

INDEPENDENT AUDITOR'S REPORT

To the Managing Committee of Lords Education and Health Society

Report on the Financial Statements

We have audited the accompanying financial statements of Lords Education and Health Society ("LEHS" or "the Society"), a society registered under the Societies Registration Act, 1860, which comprise the Balance Sheet as at March 31, 2016, the Income and Expenditure Account; the Receipts and Payments Account for the year then ended; a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of LEHS in accordance with accounting principles generally accepted in India. 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.

Auditor's Responsibility

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 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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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 auditor considers 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 management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements 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, 2016;



S.R. BATLIBOI & ASSOCIATES LLP

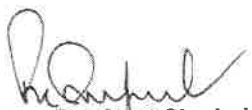
Chartered Accountants

- (b) in the case of the Income and Expenditure Account, of the excess of expenditure over income for the year ended on that date; and
- (c) in the case of the Receipts and Payments Account, of the excess of receipts over payments for the year ended on that date.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004


per **Prashant Singhal**
Partner

Membership Number: 93283

Place: *New Delhi*

Date: *29/12/2016*



LORDS EDUCATION AND HEALTH SOCIETY
(All amounts are in Indian Rupees)
Balance Sheet as at March 31, 2016

PARTICULARS	Notes	As at March 31, 2016	As at March 31, 2015
SOURCES OF FUNDS			
Members fund	2	231,016	231,016
Corpus fund	3	3,846,975	8,231,805
Income & expenditure account			
Current liabilities & provisions			
Current liabilities	4	21,307,085	5,295,827
Provisions	5	1,181,958	-
		26,567,034	13,758,648

APPLICATION OF FUNDS

Fixed assets			
Tangible assets	8	2,783,936	1,626,628
Intangible assets	8	97,442	154,674
Current assets			
Cash & cash equivalents	6	12,706,554	7,951,023
Loans and advances	7	10,979,102	4,026,323
		26,567,034	13,758,648

Summary of significant accounting policies

L.1

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S. R. Batliboi & Associates LLP
ICAI Firm registration number: 101049W
Chartered Accountants

per Prashant Singhal
Partner
Membership No.: 93283

Place: New Delhi
Date: 29/12/2016



For and on behalf of the Managing Committee of
Lords Education and Health Society

V S Gurumani
Board Member - Treasurer

Place: New Delhi
Date: 29/12/2016

Dr. Hemanth Paul
Board Member - Executive

Place: New Delhi
Date: 29/12/2016



LORDS EDUCATION AND HEALTH SOCIETY
(All amounts are in Indian Rupees)

Income and Expenditure Account for the year ended March 31, 2016

Particulars	Notes	For the year ended March 31, 2016	For the year ended March 31, 2015
Income			
Foreign remittances		131,549,790	54,750,560
Other income		1,327,130	149,504
Total Income (I)		132,876,920	54,900,064
Expenditure			
Employee benefits expense	9	31,213,274	17,108,157
Administrative expenses	10	10,193,631	7,689,586
Program expenses	11	93,915,163	39,573,849
Depreciation and amortization expense	8	1,939,682	678,387
Total expenditure (II)		137,261,750	65,049,979
Excess of expenditure over income (I-II) carried to Balance Sheet		(4,384,830)	(10,149,915)

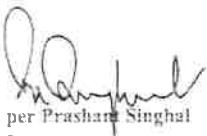
Summary of Significant accounting policies

1.1

The accompanying notes are an integral part of the financial statements

As per our report of even date


For S. R. Batliboi & Associates LLP
ICAI Firm registration number: 101049W
Chartered Accountants


per Prashant Singh
Partner
Membership No.: 93283



Place: New Delhi
Date: 29/12/2016

For and on behalf of the Managing Committee of
Lord Education and Health Society


V S Gurmami
Board Member - Treasurer

Place: New Delhi
Date: 29/12/2016


Dr. Hemant Paul
Board Member - Executive

Place: New Delhi
Date: 29/12/2016



LORDS EDUCATION AND HEALTH SOCIETY
Receipts & Payments Accounts for the year ended March 31, 2016
(All amounts are in Indian Rupees)

