

## **Independent Auditor's Report**

**To the Members of M/s PRAYATNA**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of M/s PRAYATNA ('the Society') a society registered under the Society Registration Act 1860, which comprise the Balance sheet as at 31 March 2018 and the statement of Income and Expenditure Account, for the year ended and a summary of significant accounting policies and other explanatory information ("Financial statements").

### **Management's Responsibility for the Financial Statements**

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

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the organization and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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 Accountant 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 the 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 financial control relevant to the Society's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Society has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls.

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Society's Governing Board, 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 on the financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial



# HSK & Associates

## Chartered Accountants

statements, read with other notes given thereto give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of Balance Sheet, of the state of affairs of the society as at 31<sup>st</sup> March 2019; and
- b) In the case of Income & Expenditure, of the surplus of the year ended on that date;

### Other Matters

- (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) in our opinion proper books of account as required by law have been kept by the Society so far as it appears from our examination of those books;
- (c) the balance sheet and Income & Expenditure dealt with by this Report are in agreement with the books of account

**For HSK and Associates**  
**Chartered Accountants**  
Firm Registration No. 020816C



**Hari Shankar Kumar**  
Proprietor  
Membership No.:516448

**Place: Patna**  
**Date: 05/09/2019**

**PRAYATNA**

(village+Post -Bharwari, Muzaffarpur, Bihar)

**Balance Sheet as at****IN INR**

	Note	31st March 2019	2018
<b>SOURCES OF FUNDS</b>			
General Funds- Opening Balance	1	242,651.07	199,658.96
FCRA Fund		-	450,500.00
	<b>A</b>	242,651.07	650,158.96
<b>Liabilities</b>			
Unsecured Loan		192,227.00	-
Other Current Liabilities	2	155,950.00	500.00
Grants unspent balance	14	1,049,217.50	-
		-	-
	<b>B</b>	1,397,394.50	500.00
	<b>(A+B)</b>	<b>1,640,045.57</b>	<b>650,658.96</b>
<b>APPLICATION OF FUNDS</b>			
Fixed Assets	15	186,357.02	188,743.20
		-	-
	<b>C</b>	<b>186,357.02</b>	<b>188,743.20</b>
Cash & Bank	3	1,308,336.55	458,739.76
Other current assets	4	145,352.00	3,176.00
	<b>D</b>	<b>1,453,688.55</b>	<b>461,915.76</b>
		-	-
	<b>(C+D)</b>	<b>1,640,045.57</b>	<b>650,658.96</b>
	<b>16</b>		


**Significant Accounting Policies**


The Accompanying notes from 1-15 are integral part of Financial Statement


As per our report of even date annexed

FOR HSK AND ASSOCIATES  
 CHARTERED ACCOUNTANTS  
 Firm Registration No. 020816C

For and on behalf of the Board  
 PRAYATNA

  
 Hari Shankar Kumar  
 Proprietor  
 Membership No. 516448

  
 Pratik Kumar  
 President

  
 Prabhat Kumar  
 Treasurer

Place : Patna

Date : 05.09.2019

**PRAYATNA**

(village+Post -Bharwari, Muzaffarpur, Bihar)

