

INDEPENDENT AUDIT REPORT

The Trustees

Rural Education and Development (Read) India

Opinion

We have Audited the accompanying Financial Statements of **Rural Education and Development (Read) India**, a Trust registered by Trust Deed with Sub Registrar V, Delhi, comprising of Balance Sheet as at 31st March 2020, Income and Expenditure Account for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the entity as at March 31, 2020, and of its financial performance for the year then ended in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI).

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by 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 entity in accordance with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the aforesaid Accounting Standards, 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 operations, or has no realistic alternative but to do so.



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

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes 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. Misstatements 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.

Date: 14/01/2021
Place: New Delhi

For Shiv and Associates
(Chartered Accountants)
Firm Registration No. 009989N



Amit Singhal
(Partner)

Membership No. 098417

RURAL EDUCATION AND DEVELOPMENT (READ) INDIA
Balance Sheet as at March 31, 2020

	Schedules	March 31, 2020 (Rs.)	March 31, 2019 (Rs.)
SOURCES OF FUNDS			
Capital Fund	1	1,17,21,670	89,26,906
Capital Assets Fund	2	4,12,998	4,48,228
Unutilised Grants	3	3,12,14,481	1,46,16,074
Total		4,33,49,149	2,39,91,208
APPLICATION OF FUNDS			
Fixed Assets	4	4,12,998	4,48,228
Current Assets, Loans and Advances			
Cash and Bank Balances	5	4,52,24,693	2,55,65,588
Loans and advances	6	50,93,545	33,89,116
(A)		5,03,18,238	2,89,54,704
Less: Current Liabilities & Provisions	(B) 7	73,82,087	54,11,724
(A - B)		4,29,36,151	2,35,42,980
Total		4,33,49,149	2,39,91,208
Notes to Accounts	11	-	-

The schedules referred to above and notes to accounts form an integral part of Balance Sheet.

For and on behalf of
Rural Education and Development (READ) India

Geeta Malhotra
Geeta Malhotra
 Country Director



Place : New Delhi
 Date : 14.01.2021

As per our report of even date
For Shiv & Associates
 Firm's Registration no: 009989N
Chartered Accountants

Amit Singhal
Ca. Amit Singhal
 Partner
 Membership No. 98447



Place : New Delhi
 Date : 14.01.2021

RURAL EDUCATION AND DEVELOPMENT (READ) INDIA
Statement of Income and Expenditure for the year ended March 31, 2020

	Schedules	March 31, 2020 (Rs.)	March 31, 2019 (Rs.)
Income			
Grants/ Donations Received			
Specific Purpose Grant Income	3	8,21,05,016	7,64,11,660
General Purpose Grant Income		74,904	-
Other Income	8	66,02,701	55,03,103
		8,87,82,621	8,19,14,763
Expenditure			
Specific Purpose Grant Expenditure	9	8,21,05,016	7,64,11,660
Depreciation	4	81,230	77,945
Other Operational Expenses	10	38,82,841	26,26,093
		8,60,69,087	7,91,15,698
Excess of Income over expenditure		27,13,534	27,99,065
Add: Depreciation transferred to Capital Assets Fund		81,230	77,945
Excess of Income over expenditure transferred to Capital Fund		27,94,764	28,77,010
Notes to Accounts	11		

The schedules referred to above and notes to accounts form an integral part of Statement of Income and Expenditure.

For and on behalf of
Rural Education and Development (READ) India

Geeta Malhotra

Geeta Malhotra
Country Director



Place : New Delhi
Date : 14.01.2021

As per our report of even date
For Shiv & Associates
Firm's Registration no: 009989N
Chartered Accountants

Amir Singh
Ca. Amir Singh
Partner
Membership No. 98417



Place : New Delhi
Date : 14.01.2021

RURAL EDUCATION AND DEVELOPMENT (READ) INDIA
Schedules to the accounts

Particulars	March 31, 2020 (Rs.)	March 31, 2019 (Rs.)
Schedule 1: Capital Fund		
Opening Balance	89,26,906	60,49,896
Add: Balance transferred from Income and Expenditure Account	27,94,764	28,77,010
	<u>1,17,21,670</u>	<u>89,26,906</u>
Schedule 2: Capital Asset Fund		
Opening Balance	4,48,228	4,88,123
Add: Fixed Assets purchased during the Year	46,000	38,050
Less: Depreciation transferred from Income and Expenditure Account	(81,230)	(77,945)
	<u>4,12,998</u>	<u>4,48,228</u>

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RURAL EDUCATION AND DEVELOPMENT (READ) INDIA
Schedule to the accounts

