

INDEPENDENT AUDITOR'S REPORT TO THE BOARD MEMBERS OF UNITED WAY OF INDIA

Opinion

We have audited the financial statements of **UNITED WAY OF INDIA** ("the Society"), which comprise the Balance Sheet as at 31 March, 2019, the Income and Expenditure Account for the year then ended and notes to the financial statements, including a summary of the significant accounting policies.

In our opinion, the accompanying financial statements of the Society are prepared, in all material respects, in accordance with accounting principles generally accepted in India (Indian GAAP) including the Accounting Standards issued by the Institute of Chartered Accountants of India.

Basis for opinion

We conducted our audit in accordance with Standards of Auditing (SAs) issued by the Institute of Chartered Accountants of India (ICAI). 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 ICAI and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Society's Management is responsible for the preparation of the financial statements in accordance with the accounting principles generally accepted in India and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the entity'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 entity or to cease operation, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society's financial reporting process

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that include our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatement 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.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism 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 control 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 control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 Company to cease to continue as a going concern.

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.



For DELOITTE HASKINS & SELLS
Chartered Accountants
(Registration No. 015125N)

A handwritten signature in black ink that reads "Jitendra Agarwal".

JITENDRA AGARWAL
Partner
(Membership No. 87104)
(UDIN:19087104AAAADV7312)

United Way of India
Balance Sheet as at 31 March, 2019

	Note No.	As at 31 March, 2019 (Rupees)	As at 31 March, 2018 (Rupees)
Sources of funds			
1. Earmarked funds	3	3,78,46,185	3,18,91,288
2. Income and expenditure account balance	4	65,54,615	82,96,242
Total		<u>4,44,00,800</u>	<u>4,01,87,530</u>
Application of funds			
3. Property, plant and equipment	5	6,13,537	10,79,406
4. Current assets, loans and advances			
a. Cash and bank balances	6	4,20,67,584	3,79,32,852
b. Loans and advances	7	17,19,679	11,75,272
		<u>4,37,87,263</u>	<u>3,91,08,124</u>
5. Net current assets		<u>4,37,87,263</u>	<u>3,91,08,124</u>
Total		<u>4,44,00,800</u>	<u>4,01,87,530</u>
See accompanying notes forming part of the financial statements	1-10		

In terms of our report attached

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm's Registration No. 015125N)

Jitendra Agarwal
JITENDRA AGARWAL
Partner
(Membership No. 87104)



Place: *Gurgaon*
Date: *26 September, 2019*

FOR AND ON BEHALF OF UNITED WAY OF INDIA

Shailesh Haribhakti
Amit Goradia

SHAILESH HARIBHAKTI
Chairman

AMIT GORADIA
Treasurer

Place: *Ahmedabad*
Date: *26 September, 2019*



United Way of India
Income and Expenditure Account for the year ended 31 March, 2019

	<u>Note No.</u>	<u>Year ended 31 March, 2019 (Rupees)</u>	<u>Year ended 31 March, 2018 (Rupees)</u>
1. Income			
a. Donations received		82,73,757	89,11,357
b. Membership fees		22,50,000	22,50,000
c. Interest income		12,69,839	28,833
d. Amounts appropriated from the earmarked funds for expenditure / disbursements on specified projects/activities	3	3,22,97,577	19,42,95,988
		<u>4,40,91,173</u>	<u>20,54,86,178</u>
2. Expenditure			
a. Employee benefits expense	8	83,09,402	1,15,82,789
b. Depreciation expense	5	5,64,369	5,53,602
c. Administration and other expenses	9	46,61,452	43,91,474
d. Amounts incurred from earmarked funds for expenditure / disbursements on specified projects/activities being the appropriation from earmarked funds	3	3,22,97,577	19,42,95,988
		<u>4,58,32,800</u>	<u>21,08,23,853</u>
3. Surplus/(deficit) carried to Income and expenditure account balance	4	(17,41,627)	(53,37,675)
See accompanying notes forming part of the financial statements	1-10		

In terms of our report attached

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 015125N)

Jitendra Agarwal

JITENDRA AGARWAL
Partner
(Membership No. 87104)



Place: *Gurgaon*
Date: *26 September, 2019*

FOR AND ON BEHALF OF UNITED WAY OF INDIA

Shailesh Haribhakti

SHAILESH HARIBHAKTI
Chairman

Amit Goradia

AMIT GORADIA
Treasurer

Place: *Ahmedabad*
Date: *26 September, 2019*



United Way of India
Notes forming part of the Financial Statements

Note 1 – Background

United Way of India ('the Society') was registered on 28 July, 2009 under the Societies Registration Act, 1860 with the objective to provide charitable and other welfare related services.

The Society accepts voluntary donations, grants, contributions etc. from any person or entity. These funds are then majorly distributed to implementation partners/institutes for application in a wide range of human service programs including those in the fields of education, health, relief of the poor, relief of people effected by natural or other calamities or for the advancement of any other objects of general public utility.