INR

Income & Expenditure Account for the year ended	Schedule	31st March	
		2019	2018
<b>INCOME</b>			
Grants Income	14	4,799,655.00	244,057.00
Donation		463,100.00	51,200.00
Membership Fee		15,000.00	15,500.00
Local Contributions		60,349.00	361,600.00
Training Fees		62,350.00	
Miscellaneous Receipts			126.00
Interest - Non FCRA Account		3,501.00	1,107.00
Interest - FCRA Account		18,026.00	802.00
<b>Total</b>		<b>5,421,981.00</b>	<b>674,392.00</b>
<b>EXPENDITURE</b>			
V.T. for Sewing & Knitting, Muzaffarpur	5	-	103,241.00
Establishment Expenses	6	34,018.00	145,234.00
NBV- Think Tank	7	703,612.00	-
Traing Expenses Muzaffarpur	8	17,237.00	-
India Peace Center	9	39,267.00	-
Traing Expenses Nehru Yuva Kendra	10	12,296.00	-
Nitya Bal Vikas Deutschland	11	311,685.00	-
Malaria No More USA	12	2,334,190.50	-
Smile Foundation	13	332,150.00	-
jahangirpuri Program Expenses		206,974.00	-
Mayur Vihar Livelihood Centre		293,232.00	-
Bank Charges : FCRA Account		3,276.21	365.50
Bank Charges : Other Account		2,247.50	265.50
Program Expenses		-	80,233.00
Free Coaching Centre		-	88,253.00
CASP Programme		-	165,029.00
Sustainable Development & Media workshop		-	50,102.00
Depreciation		39,586.18	28,754.40
Grants Unspent Balance		1,049,217.50	
<b>Total</b>		<b>5,378,988.89</b>	<b>661,477.40</b>
Excess of Income over Expenditure		42,992.11	12,914.60
<b>Tax expense:</b>			
Current tax		-	-
Deferred tax		-	-
<b>Surplus after Tax transferred to Balance Sheet</b>		<b>42,992.11</b>	<b>12,914.60</b>
Significant Accounting Policies	16		

The Accompanying notes from 1-15 are integral part of Financial Statement

As per our report of even date annexed

FOR HSK AND ASSOCIATES  
CHARTERED ACCOUNTANTS  
Firm Registration No. 020816C

Hari Shankar Kumar  
Proprietor  
Membership No. 516448  
Place : Patna  
Date : 05.09.2019

For and on behalf of the Board

  
Prabhakar Kumar  
2008

  
Prabhat Kumar  
2003

President

Treasurer

## Schedules forming part of the accounts

## Schedule 1

Particulars	2019	2018
General Funds- Opening Balance	199,658.96	186,744.36
Add : Excess of income over Expenditure	42,992.11	12,914.60
Closing Balance		
Total	<b>242,651.07</b>	<b>199,658.96</b>

## Schedule 2

Particulars	2019	2018
<b>Other Current Liabilities</b>		
Audit Fee Payable	27,000.00	-
Expenses Payable	19,800.00	-
Salary Payable	103,950.00	-
TDS Payable	5,200.00	-
Total	<b>155,950.00</b>	-

## Schedule : 3

Particulars	2019	2018
<b>Cash &amp; Bank</b>		
Cash		
FCRA Account ( 30134711191)	28,848.50	1,369.00
Non FCRA Account ( 10058115091)	917,663.79	452,396.50
Total	<b>361,824.26</b>	<b>4,974.26</b>
Total	<b>1,308,336.55</b>	<b>458,739.76</b>

## Schedule : 4

Particulars	2019	2018
<b>Other Current Assets</b>		
Security Depositsb- Jahangir puri	8,500.00	-
Security Deposits- Malaria eliminaiton Trust	10,000.00	-
Security Deposits- Bhubneswar	105,000.00	-
Security Deposits- jahangirpuri	5,000.00	-
Security Deposits- Bihar Office	10,500.00	-
TDS Receivable	6,352.00	-
Total	<b>145,352.00</b>	-

## Schedule: 5

Particulars	2019	2018
<b>V.T. For Sewing &amp; Knitting</b>		
Honorarium	-	90,000.00
Other Exp	-	13,241.00
Total	-	<b>103,241.00</b>

## Schedule: 6

Particulars	2019	2018
<b>Establishment Exp :</b>		
Honorarium	-	72,000.00
Registraiton Charge	10,000.00	-
Membership	3,540.00	-
Office Running Exp	7,312.00	73,234.00
Programme Related Exp	13,166.00	-
Total	<b>34,018.00</b>	<b>145,234.00</b>



Schedules forming part of the accounts

Schedule: 7

Particulars	2019	2018
<b>NBV- Think Tank Project</b>		
Admin Expenses	130,000.00	-
Local Convayance	27,755.00	-
Office Equipment	3,850.00	-
Office Material	24,630.00	-
Office Rent	84,000.00	-
Project Activitie	78,913.00	-
Salary TTP	350,000.00	-
Website Wix.Com	4,464.00	-
Total	703,612.00	-