Schedule 3 : Unutilised Grant

(Amount in Rs)

S.No	Particulars	As at March 31, 2019	Receipts during the year	Amount recognized as income and Transfer to Income & Expenditure A/c	As at March 31, 2020
1	Foreign Contribution Account	80,49,324	2,44,72,671	2,16,80,882	1,08,41,113
2	Non Foreign Contribution Account	65,66,750	7,42,30,752	6,04,24,134	2,03,73,368
	Total	1,46,16,074	9,87,03,423	8,21,05,016	3,12,14,481
	Previous year	2,37,09,121	6,73,18,613	7,64,11,660	1,46,16,074

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RURAL EDUCATION AND DEVELOPMENT (READ) INDIA

Schedule to the accounts

Schedule 4: Fixed Assets

(Amount in Rs)

Particulars	Rate of Depreciation	As at March 31, 2019	Additions during the year	Deletions / Adjustments	As at March 31, 2020	Depreciation for the year	As at March 31, 2020
Foreign Contribution Account							
Computers	40%	28,165	-	-	28,165	11,266	16,899
Office Equipments	15%	1,91,153	-	-	1,91,153	28,673	1,62,480
Furniture & Fixture	10%	2,28,910	-	-	2,28,910	22,891	2,06,019
					-		
Total		4,48,228	-	-	4,48,228	62,830	3,85,398
Previous year		4,88,123	38,050		5,26,173	77,945	4,48,228
Local Account							
Furniture & Fixture		-	-	-	-	-	-
Computer	40%	-	46,000	-	46,000	18,400	27,600
Total (B)		-	46,000	-	46,000	18,400	27,600
Previous year (B1)		-	-	-	-	-	-
Grand Total (A+B)		4,48,228	46,000	-	4,94,228	81,230	4,12,998
Grand Total Previous year (A1+B1)		4,88,123	38,050	-	5,26,173	77,945	4,48,228

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RURAL EDUCATION AND DEVELOPMENT (READ) INDIA
Schedules to the accounts

Particulars	March 31, 2020 (Rs.)	March 31, 2019 (Rs.)
Schedule 5: Cash and Bank Balances		
Cash on Hand	2,78,816	12,23,858
Balances with Schedule Banks :		
Saving / Current Account	4,49,45,877	2,43,41,730
	<u>4,52,24,693</u>	<u>2,55,65,588</u>

Schedule 6: Loans and Advances

Security Deposit	7,88,830	6,22,800
Prepaid Expenses	1,07,575	79,119
TDS Recoverable	1,57,950	3,11,936
Others	40,30,440	23,75,261
GST Paid in advance	8,750	-
	<u>50,93,545</u>	<u>33,89,116</u>

Schedule 7: Current Liabilities & Provisions

Current Liabilities		
Statutory Liability Payable	7,31,193	4,77,521
Sundry Creditors	37,13,995	21,76,627
Salary Payable	1,84,993	43,443
Others Payable	4,60,927	5,56,975
	<u>50,91,108</u>	<u>32,54,566</u>
Provisions		
Provision for Gratuity	22,90,979	21,57,158
	<u>73,82,087</u>	<u>54,11,724</u>

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RURAL EDUCATION AND DEVELOPMENT (READ) INDIA
Schedules to the accounts

Particulars	March 31, 2020 (Rs.)	March 31, 2019 (Rs.)
Schedule 8: Other Income		
Interest from Bank	11,67,680	13,52,532
other income	54,35,021	41,50,571
	66,02,701	55,03,103

Schedule 9: Specific Purpose Grant Expenditure

Audit Fees	2,95,000	2,83,200
Advertisement Expenses	-	50,000
Bank Charges	15,606	14,346
Electricity and Water	86,690	92,248
Provision for Gratuity	1,85,509	2,93,512
Insurance Expenses	10,36,109	6,03,819
Miscellaneous Expenses	45,190	99,377
Legal and Professional and Retainership Expenses	1,72,18,876	1,25,94,480
Office Expenses	4,71,059	6,27,629
Rent Expenses	19,65,014	49,23,525
Postage and Courier Expenses	54,513	61,587
Printing and Stationery Expenses	92,820	5,22,893
Centre Setup and Sustainability Expenses	3,83,39,076	2,00,23,664
Salary & Stipend Expenses	1,31,10,221	2,69,11,741
Other Staff Benefits Expenses	20,63,309	10,18,127
Telephone Expenses	2,16,816	2,34,472
Training Expenses	1,20,000	63,392
Travelling Expenses	67,89,208	79,93,648
	8,21,05,016	7,64,11,660

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RURAL EDUCATION AND DEVELOPMENT (READ) INDIA
Schedules to the accounts