Receipts		Amount	Payments	Amount
Opening Balance				
Bank Accounts		7,941,227	Purchase of fixed assets	862,195
Cash-in-Hand		9,796	Advances given to suppliers	6,571,669
			Payment of security deposits	3,508,500
Amounts Received				
Grants received		131,549,790	Payment towards:	
Interest received		1,327,130	Program expenses	78,959,957
			Employee benefits expense	29,500,801
			Rent	4,694,113
			Repairs and maintenance	380,325
			Legal and professional	1,445,390
			Communication expenses	423,784
			Printing and stationery	306,415
			Training, meeting & workshop	841,729
			Miscellaneous expenses	626,511
Closing Balance				
			Bank Accounts	12,106,311
			Fixed Deposits	600,000
			Cash-in-Hand	243
Total		140,827,943	Total	140,827,943

As per our report of even date

For S. R. Batliboi & Associates LLP
 ICAI Firm registration number: 101049W
 Chartered Accountants



Prashant Singhal
per Prashant Singhal
 Partner
 Membership No.: 93283

Place: New Delhi
 Date: 29/12/2016

For and on behalf of the Managing Committee of
 Lord Education and Health Society

V S Gurmiani
V S Gurmiani
 Board Member - Treasurer



Place: New Delhi
 Date: 29/12/2016

Dr. Hemant Paul
Dr. Hemant Paul
 Board Member - Executive

Place: 29/12/2016
 Date: New Delhi

1. Basis of preparation

The financial statement of Lords Education & Health Society ("LEHS" or "Society") has been prepared in accordance with generally accepted accounting practices in India (Indian GAAP). The financial statements have been prepared on an accrual basis and under the historical cost convention.

1.1 Summary of significant accounting policies

a. Use of estimates

The preparation of financial statements requires the management to make judgments, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and the disclosures of contingent liabilities, at the end of reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

b. Fixed assets

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Cost of acquisition is net of grants, if any, received for acquiring the assets.

Gains or losses arising from de-recognition of an fixed asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Income and Expenditure Account when the asset is derecognized.

c. Depreciation

Depreciation on fixed assets is provided on the written down value of the fixed assets as per the rates given in the Income tax Act, 1961 on a pro-rata basis, from the date of purchase or from the date when is first put to use, whichever is earlier.

Depreciation on asset sold is ascertained on pro-rata basis till the date of sale.

Leasehold improvements are depreciated on straight line basis over lower of the lease period or the assessed useful life, whichever is lower.

d. Intangibles assets and their amortization

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the Income and Expenditure Account in the year in which the expenditure is incurred.

Intangible assets are amortized on the written down value of the fixed assets as per the rates given in the Income tax Act, 1961 over the estimated useful economic life. All intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Income and Expenditure Account when the asset is derecognized.

e. Impairment

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

After impairment, fixed assets / intangibles assets are depreciated / amortized on the revised carrying amount over its remaining useful life.

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Lords Education and Health Society
Schedules forming part of the Financial Statements for the year ended March 31, 2016
(All amounts are in Indian Rupees)

f. Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term investments with an original maturity of twelve months or less.

g. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to LEHS and the revenue can be reliably measured.

h. Grants

Grants received are recorded in the books on the date when the amount is actually credited in the bank account. Foreign grants are recorded in the books on the similar basis by applying the exchange rate as per AS-9 and AS-11. Grants received against specific fixed assets are presented in the Balance Sheet by disclosing the grant as a deduction from the gross value of the assets concerned in arriving at their book value. Where the grant related to a specific fixed asset equals the whole, or virtually the whole, of the cost of the asset, the asset is shown in the Balance Sheet at a nominal value. Depreciation in such a case is charged on asset value, net of grant.

Revenue grants, are recorded in the books on the date when the amount is actually credited in the bank account.

i. Expenses

Expenses are in the nature of employee related expenses; program expenses; administrative expenses; miscellaneous expenses are recorded on accrual basis.

j. Foreign currency transactions and balances

i) Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii) Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

Receipts in foreign currency are translated at the rates applicable on the date of the transactions. All transactions during the year have been converted at the actual rate applicable as certified by the principal bankers where FCRA account is being maintained. Rate of remittances to the said Offices is as under:

Location of office	Currency	Equivalent INR
Delhi	U.S Dollar	Rs.62.00

iii) Exchange differences

Exchange differences arising on the settlement of monetary items, or on reporting such monetary items of LEHS at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

Exchange differences arising on the settlement of monetary items not covered above, or on reporting such monetary items of LEHS at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

Paul

29/12/2016

