

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, 2018, 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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- (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, 2018;
- (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



Dhiraj Kumar
Partner
Membership Number: 060466

Kolkata
March 18, 2019

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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)

Rotary South Asia Society for Development and Co-operation
Balance Sheet as at March 31, 2018

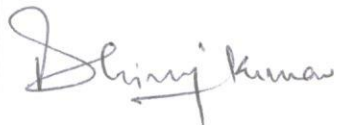
(All amounts in Rupees)

Particulars	Note	As at March 31, 2018	As at March 31, 2017
<u>SOURCES OF FUNDS</u>			
General Fund	3	(7,036,355)	(843,090)
Programme Related Funds	4	19,442,749	25,715,451
<u>Non-current Liabilities</u>			
Long-term Provision	5	320,316	214,455
<u>Current Liabilities</u>			
Other Current Liabilities	6	5,967,165	8,470,398
TOTAL		18,693,875	33,557,214
<u>APPLICATION OF FUNDS</u>			
<u>Non-current Assets</u>			
Fixed Assets			
Tangible Assets	7	87,334	156,004
<u>Current Assets</u>			
Cash and Bank Balances	8	16,405,262	31,843,507
Short-term Loans and Advances	9	1,645,535	385,593
Other Current Assets	10	555,744	1,172,110
TOTAL		18,693,875	33,557,214

The Notes are an integral part of these financial statements.

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

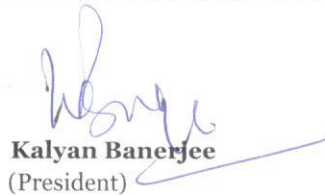
For Price Waterhouse Chartered Accountants LLP
Firm's Registration Number: 012754N/N500016
Chartered Accountants




Dhiraj Kumar
Partner
Membership No. 060466

Place: Kolkata
Date : March 18, 2019

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, 2018

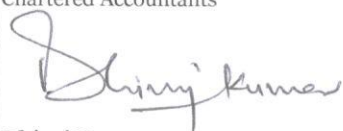
(All amounts in Rupees)

Particulars	Note	Year ended March 31, 2018	Year ended March 31, 2017
Income			
Donation	11		
Programme related Donation			
Amount received during the year		15,005,875	31,372,340
Add : Balance at the beginning of the year		25,715,451	28,701,509
Less : Unutilised at the year-end		19,442,749	25,715,451
		21,278,577	34,358,398
General Donation		1,927,572	9,852,298
		23,206,149	44,210,696
Other Income	12	2,062,855	2,375,381
		25,269,004	46,586,077
Expenses			
Programme Expenses	13	28,078,392	43,676,827
Training and Meeting Expenses		1,071,491	1,432,294
Employee Benefits	14	999,703	964,029
Depreciation	7	103,870	201,373
Interest		-	1,650
Other Expenses	15	1,208,813	1,273,420
		31,462,269	47,549,593
Excess of Expenditure over Income transferred to General Fund		(6,193,265)	(963,516)

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.

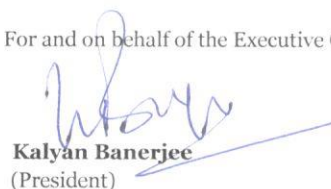
For Price Waterhouse Chartered Accountants LLP
Firm's Registration Number: 012754N/N500016
Chartered Accountants




Dhiraj Kumar
Partner
Membership No. 060466

Place: Kolkata
Date : March 18, 2019

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 31st March, 2018

(All amounts in rupees)

