



AUDITORS' REPORT

To

The Members
Child Fund India
New Delhi 110019

We have audited the accompanying financial statements consisting of Balance sheet as at 31st March 2011 of **CHILD FUND INDIA**, a society under the Societies Registration Act 1860, (Reg. No. S15160) having its registered office at 6/6, Jang Pura Extension, New Delhi and Income & Expenditure account for the year ended on that date.

1. These financial statements covering Notes to the Accounts are the responsibility of the Society's management and our responsibility is to express an opinion on these financial statements based on the audit.
2. We have conducted the audit of the accompanying financial statements in accordance with the auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are true and fair and free of all material misstatements. This is done by examining on test basis, evidence supporting the amounts and disclosures in the financial statements. We have also relied on internal controls that Child Fund India is following.
3. An audit includes assessing the reasonableness of the accounting policies used and significant estimates made by the management as well as evaluating the true and fair view of the financial statements. We believe that our audit provides a reasonable basis of our opinion.
4. Based on our audit of the attached financial statements, we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of the audit, except
 - Confirmation from concerned stakeholders for utilising contribution of ₹ 45.21 lakhs rec'd till year-end (₹ 21.27 lakhs received during the year), towards formation of a Central level Federation (as mentioned under note 3),
 - Non availability of audit certificates for the sub-grants given to NGO Partners, and
 - Confirmation of ₹ 16.88 lakhs receivable from Child Fund International



(ii) Further, in our opinion and to the best of our information and according to the explanation given to us, the said accounts subject to

- inadequate audit mechanisms to substantiate the disbursements being made at the cluster level,
- change in accounting policy from cash-basis to accrual basis, although as noted under para 2(b) & 2(c) there are exceptions,
- Depreciation during the year has been provided on written-down-value method compared to straight line method in previous year.

Give a true and fair view of:-

- a) In case of the Balance sheet, read together with the Notes to the accounts, of the state of affairs of the society as at 31st March 2011, and
- b) In case of the Income & Expenditure Account, read together with the Notes to the accounts, of the surplus of Income over expenditure for the year ended on that date.

As per our audit report of even date attached

For Subhash Mittal & Associates
Chartered Accountants
(F.R.No. 009976N)



S.Mittal
(Partner)
M.No. 83619

Place: New Delhi
Date: 1 Nov'2011

**CHILD FUND INDIA
NEW DELHI, INDIA
BALANCE SHEET AS AT 31-03-2011**

PARTICULARS	SCHEDULE NO.	AS AT 31-03-11 (₹)	AS AT 31-03-10 (₹)
<u>SOURCES OF FUNDS</u>			
Reserve Fund	I	2,894,997	1,976,484
Corpus Fund	-	439,037	439,037
Contingency Fund	-	495,545	-
Child Fund International Fund	II	23,795,000	5,727,996
APSACS Grant	III	23,947,769	4,066,130
Fondation Antenna Fund	-	764,361	-
Local Sponsorship	-	403,046	-
TOTAL(Rs.)		52,739,755	12,209,647
<u>APPLICATION OF FUNDS</u>			
Fixed Assets			
Gross Block	IV	2,493,282	1,332,625
Less: Accumulated Depreciation		(1,502,989)	(1,265,124)
Net Block		990,293	67,501
Current Assets Loans and Advances:			
Cash & Bank Balance	V	55,155,343	14,370,201
Loans & Advances		2,289,950	446,943
Deposits		35,000	18,000
Less : Current Liabilities and Provisions	VI	(5,730,831)	(2,692,998)
Net Current Assets		51,749,462	12,142,146
TOTAL(Rs.)		52,739,755	12,209,647
Significant accounting policies and notes to accounts	VII		
The Schedule referred to above form an integral part of the accounts			

For Child Fund India

Board of Trustees

(Signature)
(President)



(Signature)
(Treasurer)

As per our audit report of even date attached
For Subhash Mittal & Associates
Chartered Accountants
F.R.No.-009976N



Place: New Delhi

Date: 1 NOV 2011

CHILD FUND INDIA
NEW DELHI, INDIA
INCOME & EXPENDITURE FOR THE YEAR ENDED 31-03-2011

PARTICULARS	AS AT 31-03-11		AS AT 31-03-10	
INCOME				
<u>Grant Incomes</u>				
Non Sponsorship Programs	1,647,341		265,146	
Sponsorship Subsidy - ChildFund International	45,848,204		6,164,089	
Designated Fund Certificates - Sponsorship	9,255,086		650,078	
AP-SACS	15,575,317	72,325,948	7,171,813	14,251,126
<u>Other Income</u>				
Donation	117,263		46,500	
Bank Interest	494,077		338,586	
Misc	294,863		1,550	
Community Contribution	12,510		21,078	
Old Liabilities Written Back	-		198,321	
Management Services Fees	-	918,513	882,703	1,468,738
TOTAL (A) (₹)		73,244,461		16,739,864
EXPENDITURE				
<u>Sponsorship Subsidy-Child Fund International</u>				
Services for children	25,220,331			
SR Management Expenses	3,318,497			
Program support Cost	13,570,547			
Operating Expenses	3,005,420			
Provision for Contingency	495,545			
Depreciation	237,865	45,848,204		7,248,614
<u>AP-SACS PROGRAMME</u>				
Programs Expenses	1,381,218			
Personnel Expenses	8,952,407			
Operating Expenses	5,241,692	15,575,317		7,171,813
<u>OTHER EXPENSES</u>				
DFCs paid	9,255,086		650,078	
Other Non Sponsorship Expenses	1,647,341	10,902,427	265,146	915,224
TOTAL (B) (₹)		72,325,948		15,333,661
Excess of income over expenditure (A-B)		918,513		406,213

