Adult Literacy	Happy School	Total
Balance at the beginning of the year-April 01, 2015	-	-	-	-	-
Add: Donation Received during the year 2015-16	3,31,97,910	5,00,000	18,32,170	10,00,000	3,65,30,080
Less: Transferred to Income and Expenditure Account on utilisation	44,96,401	5,00,000	18,32,170	10,00,000	78,28,571
Balance at the end of the year- March 31, 2016	2,87,01,509	-	-	-	2,87,01,509

As at  
March 31, 2017

As at  
March 31, 2016

**5 Long Term Provision**

Provision for Employee Benefits -Gratuity	2,14,455	1,18,739
	<b>2,14,455</b>	<b>1,18,739</b>

**6 Other Current Liabilities**

Payable for Programme Expenditure	76,92,763	2,18,428
Payable to Service Providers	7,49,102	8,75,203
Liabilities for Expenses	-	26,73,639
Dues payable to Government Authorities	-	1,04,748
Liability for Capital Goods	-	2,449
Employee Benefits Payable	28,533	5,08,750
	<b>84,70,398</b>	<b>43,83,217</b>



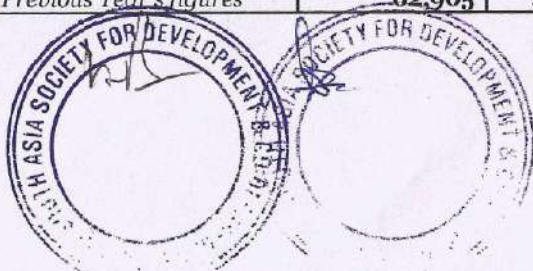


**Rotary South Asia Society for Development and Co-operation**  
**Notes to financial statements for the year ended March 31, 2017**

*(All amounts in Rupees)*

**7 Tangible Assets**

Particulars	Gross Block				Depreciation				Net Block	
	Cost as at March 31, 2016	Additions during the Year	Disposal during the Year	Cost as at March 31, 2017	Up to March 31, 2016	For the Year	Disposal during the Year	Up to March 31, 2017	As at March 31, 2017	As at March 31, 2016
Computer	3,38,347	1,21,994	-	4,60,341	1,18,839	1,99,785	-	3,18,624	1,41,717	2,19,508
Furniture	17,220	-	-	17,220	1,345	1,588	-	2,933	14,287	15,875
<b>Total</b>	<b>3,55,567</b>	<b>1,21,994</b>	<b>-</b>	<b>4,77,561</b>	<b>1,20,184</b>	<b>2,01,373</b>	<b>-</b>	<b>3,21,557</b>	<b>1,56,004</b>	<b>2,35,383</b>
Previous Year's figures	62,905	2,92,662	-	3,55,567	5,816	1,14,368	-	1,20,184	2,35,383	-





**Rotary South Asia Society for Development and Co-operation**  
**Notes to financial statements for the year ended March 31, 2017**

*(All amounts in Rupees)*

**8 Cash and Bank Balances**

Cash and Cash Equivalents

- Cash on hand

- Balances with Banks

On Savings Account

Other Bank Balances

- Fixed Deposits maturing within twelve months from the period end date

As at March 31,  
2017

As at March 31,  
2016

5,298

4,323

99,72,368

2,13,60,129

2,18,65,841

95,00,000

**3,18,43,507**

**3,08,64,452**

**9 Short Term Loans & Advances**

(Unsecured and considered good)

Advance to Implementing Organisations

Advance to Employees

Advance for Expenses

TDS Receivable

Advance to Suppliers/Service Providers

22,085

20,14,858

97,000

-

1,909

6,800

2,56,599

49,140

8,000

8,000

**3,85,593**

**20,78,798**

**10 Other Current Assets**

Interest accrued on Fixed Deposit with banks

11,72,110

1,45,258

**11,72,110**

**1,45,258**





**Rotary South Asia Society for Development and Co-operation**  
**Notes to financial statements for the year ended March 31, 2017**

(All amounts in Rupees)

	Year Ended March 31, 2017	Year Ended March 31, 2016
<b>11 Donation</b>		
Transferred from Programme related Funds on utilisation	3,43,58,398	78,28,571
General Donation	98,52,298	1,07,41,585
	<b>4,42,10,696</b>	<b>1,85,70,156</b>
<b>12 Other Income</b>		
Bank Interest	23,75,381	4,81,692
	<b>23,75,381</b>	<b>4,81,692</b>
<b>13 Programme Expenses (Refer Notes 13.1 and 13.2)</b>		
Teacher's Support	23,25,907	15,04,925
E-Learning	26,47,674	15,12,852
Adult Literacy	30,51,820	41,87,030
Child Development	3,24,28,883	44,96,401
Happy School	32,22,543	22,62,240
	<b>4,36,76,827</b>	<b>1,39,63,448</b>
<b>13.1</b> Includes expenses met out of general donation after utilising Programme Related Funds, as applicable, set out in Note 4.	93,18,429	61,34,877
<b>13.2</b> Programme Expenses include the following :		
Payment to Implementing Agencies	3,18,56,928	54,85,426
Salaries and Allowances	56,70,149	29,73,283
Provision for Gratuity	89,691	88,846
Other Expenses	60,60,059	54,15,893
	<b>4,36,76,827</b>	<b>1,39,63,448</b>
<b>14 Employee Benefits</b>		
Salaries and Allowances	8,34,575	17,16,868
Contribution to Provident Fund *	14,024	-
Provision for Gratuity	6,025	29,893
Staff Welfare Expenses	1,09,405	58,093
	<b>9,64,029</b>	<b>18,04,854</b>
* Effective March 15, 2017		
<b>15 Other Expenses</b>		
Programme Promotion Expenses	-	840
Website Maintenance Expenses	-	4,68,802
Postage and Courier Charges	4,312	-
Telephone and Internet Expenses	96,470	21,554
Travelling and Conveyance Expenses	2,61,275	9,872
Printing and Stationery	1,15,971	88,715
Human Resources Expenses	1,00,052	5,25,092
Professional Fees	4,48,560	-
Miscellaneous Expenses	2,46,780	1,01,780
	<b>12,73,420</b>	<b>12,16,655</b>
<b>16</b> The Society, being an institution for charitable purpose has been registered under Section 12AA of the Income Tax Act, 1961 with effect from the Assessment Year 2015-16 and its income is exempt from tax under Section 11 of the Income Tax Act, 1961. Accordingly, no tax has been provided in the financial statements.		
<b>17</b> Previous Year's figures have been regrouped or rearranged, where considered necessary, to conform to current year's classification.		


Signatures to Notes 1 to 17


For Price Waterhouse Chartered Accountants LLP  
Firm's Registration Number: 012754N/N500016  
Chartered Accountants



Pinaki Chowdhury  
Partner  
Membership No. 057572  
Place: Kolkata  
Date : September 6, 2017

For and on behalf of the Executive Committee

  
**Kalyan Banerjee**  
(President)

  
**Shekhar Mehta**  
(Member)