Year Ended March 31, 2017	Receipts	Year Ended March 31, 2018	Year Ended March 31, 2017	Payments	Year Ended March 31, 2018
	To Balance Brought Forward			By Employee Benefits	
4,323	Cash in Hand	5,298	820,066	Salaries	563,519
21,360,129	Balance with Savings Account	9,972,368	-	Contribution to PF	15,153
9,500,000	Balance with Fixed Deposits	21,865,841	109,405	Staff Welfare Expenses	75,434
41,214,639	To Donation	16,926,447		By Programme Expenses:	
1,151,070	To Interest on Savings A/c	2,076,155		Teacher's Support	1,963,922
-	To Interest on IT Refund	5,160	2,229,989	E-Learning	6,269,876
-	To Advance Recovered from Employees	47,000	2,539,640	Adult Literacy	2,238,875
415,376	To TDS Decucted	-	2,962,778	Child Development	16,946,183
-	To Income Tax Refund	49,140	22,854,502	Happy School	3,212,184
			3,132,919		
			111,728	By Printing and Stationery	76,744
			4,312	By Postage and Courier Charges	554
			1,245,214	By Training and Meeting Expenses	1,048,196
			93,079	By Telephone and Internet Expenses	50,358
			1,650	By Interest Expenses	-
			261,275	By Travelling and Conveyance Expenses	91,906
			100,052	By Human Resources Expenses	80,210
			448,560	By Professional Fees	382,011
			85,130	By Miscellaneous Expenses	230,726
			520,124	By Payment to Govt Authorities	546,331
			124,443	By Purchase of Fixed Assets	35,200
			3,478,132	By Payment to Creditors	734,480
			508,750	By Outstanding Salaries	-
			-	By Advance for Expenses	46,369
			22,085	By Advance to Implementing Agencies	-
			148,197	By Loans/advances to Employees	-
				By Balance Carried Forward	
			5,298	Cash in Hand	5,351
				Balance with Savings Account	
			9,972,368	(net of temporary overdraft Rs. 66,083 Previous Year - Rs. Nil)	3,387,754
			21,865,841	Balance with Fixed Deposits	12,946,074
73,645,537		50,947,409	73,645,537		50,947,410

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



Dhiraj Kumar
Partner
Membership No. 060466

Place: Kolkata
Date : March 18, 2019

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, 2018

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

(i) 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").

(ii) 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.

(iii) 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.

(iv) Other Income

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

(v) 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.

(vi) 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.



3 General Fund

	As at March 31, 2018	As at March 31, 2017
Balance at the beginning of the year	(843,090)	120,426
Excess of Expenditure over Income transferred from Income and Expenditure Account	(6,193,265)	(963,516)
Balance at the end of the year	<u>(7,036,355)</u>	<u>(843,090)</u>

4 Programme Related Funds (2017-18)

Particulars	Child Development	Adult Literacy	E - Learning	Happy School	Teacher Support	Total
Balance at the beginning of the year-April 01, 2017	25,715,451	-	-	-	-	25,715,451
Add: Donation Received during the year 2017-18	8,768,933	272,206	4,720,736	1,244,000	-	15,005,875
Less: Transferred to Income and Expenditure Account on utilisation	15,041,635	272,206	4,720,736	1,244,000	-	21,278,577
Balance at the end of the year- March 31, 2018	19,442,749	-	-	-	-	19,442,749

4.1 Programme Related Funds (2016-17)

Particulars	Child Development	E-Learning	Adult Literacy	Happy School	Teacher Support	Total
Balance at the beginning of the year-April 01, 2016	28,701,509	-	-	-	-	28,701,509
Add: Donation Received during the year 2016-17	29,442,825	-	858,000	975,515	96,000	31,372,340
Less: Transferred to Income and Expenditure Account on utilisation	32,428,883	-	858,000	975,515	96,000	34,358,398
Balance at the end of the year- March 31, 2017	25,715,451	-	-	-	-	25,715,451

5 Long Term Provision

	As at March 31, 2018	As at March 31, 2017
Provision for Employee Benefits -Gratuity	320,316	214,455
	<u>320,316</u>	<u>214,455</u>

6 Other Current Liabilities

Payable for Programme Expenditure	5,196,013	7,692,763
Payable to Service Providers	495,934	749,102
Liabilities for Expenses	66,000	-
Dues payable to Government Authorities	65,572	-
Employee Benefits Payable	77,563	28,533
Temporary Overdraft	66,083	-
	<u>5,967,165</u>	<u>8,470,398</u>



(All amounts in Rupees)