Particulars	March 31, 2020 (Rs.)	March 31, 2019 (Rs.)
Schedule 10: Other Expenditure		
Addition to Fixed Assets	46,000	38,050
Bank Charges	112	1,930
Miscellaneous Expenses	598	5,738
Legal and Professional Expenses	1,87,854	-
Gratuity	-	4,72,395
Postage and Courier Expenses	2,040	23,260
Salary & Stipend Expenses	1,84,326	12,945
Centre Setup and Sustainability Expenses	33,59,952	19,66,614
Travelling Expenses	1,01,959	1,05,161
	38,82,841	26,26,093

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RURAL EDUCATION AND DEVELOPMENT (READ) INDIA

Schedule- '11'

Significant Accounting Policies and Notes to Accounts for the year 2019-20

I. Statement of Significant Accounting Policies:

The accounts are prepared in accordance with the generally accepted accounting principles. The significant accounting policies to the extent applicable to the trust are as under:

1. Basis of Accounting

The accounts have been drawn up on a historical cost convention and are prepared on the basis of mercantile method of accounting.

2. Fixed Assets and Depreciation

Fixed assets are stated at cost of acquisition inclusive of inward freight and other incidental expenses. Fixed assets are depreciated on written down value methods as per rates given in Income Tax Act, 1961. In the opinion of the management, rates adopted for providing depreciation on fixed assets are representative of their economic useful life.

The Fixed asset purchased for the centres has been charged to the Projects expenses.

3. Recognition of Income & Expenditures:

All known expenditure and income to the extent considered payable and receivable respectively, unless specifically stated otherwise, are accounted for on accrual basis.

4. Revenue Recognition

Donations/grants received for specific purposes are considered as a liability (Unutilised Grants) until these funds have been utilised. Funds are treated as utilised after incurring the expenditure for which the grants was received.

Revenue in respect of specific purpose grants is recognised to the extent the amount has been utilised for the purpose intended. The unspent balance of the grant is carried forward.

Revenue in respect of other services is recognised as per the terms of specific contracts.

Interest

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.



5. Valuation of Inventories:

There are no such inventories at the beginning or end of the year.

6. Investments:

The trust has not made any investment except Fixed Deposit with nationalised bank during the year under report.

7. Foreign Exchange Transaction

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction. Monetary items denominated in foreign currency and outstanding at the Balance Sheet date are translated at the exchange rate ruling on that date. Exchange differences are recognised in the income and expenditure account.

8. Retirement benefits

Gratuity liability is accrued and provided for on the basis of the number of completed years of service at the end of the financial year. Assuming that the employee will be eligible for the gratuity.

II. Notes to the Accounts

1. Bank Accounts:

- a) **With Corporation Bank:-** READ INDIA maintains saving accounts with Corporation Bank, SCF 87/88 Shopping Area Sector 14, Gurgaon, Haryana- 122001 exclusively for foreign inward remittances and expenditure as per FCRA.
- b) **With Corporation Bank:-** READ INDIA maintains FCRA - Sub Account with Corporation Bank, Madikeri exclusively for expenditure as per FCRA.
- c) **Union Bank of India:-** READ INDIA maintains current accounts with Union Bank Of India, Sushank Lok, G/6 A, Bestech Square, Sector 56, Gurgaon, Haryana- 122002 exclusively for Domestic income and expenditures.
- d) **RBL Bank Ltd:-** READ INDIA maintains 6 saving accounts with RBL Bank Ltd, OCUS Technopolis, Unit No – TGF 4&5, Ground Floor, Golf Course Road, Sec 54, Gurgaon - 122003.

2. Previous year's figures:

Previous year's figures have been regrouped / recast whenever necessary to confirm to the current year's classification.



3. Registration of Trusts:

This Trust has been registered under Indian Trust Act, 1882 in Delhi and Income Tax Act, 1961.

4. Registration under FCRA 2010 :

Trust has got the registration under FCRA, 2010 on 21/12/2011. The Registration number allotted to Trust is 231661296. The registration was valid up to 20/12/2016. The registration under FCRA, 2010 has been renewed on 21/08/2017 for a period of 5 years from 21/12/2016 i.e. up to 20/12/2021.

5. Registration Under Income Tax Act, 1961:

The Trust has got the order of registration under section 12AA read with section 12A of the Income Tax Act, 1961 and section 80G(5)(vi) of the Income Tax Act, 1961 dated on May 08, 2009 and the said Registration U/S 12A granted from the Assessment Year 2009-10.

6. Related Party Transactions

The Trust has not entered in to any related party transaction during the year.