**Schedule: 8**

Particulars	2019	2018
<b>Traing Expenses Muzzaffarpur</b>		
Honorarium	7,000.00	-
Other Exp	10,237.00	-
<b>Total</b>	<b>17,237.00</b>	<b>-</b>

**Schedule: 9**

Particulars	2019	2018
<b>India Peace Center</b>		
Training Exp	30,097.00	-
Travel Exp	9,170.00	-
<b>Total</b>	<b>39,267.00</b>	<b>-</b>

**Schedule: 10**

Particulars	2019	2018
<b>Traing Expenses Nehru Yuva Kendra</b>		
Training Expenses	12,296.00	-
<b>Total</b>	<b>12,296.00</b>	<b>-</b>

**Schedule: 11**

Particulars	2019	2018
<b>Nitya Bal Vikas Deutschland</b>		
Infrastructure	118,166.00	-
Project Activities	36,019.00	-
Salary	157,500.00	-
<b>Total</b>	<b>311,685.00</b>	<b>-</b>

**Schedule: 12**

Particulars	2019	2018
<b>Prayatna- Malaria No More</b>		
Guwahati Event Exp	1,302,591.00	-
Mumai Exp	11,275.00	-
Noida Delhi Exp	35,326.00	-
Noida Office Admin Exp	102,778.00	-
Odisha bhubaneswar exp	882,220.50	-
<b>Total</b>	<b>2,334,190.50</b>	<b>-</b>

**Schedule: 13**

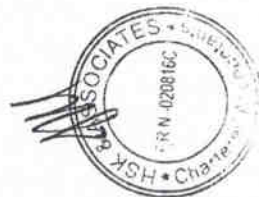
Particulars	2019	2018
<b>Smile Foundation- Step Project</b>		
AMC	8,000.00	-
Center Mobilization Cost	9,825.00	-
Centre Rent	42,000.00	-
Centre running cost	50,145.00	-
Printing & Stationery STep	7,395.00	-
Salaries	210,000.00	-
Workshops	4,785.00	-
<b>Total</b>	<b>332,150.00</b>	<b>-</b>



Schedules forming part of the accounts  
Schedule 14

**DONOR UTILIZATION STATEMENT F.Y. ( 2018-19)**

Particulars	2019			2018		
	Grant Received	Unspent Balance	Grant Utilised	Grant Received	Unspent Balance	Grant Utilised
Improvement of Govt. Primary School in Bihar- FCRA Fund						
Grant From Deutschland through NEFT dtd. 09.03.2018						
Less: Unspent Balance of the Grant				450,000.00	450,000.00	-
CAAP Program : Grant in Aid From NIIT Foundation						
Received Through Cheque				28,586.00		28,586.00
Add : In the form of TDS				3,176.00		3,176.00
Add : Institutions Own Contributions				162,193.00		162,193.00
Sustainable Development & Role of Media Workshop :						
Grant in Aid Received from Vishwa yuvak Kendra				50,000.00		50,000.00
Add : Institutions Own Contribution				102.00		102.00
Grant in Aid Received from Deepak Kumar				500.00	500.00	
( Individual Donor ) Behrain through NEFT dtd. 29.05.17						
NBV- Think Tank (FCRA )						
- Nehru Yuva Kendra	1,063,714.00		12,296.00			
- Traing Expense, Muzaffarpur			311,685.00			
- India Peace Centre			17,237.00			
-Nitya Bal Vikas, Duetschelnd			39,267.00			
-Unspent Balance Brought Forward	450,500.00	430,117.00	703,612.00			
Malaria No More USA (FCRA)	2,686,441.00	352,250.50	2,334,190.50			
Smile Foundation	599,000.00	266,850.00	332,150.00			
Grant Income During the Year	4,799,655.00	1,049,217.50	3,750,437.50	696,575.00	450,500.00	244,057.00





