

M. P. Chitale & Co.

Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

**To the Board Members of
UNITED WAY OF INDIA**

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of UNITED WAY OF INDIA ("the Society"), which comprise the balance sheet as at March 31, 2021, the 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 and to the best of our information and according to the explanations given to us, the aforesaid financial statements give a true and fair view in conformity with the accounting principles generally accepted in India, of the financial position of the Society as at March 31, 2021, and its financial performance for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") issued by the Institute of the Chartered Accountants of India. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Society in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Societies Registration Act, 1860 and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Management's Responsibility for the standalone financial Statements

The Society's Management is responsible for the preparation of the financial statements in accordance with the accounting principles generally accepted in India 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 Society'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 Society or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions



may cause the Society to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For M. P. Chitale & Co
Chartered Accountants
Firm Reg. No. 101851W



Santosh More
Partner

M. No. 114236

Place: Mumbai

Date: December 18, 2021

UDIN: 21114236AACIYB7944



United Way of India
Balance Sheet as at 31 March, 2021

	Note No.	As at 31 March, 2021 (Rupees)	As at 31 March, 2020 (Rupees)
Sources of funds			
1. Earmarked funds	3	56,284,585	20,901,152
2. Income and expenditure account balance	4	18,712,099	4,729,811
Total		<u>74,996,684</u>	<u>25,630,963</u>
Application of funds			
3. Property, plant and equipment	5	429,126	880,268
4. Current assets, loans and advances			
a. Cash and bank balances	6	72,641,770	22,758,588
b. Loans and advances	7	<u>2,298,704</u>	<u>2,210,591</u>
		74,940,474	24,969,179
5. