



AUDIT REPORT

We have audited the accounts of **LORD'S EDUCATION & HEALTH SOCIETY**, 5-C, Hansalya Building, 15 Barakhamba Road, New Delhi-110001, PAN No. AAATL3799B, FCRA Reg No. 231660757, Society Reg. No. S-47696 of Delhi for the financial year ending 31st March, 2018 and examined all relevant books and vouchers and certify that according to the audited accounts:

- i. the brought forward foreign contribution at the beginning of the year 1.4.2017 was Rs. **1,89,03,227.00*** ;
(* This Amount does not include Rs. 6,00,000.00 Deposited/Paid towards Fixed Deposit during the Financial Year 2015-16)
- ii. foreign contribution of worth Rs. **12,60,43,282.00** was received by the Association during the financial year 2017-18;
- iii. interest accrued on foreign contribution and other income derived from foreign contribution or interest thereon of/worth Rs. **12,89,112.00** was received by the Association during the financial year 2017-18;
- iv. the balance of unutilized foreign contribution with the Association at the end of the financial year 31.3.2018 was Rs. **3,35,44,731.00*** ;
(* This Amount includes Security Deposit of Rs. 14,61,395 which was previously treated as utilized fund & now being shown as unutilized fund by deducting it from utilization of Current Financial Year.
* This Amount does not include Rs. 6,00,000.00 Deposited/Paid towards Fixed Deposit during the Financial Year 2015-16)
- v. Certified that the Association has maintained the accounts of foreign contribution and records relating thereto in the manner specified in section 19 of the Foreign Contribution (Regulation) Act, 2010 (42 of 2010) read with rule 17 of the Foreign Contribution (Regulation) Rules, 2011.
- vi. The information in this certificate and in the enclosed Balance Sheet and statement of Receipt and Payment is correct as checked by us.
- vii. The association has utilized the foreign contribution received for the purpose(s) it is registered/ granted prior permission under Foreign Contribution (Regulation) Act, 2010

FOR CHARNALIA BHATIA & GANDHI
CHARTERED ACCOUNTANTS



(ARUN BHATIA)
Partner.
Membership No.82789

LORDS EDUCATION AND HEALTH SOCIETY

Balance Sheet as at 31st March, 2018

(All amounts are in Indian Rupees)

PARTICULARS	Notes	As at March 31, 2018	As at March 31, 2017
SOURCES OF FUNDS			
Members fund			
Corpus fund	3	231,016	231,016
Income & expenditure account	4	27,645,789	22,172,386
Non-current liabilities			
Provisions	5	3,794,544	1,227,623
Current liabilities & provisions			
Other current liabilities & provisions	6	14,629,945	12,810,975
Provisions	7	1,293,889	1,202,393
		47,595,183	37,644,393
APPLICATION OF FUNDS			
Fixed assets			
Tangible assets	16	2,404,312	2,404,883
Intangible assets	16	96,735	38,977
Current assets			
Cash & cash equivalents	8	29,270,839	16,890,262
Loans and advances	9	15,005,083	17,943,654
Other current assets	10	818,214	366,617
		47,595,183	37,644,393

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

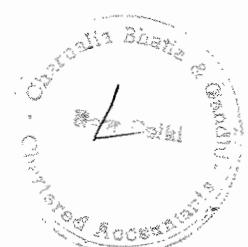
CHARNALIA BHATIA & GANDHI
CHARTERED ACCOUNTANTS

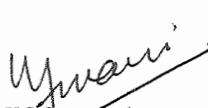
For and on behalf of the Managing Committee of
Lords Education and Health Society



ARUN BHATIA
Partner
Membership No.: 082789

Place: New Delhi
Date: 29/10/2018




V.S. Gurumani
Board Member


Rajesh Ranjan Singh
Chief Operating Officer



LORDS EDUCATION AND HEALTH SOCIETY
 Income and Expenditure Account for the year ended March 31, 2018
 (All amounts are in Indian Rupees)

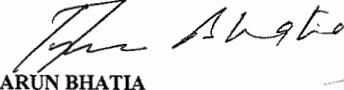
Particulars	Notes	For the year ended March 31, 2018	For the year ended March 31, 2017
Income			
Grants income	11	124,120,082	213,726,202
Other income	12	1,790,888	1,711,930
Total Income		125,910,970	215,438,132
Expenditure			
Employee benefits expense	13	16,749,717	18,702,180
Administrative expenses	14	17,918,113	17,078,577
Program expenses	15	84,888,455	160,356,768
Depreciation and amortization expense	16	881,282	1,268,229
Total expenditure		120,437,568	197,405,754
Excess of Income over Expenditure (I-II) carried to balance sheet		5,473,403	18,032,378

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
 CHARNALIA BHATIA & GANDHI
 CHARTERED ACCOUNTANTS

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


 ARUN BHATIA

Partner

Membership No.: 082789

Place: New Delhi

Date: 29/10/2018




 V.S. Gurumani

Board Member



Rajesh Ranjan Singh
 Chief Operating Officer



LORDS EDUCATION AND HEALTH SOCIETY
 Receipts & Payments Accounts for the year ended March 31, 2018
 (All amounts are in Indian Rupees)

Receipts	Amount	Payments	Amount
Opening Balance			
Bank Accounts	10,788,850	Purchase of fixed assets	938,469
Fixed Deposits	6,100,000		
Cash-in-Hand	1,412		
Advances to Vendor and Consultants etc	2,612,966		
Amount Received		Payment towards:	
Grants received	126,043,282	Program Expenses	77,591,743
Interest received	1,289,112	Employee benefits expense	18,237,035
		Rent	4,648,957
		Legal & Professional	5,209,921
		Repair & Maintenance	1,335,906
		Communication expenses	975,090
		Printing & Stationary	431,839
		Training, Meeting & Workshop expenses	992,454
		Miscellaneous Expenses	161,000
		Audit fee	1,754,610
		Travel & Conveyance Related Exp.	413,866
Closing Balance			
		Advances to Vendor and Consultants etc	3,216,131
		Security Deposits	1,511,395
		TDS Receivable	146,366
		Bank Accounts	22,414,839
		Fixed Deposits	6,856,000
		Cash-in-Hand	
Total	146,835,622	Total	146,835,622

As per our report of even date
 CHARNALIA BHATIA & GANDHI
 CHARTERED ACCOUNTANTS

ARUN BHATIA
 Partner
 Membership No.: 082789

Place: New Delhi
 Date: 29/10/2018



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

V.S Gurumani
 Board Member

Rajesh Ranjan Singh
 Chief Operating Officer



LORDS EDUCATION AND HEALTH SOCIETY
Notes to financial statements for the year ended March 31, 2018
(All amounts are in Indian Rupees)

	As at March 31, 2018	As at March 31, 2017
3. Corpus Fund		
Corpus funds	231,016	231,016
	231,016	231,016
4. Balance in Income & expenditure account		
Opening balance	22,172,386	4,140,008
Surplus/ (deficit) for the year	5,473,403	18,032,378
	27,645,789	22,172,386
5. Non-current liabilities		
Provision for Gratuity	3,794,544	1,227,623
	3,794,544	1,227,623
6. Other Current liabilities & provisions		
Trade payables	9,929,338	8,224,142
Grant Received in Advance	338,876	680,188
Employee benefits payable	2,557,523	1,770,476
Other Liabilities		
TDS payable	1,278,896	1,503,325
PF & ESI Payable	525,312	632,844
	14,629,945	12,810,975
7. Provisions		
Provision for Leave Encashment	1,293,889	1,202,393
	1,293,889	1,202,393
8. Cash and bank balances		
Cash in hand	-	1,412
<u>Balances with Scheduled banks</u>		
- in bank accounts	22,414,839	10,788,850
- in fixed deposits account	6,856,000	6,100,000
	29,270,839	16,890,262
9. Loans & advances		
Grant Receivable	10,807,645	13,072,157
Advances recoverable in cash or kind	3,216,131	2,453,876
Less: Provision for doubtful advances	(1,859,655)	-
Security deposit	1,511,395	1,461,395
Prepaid expenses	1,183,201	874,122
Advance income-tax	146,366	82,104
	15,005,083	17,943,654

10. Other current assets

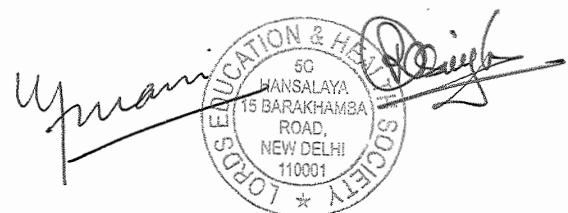
	As at March 31, 2018	As at March 31, 2017
Interest accrued but not due on fixed deposits	818,214	366,617
	818,214	366,617

Interest accrued but not due on fixed deposits

fixed deposits

LORDS EDUCATION AND HEALTH SOCIETY
 Notes to financial statements for the year ended March 31, 2018
 (All amounts are in Indian Rupees)