For Child Fund India

As per our audit report of even date attached

Board of Trustees

For Subhash Mittal & Associates

Chartered Accountants

F.R.No.-009976N

(President)



(Treasurer)



Place: New Delhi

Date: 1 NOV 2011

CHILD FUND INDIA
NEW DELHI, INDIA
RECEIPTS & PAYMENTS FOR THE YEAR ENDED 31-03-2011

PARTICULARS	SCHEDULE NO.	AS AT 31-03-11	AS AT 31-03-10
RECEIPTS			
<u>Opening Balances</u>			
Cash & Bank Balances	V	14,370,201	7,029,570
Loans & Advances		448,943	-
Deposits		18,000	18,000
FUNDS INFLOW			
Non-Sponsorship Programs		1,702,599	220,305
Sponsorship Subsidy - ChildFund International		62,586,875	8,863,180
Designated Fund Certificates - Sponsorship		10,528,161	801,375
AP-SACS		35,456,956	11,237,943
Local Sponsorship		403,046	-
Fondation Antenna		784,361	-
Other Receipts:-			
Donation		117,263	46,500
Bank Interest		494,077	338,586
Misc		294,663	1,550
Community Contribution		12,510	21,078
Old Liabilities written back		-	198,321
Receipts from SHGs		2,185,599	1,082,614
Management Services Fees		-	882,703
TOTAL (A) (₹)		129,381,264	30,551,725
PAYMENTS			
<u>Expenditure</u>			
ChildFund International - Subsidy expenses		45,848,206	7,246,614
AP SACS Program expenses		15,575,317	7,171,813
DFCs paid		9,255,086	850,078
Other Non-Sponsorship expenses		1,647,340	265,146
Purchase of Fixed Assets		1,160,657	-
KC Mahindra receivables written off		-	95,236
SHG expenses		58,600	43,360
Less: Transferred to contingency reserve		(495,545)	-
Less: Depreciation charged		(237,865)	(176,263)
Less: Provisions and liabilities		(1,209,227)	(298,303)
Payment of Liabilities and provisions of P.Y		298,393	718,890
<u>Closing Balances</u>			
Cash & Bank Balances	V	55,155,343	14,370,201
Loans & Advances		2,269,950	448,943
Deposits		35,000	18,000
TOTAL (B) (₹)		129,381,264	30,551,725

For Child Fund India

As per our audit report of even date attached

Board of Trustees

For Subhash Mittal & Associates

(President)

Chartered Accountants

F.R.No.-009976N



(Treasurer)



Place: New Delhi

Date: 11 NOV 2011

CHILD FUND INDIA
NEW DELHI, INDIA

NOTES TO ACCOUNTS: For the Financial Year ending March 31, 2011

1. BASIS OF RECORDING

The Society has been undertaking its accounting on accrual basis.

2. PRINCIPAL ACCOUNTING POLICIES

The accounts have been prepared under the historical cost convention. The summary of important accounting policies used during the financial year 2010-11.

- a) Child Fund India has been amortised its assets using Written Down Value Method. This method has continued during the year and the depreciation rates are as follows:

<u>Type of Assets</u>	<u>Dep. Rate</u>
Computers	33.3%
Office Equipment	20%
Motor Vehicles	20%
Furniture & furnishings	15%

Assets once fully depreciated, but not disposed off are retained in the asset at a token value of Re 1 till disposed, for the purposes of internal controls.

- b) In view of contractual terms in most grants, any excess grant received during the year is treated as unutilised grant. From this expenditure actually utilised is then recognised as grant income in the Income & expenditure Account.
- c) Donations received by Child Fund India during the year have been treated as Income.
- d) Programs implemented through other partner NGOs are treated as sub-grants and are charged to expenses at the time of disbursement. Unspent balance received from partner NGOs at the closure of the program is treated as income in the year of its receipt.
- e) Funds received from beneficiaries of LEEP programme have been taken as a liability to be paid to SHGs.



3. FUNDS PAYABLE TO SHGs/ SHGs' FEDRATION

Rs 21,26,999 (net of any minor expenses) has been contributed by SHG members as part of contribution to National level Federation being promoted by ChildFund India. These amounts are deposited with ChildFund India, pending creation of legal entities for the concerned SHGs.

4. CONTINGENT LIABILITIES

A case in the Labour Court has been filed by one of the ex-employees for various dues to her including promotion. While necessary provision for her salary dues, etc. have been provided in these accounts. In case of any adverse decision by the Court, any additional amount, which cannot be ascertained at this stage, may become payable.

5. INCOME & EXPENDITURE ACCOUNT

Expenses incurred under each grant have been disclosed separately for better presentation.

6. RESERVE FUNDS

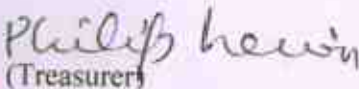
- a) As mentioned above, grant-wise position has been reflected on the face of Balance sheet.
 - b) Starting this year, a contingency reserve fund has been created and an amount of Rs.495,545 has been provided during this year towards this fund.
7. Previous year figures have been regrouped as considered necessary for comparison.

For Child Fund India

Board of Trustees


(President)




(Treasurer)

As per our audit report of even date attached

For Subhash Mittal & Associates

Chartered Accountants

F.R.No.-009976N



Place: New Delhi

Date: 1 NOV 2011