## Schedules forming part of the accounts

## Schedule 15

## PRAYATNA

## Fixed Assets

Vill+ P.O. - Bharwari, Dist- Muzaffarpur ( Bihar )

1-Apr-2018 to 31-Mar-2019

Particulars	Rate of Depreciat ion	As at 01.04.2018	Additions before 01.10.18	Additions after 01.10.18	Depreciation	As at 31.03.2019
Almirah	10%	16,526.52			1,652.65	14,873.87
Books	10%	6,064.84			606.48	5,458.36
Computer & Printer	60%	5,123.72	21,600.00	15,600.00	20,714.23	21,609.49
Cultural Equipments	10%	7,241.35			724.14	6,517.22
Cycle	10%	209.40			20.94	188.46
Educational Equipme	10%	8,595.79			859.58	7,736.21
Furniture & Fixture	10%	80,236.94	-		8,023.69	72,213.25
Knitting Machine	10%	12,394.48			1,239.45	11,155.03
Medical Equipments	10%	11,936.80			1,193.68	10,743.12
Mobile Phone	10%	3,330.36			333.04	2,997.32
Play Equipments	10%	5,939.13			593.91	5,345.22
Sewing Machine	10%	4,839.23			483.92	4,355.31
Software - IT	15%	10,200.00			1,530.00	8,670.00
Stiching Machine	10%	3,127.65			312.77	2,814.89
Training Equipments	10%	2,600.41			260.04	2,340.37
Typing Machine	10%	10,376.58			1,037.66	9,338.92
<b>Total</b>		<b>188,743.20</b>	<b>21,600.00</b>	<b>15,600.00</b>	<b>39,586.18</b>	<b>186,357.02</b>



Significant accounting policies  
Schedule 15

1. Prayatna is a Society registered under the Societies Registration Act, 1860. The main object of the Society is to provide treatment and health services, to provide training to the person to earn their livelihood.

The Society has been granted an exemption under section 12A of the Income Tax Act, 1961. The exemption has been granted with effect from 01.04.2007.

Further, the Society has been registered under the Foreign Contribution (Regulation) Act, for carrying out activities of social nature with registration no. 031140103 and renewed vide letter no. No. 0300011142017 dated 05.02.2018 valid for five years.

2. Significant accounting policies

- a. Basis of preparation of financial statements

The financial statements of the Society have been prepared under the historical cost convention on the accrual basis of accounting in accordance with the applicable accounting standards issued by the Institute of Chartered Accountants of India and the Generally Accepted Accounting Principles ("GAAP") in India,

In the Income and Expenditure account, expenses are reported according to following functional classifications:

- (1) Programme Expenditure
- (2) Establishment Expenses

- b. Fixed assets

Fixed assets are stated at historical cost less depreciation. The cost of fixed assets includes taxes, duties, freight and other incidental expenditure related to acquisition and installation.

- c. Income Recognition

Grant Income is recognized in Income and Expenditure account and unspent balance of Grant is transferred to Balance Sheet in the head of current liabilities.

- d. General Funds

General funds are unrestricted funds which have not been designated for any specific purposes. They are available for use at the discretion of the management in furtherance of the general objectives of the society.

- e. During the year, the Society received various Grants from donors both FCRA and Non FCRA, Details whereof have been shown in Schedule 14. During the year Society has received a Grant of Rs. 434,915.55 and also had an unspent balance of Grant was Rs. 450,500.



- f. Program Expense for Maleria No More includes Audit Fee of Rs. 30000 for the year 2018-19.
- g. The figures for the previous year have been regrouped/ rearranged wherever considered necessary to conform to the current years classification.

FOR HSK AND ASSOCIATES  
CHARTERED ACCOUNTANTS  
Firm Registration No. 020816C

For and on behalf of the Board  
PRAYATNA



Hari Shankar Kumar  
Proprietor  
Membership No. 516448



Pratik Kumar  
President



Prabhat Kumar  
Treasurer

Place : Patna  
Date : 05.09.2019