	For the year ended March 31, 2018	For the year ended March 31, 2017
11. Grants income		
Grant Income	124,120,082	213,726,202
	124,120,082	213,726,202
12. Other income		
Interest income on		
Bank account	1,289,112	890,899
Bank deposits	501,776	821,031
Miscellaneous income	-	-
	1,790,888	1,711,930
13. Employee benefits expense		
Salary, wages and bonus	13,802,492	15,640,456
Contribution to provident and other funds	1,087,693	3,054,689
Staff welfare expenses	209,553	333,620
Gratuity Expenses	1,649,979	(326,585)
	16,749,717	18,702,180
14. Administrative expenses		
Rent	5,670,391	5,686,705
Legal and professional	4,060,926	7,500,533
Repairs and maintenance	3,397,649	1,049,692
Communication costs	969,202	545,207
Printing and Stationery	494,450	388,031
Audit Fees (refer details below)	500,000	500,000
Training,Meeting & Workshop	775,603	733,115
Provision for Bad Debts	1,859,655	-
Miscellaneous expenses	190,237	675,294
	17,918,113	17,078,577
Payment to Auditor		
As Auditor	500,000	500,000
- Audit Fees	500,000	500,000
	500,000	500,000
15. Program Expenses		
Public Health Centre expenses*	63,704,111	119,219,089
Legal and Professional fees	10,202,059	28,491,060
Travelling and conveyance	8,102,514	9,120,580
Training,Meeting & Workshop	1,649,742	1,945,908
Printing and Stationery	230,029	580,131
Donation	1,000,000	1,000,000
Total	84,888,455	160,356,768



Lords Education and Health Society
Schedules forming part of the Financial Statements for the year ended March 31, 2018
(All amounts are in Indian Rupees)

1. Nature of operations

Lords Education and Health Society ("LEHS" or "The Society") is a registered society incorporated under Societies Registration Act, 1860 with an objective to promote and conduct charitable activities in health and education sectors. The objects of the Society and activities carried out by the Society are exclusively for the purpose of the advancement and propagation of education and health sectors.

2. 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.

2.1 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 a 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 it 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.

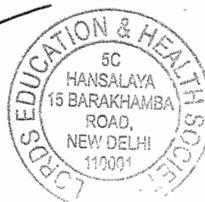
Intangible assets are amortized on the written down value of the fixed assets as per the rates given in the Income tax Act, 1961 over the estimated useful economic life. All intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

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.



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Lords Education and Health Society
Schedules forming part of the Financial Statements for the year ended March 31, 2018
(All amounts are in Indian Rupees)

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.

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.

Grants

Grants, subsidies and advances from the government and other entities are recognized when there is reasonable assurances that grant/subsidy/advance will be received and all attaching conditions attached to the grant/subsidy/advance will be complied with.

Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest Income is included under the head "other income" in the Income and Expenditure Account.

h. Retirement and other employment benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The society has no obligation, other than the contribution payable to the provident fund. The society recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre—payment will lead to, for example, a reduction in future payment or a cash refund.

The company operates two defined benefit plans for its employees, viz., gratuity and leave encashment. The costs of providing benefits under these plans are determined on the basis of actuarial valuation at each year end-end. Separate actuarial valuation is carried out for each plan using the projected unit credit method. Actuarial gains and losses for both defined benefit plans are recognized in full in the period in which they occur in the income and expenditure account.

i. Foreign currency transactions and balances

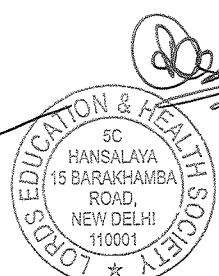
i) Initial recognition

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.



Lords Education and Health Society
Schedules forming part of the Financial Statements for the year ended March 31, 2018
(All amounts are in Indian Rupees)

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.

j. Provisions

Provisions are recognized when there is a present obligation as a result of past event, for which it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. Provision is not discounted to its present value and is determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the best current estimate.

k. Corpus fund

Contributions received from members and non-members towards lifetime membership of the society, where the amount contributed is not refundable in the event of membership termination, are credited under the caption "Corpus Fund" in the Balance Sheet.

l. Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the society or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Society does not recognize a contingent liability but discloses its existence in the financial statements.

17. The Society has obtained registration under section 12A & 80G of the Income tax Act, 1961 with effect from November 24, 2003. The society is exempt under section 11 of the Income Tax Act with respect to the income and the donors are also eligible to certain tax exemptions under the Income tax act. These registrations are valid as on date of financial statements
18. On the basis of information available with LEHS, there are no transactions with any micro, small or medium enterprises as defined under the Micro, small and medium enterprises development Act, 2006.

As per our report of even date

For Charnalia, Bhatia & Gandhi
Chartered Accountants
Firm registration number:

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

Arun Bhatia
Partner
Membership Number: 082789
Place: New Delhi
Date: 29/10/2018

V. S. Gurumani
Board Member

Rajesh Ranjan Singh
Chief Operating Officer