The Society also accepts membership fees from its members (United Way of India Chapters) which is utilised for meeting the operating cost and administrative overheads of the Society.

Note 2 - Significant accounting policies

2.1 Basis of accounting

The financial statements of the Society have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) including the Accounting Standards issued by the Institute of Chartered Accountants of India.

The financial statements are prepared under the historical cost convention. Income mainly comprises donations received which are accounted for as mentioned in the paragraph 2.3 below. Interest income on demand deposits is accounted for when such interest is credited by bank. All expenses are accounted for on cash basis.

The Society is a Level III entity- Small and Medium Sized Enterprise (SME) as defined in the Applicability of Accounting Standards to Non-corporate Entities issued by Institute of Chartered Accountants of India. Accordingly, the Society has complied with the Accounting Standards as applicable to a Level III entity.

2.2 Use of estimates

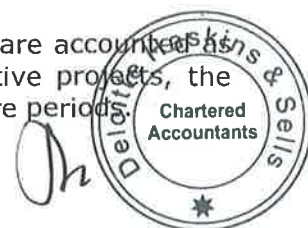
The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amount of assets and liabilities (including contingent liabilities). The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/materialise.

2.3 Recognition of grants and donations

a. Earmarked funds

Amounts received against specific projects with a stipulation that expenses are to be incurred only against specified projects are considered as 'Earmarked funds'.

Amounts spent from 'Earmarked funds' on specified projects are accounted as income and expenses to the extent incurred on the respective projects, the balance being carried forward as a liability to be spent in future periods.



United Way of India
Notes forming part of the Financial Statements

The Society transfers a specified percentage (as per the respective agreements with donors) of the donations received to itself for being incurred on general administrative purposes.

These disbursements are made to implementing partners/institutes as per the terms of project implementation agreement ("agreement") entered with them.

Further, in case the implementation of the project by the implementing partners/institutes is not as per the agreement, the Society has recourse to receive only the balance unutilised amount with the implementing partners/institutes.

b. Donations other than towards 'Earmarked Funds'

Amount received as donations towards general objects of the society are considered as donations other than towards 'Earmarked Funds'. These are recognised as income on receipt basis and are credited to the Income and Expenditure account.

c. Membership fees

Amount received as annual membership fees are recognised as income on receipt basis.

2.4 Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on property, plant and equipment has been provided on the straight line method as per the useful life of the assets which has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacements anticipated technological changes, manufacturers warranties and maintenance support etc. Accordingly, the useful life of the assets has been considered as follows:

Asset	Useful Life
i. Furniture and fixtures	10 years
ii. Office equipment	5 years
iii. Computers	3 years

Leasehold improvements are amortised over the remaining period of lease.

Full year depreciation has been provided on additions to property, plant and equipment irrespective of the date of capitalisation of assets.



United Way of India
Notes forming part of the Financial Statements

2.5 Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation/amortisation and impairment losses, if any. The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use and other incidental expenses. Subsequent expenditure relating to property, plant and equipment after its purchase/completion is capitalised only if such expenditure results in an increase in future benefits from such asset beyond its previously assessed standard of performance.

Property, plant and equipment retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately in the Balance Sheet.

2.6 Leases

Lease arrangements where the risk and rewards incidental to ownership of an asset substantially vest with lessor are recognised as operating leases.

Lease rentals under operating lease are recognised as an expense in the Statement of Profit and Loss on the basis of payment (on cash basis) according to the lease term.

2.7 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.



[Handwritten signature]



United Way of India
Notes forming part of the Balance Sheet

Note 3

Earmarked funds

(Rupees)

Name of fund	Opening balance as at 1 April, 2018	Received during the year including of interest income	Disbursed during the year	Balance as at 31 March, 2019
1. United Way Disaster Response Fund- India-Uttarakhand	54,08,242 (65,50,147)	- (1,23,288)	14,86,288 (12,65,193)	39,21,954 (54,08,242)
2. United Way Disaster Response Fund- India-Jammu & Kashmir	1,78,48,585 (2,46,93,013)	- (61,644)	12,20,662 (69,06,072)	1,66,27,923 (1,78,48,585)
3. Seed Fund - United Way Disaster Response Fund	50,00,000 (50,00,000)	- -	- -	50,00,000 (50,00,000)
4. Other projects (see note below)	36,34,461 (43,10,683)	3,82,52,474 (18,54,48,501)	2,95,90,627 (18,61,24,723)	1,22,96,308 (36,34,461)
Total	3,18,91,288	3,82,52,474	3,22,97,577	3,78,46,185
Previous year	(4,05,53,843)	(18,56,33,433)	(19,42,95,988)	(3,18,91,288)

Note:

Amounts received by the Society for 'earmarked' purposes for other projects are given to various United Way of India Chapters to be disbursed for the purpose for which these were received from the donors. The respective chapters disburse these funds for the stated purpose and provide a utilisation certificate to this effect. The Society records these expenses in its books as disbursement from the 'earmarked' funds based on these 'utilisation certificate' received from the respective Chapters. The amount disbursed and recorded based on the utilisation certificate amounts to Rs. 27,654,936 (Previous year Rs.180,668,729).