Particulars	Gross Block			Depreciation			Net Block			
	Cost as at March 31, 2017	Additions during the Year	Disposal during the Year	Cost as at March 31, 2018	Up to March 31, 2017	For the Year	Disposal during the Year	Up to March 31, 2018	As at March 31, 2018	As at March 31, 2017
Computer	460,341	35,200	-	495,541	318,624	102,441	-	421,065	74,476	141,717
Furniture	17,220	-	-	17,220	2,933	1,429	-	4,362	12,858	14,287
Total	477,561	35,200	-	512,761	321,557	103,870	-	425,427	87,334	156,004
<i>Previous Year's figures</i>	355,567	121,994	-	477,561	120,184	201,373	-	321,557	156,004	235,383

Previous Year's figures



Rotary South Asia Society for Development and Co-operation
Notes to financial statements for the year ended March 31, 2018

(All amounts in Rupees)

	As at March 31, 2018	As at March 31, 2017
8 Cash and Bank Balances		
Cash and Cash Equivalents		
- Cash on hand	5,351	5,298
- Balances with Banks		
On Savings Account	3,453,837	9,972,368
Other Bank Balances		
- Fixed Deposits maturing within twelve months from the period end date	12,946,074	21,865,841
	16,405,262	31,843,507
9 Short Term Loans and Advances (Unsecured and considered good, unless otherwise stated)		
Advance to Implementing Organisations	1,206,024	22,085
Advance to Employees	50,000	97,000
Advance for Expenses	48,278	1,909
TDS Receivable	341,233	256,599
Advance to Suppliers/Service Providers	-	8,000
Claims Receivable	89,050	-
Less : Provision for doubtful claim	(89,050)	-
	1,645,535	385,593
10 Other Current Assets		
Interest accrued on Fixed Deposit with banks	555,744	1,172,110
	555,744	1,172,110



	Year Ended March 31, 2018	Year Ended March 31, 2017
11 Donation		
Transferred from Programme related Funds on utilisation	21,278,577	34,358,398
General Donation	1,927,572	9,852,298
	23,206,149	44,210,696
12 Other Income		
Bank Interest	1,586,563	2,375,381
Interest on TDS Refund	5,160	-
Liability no longer required written back	471,132	-
	2,062,855	2,375,381
13 Programme Expenses *		
Teacher's Support	2,020,050	2,325,907
E-Learning	5,243,603	2,647,674
Adult Literacy	2,293,823	3,051,820
Child Development	15,041,635	32,428,883
Happy School	3,479,281	3,222,543
	28,078,392	43,676,827
13.1 Includes expenses met out of general donations and surplus of Child Development Fund after utilising Programme Related Funds, as applicable, set out in note 4.	6,799,815	9,318,429
13.2 Program Expenses include the following:		
Payment to Implementing Agencies	17,087,246	31,856,928
Salaries and Allowances	6,568,986	5,670,149
Provision for Gratuity	104,568	89,691
Programme Promotion Expenses	604,258	1,550,000
Training & Meeting Expenses	1,071,490	1,432,294
Seminar & Conference Expenses	994,838	1,213,905
Website Maintenance Expenses	894,114	422,456
Other Expenses	752,892	1,441,405
	28,078,392	43,676,827
14 Employee Benefits		
Salaries and Allowances	858,793	834,575
Contribution to Provident Fund*	64,183	14,024
Provision for Gratuity	1,293	6,025
Staff Welfare Expenses	75,434	109,405
	999,703	964,029
*Effective March 15, 2017		
15 Other Expenses		
Postage and Courier Charges	1,220	4,312
Telephone and Internet Expenses	50,358	96,470
Travelling and Conveyance Expenses	109,686	261,275
Printing and Stationery	76,744	115,971
Human Resources Expenses	82,510	100,052
Professional Fees	542,540	448,560
Advances to Suppliers written off	8,000	-
Provision for doubtful claims	89,050	-
Miscellaneous Expenses	248,705	246,780
	1,208,813	1,273,420
16 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.		
17 Previous Year's figures have been regrouped or rearranged, where considered necessary, to conform to current year's classification.		

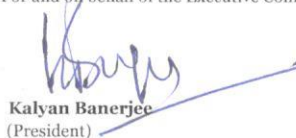
Signatures to Notes 1 to 17

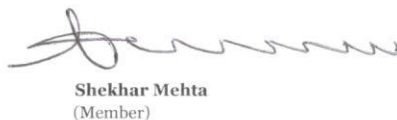
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