As at 31 March, 2019 (Rupees)	As at 31 March, 2018 (Rupees)
-------------------------------------	-------------------------------------

Note 4

Income and expenditure account balance

Opening balance
Add: Surplus/(deficit) for the year transferred from the Income and Expenditure Account
Closing balance

82,96,242	1,36,33,917
(17,41,627)	(53,37,675)
65,54,615	82,96,242



UNITED WAY OF INDIA

Notes forming part of the Balance Sheet

Note 5

Property, plant and equipment

Particulars	Gross block			Accumulated depreciation			Net block	
	Balance as at 1 April, 2018	Additions during the year	Balance as at 31 March, 2019	Balance as at 1 April, 2018	Depreciation/ amortisation expenses for the year	Balance as at 31 March, 2019	Balance as at 31 March, 2019	Balance as at 31 March, 2018
Tangible assets								
a. Furniture and fixtures <i>Previous year</i>	1,04,625 <i>1,04,625</i>	-	1,04,625 <i>1,04,625</i>	31,389 <i>20,926</i>	10,463 <i>10,463</i>	41,852 <i>31,389</i>	62,773 <i>73,236</i>	73,236
b. Office equipment <i>Previous year</i>	4,59,663 <i>4,59,663</i>	25,500	4,85,163 <i>4,59,663</i>	2,72,239 <i>1,80,306</i>	97,033 <i>91,933</i>	3,69,272 <i>2,72,239</i>	1,15,891 <i>1,87,424</i>	1,87,424
c. Leasehold improvements <i>Previous year</i>	19,31,031 <i>19,31,031</i>	-	19,31,031 <i>19,31,031</i>	11,58,618 <i>7,72,412</i>	3,86,206 <i>3,86,206</i>	15,44,824 <i>11,58,618</i>	3,86,207 <i>7,72,413</i>	7,72,413
d. Computers <i>Previous year</i>	1,95,000 <i>1,95,000</i>	73,000	2,68,000 <i>1,95,000</i>	1,48,667 <i>83,667</i>	70,667 <i>65,000</i>	2,19,334 <i>1,48,667</i>	48,666 <i>46,333</i>	46,333
Total	26,90,319	98,500	27,88,819	16,10,913	5,64,369	21,75,282	6,13,537	10,79,406
Previous year	26,90,319	-	26,90,319	10,57,311	5,53,602	16,10,913	10,79,406	

Note: Previous year figures are in italics



[Handwritten signature]

United Way of India
Notes forming part of the Balance Sheet

	As at 31 March, 2019 (Rupees)	As at 31 March, 2018 (Rupees)
Note 6		
Cash and bank balances		
Cash in hand	34,447	5,511
Balances with scheduled bank		
- in savings account	3,08,90,282	2,79,27,341
- in deposit accounts	1,11,42,855	1,00,00,000
	4,20,67,584	3,79,32,852
Note 7		
Loans and advances (Unsecured, considered good)		
Loans and advances-Tax deducted at source	4,13,739	2,69,332
Security deposit	13,05,940	9,05,940
	17,19,679	11,75,272



United Way of India
Notes forming part of the Income and Expenditure Account

	<u>Year ended</u> <u>31 March, 2019</u> <u>(Rupees)</u>	<u>Year ended</u> <u>31 March, 2018</u> <u>(Rupees)</u>
Note 8		
Employee benefits expenses		
a. Salaries and wages	82,85,599	1,15,50,180
b. Staff welfare	23,803	32,609
	<u>83,09,402</u>	<u>1,15,82,789</u>
Note 9		
Administration and other expenses		
a. Professional and consultancy charges	12,28,933	13,51,721
b. Travelling and conveyance	2,88,062	3,73,009
c. Communication expenses	37,317	60,499
d. Rent	24,73,012	19,91,322
e. Electricity expenses	50,410	59,244
f. Postage and courier	23,475	20,550
g. Miscellaneous expenses	5,60,243	5,35,129
	<u>46,61,452</u>	<u>43,91,474</u>



United Way of India
Notes forming part of the Financial Statements

Note 10. Previous year figures have been regrouped and reclassified, wherever necessary, to conform to the current year's classification.

FOR AND ON BEHALF OF THE UNITED WAY OF INDIA



SHAILESH HARIBHAKTI
Chairman



AMIT GORADIA
Treasurer

Place: Ahmedabad

Date: 26 September, 2019

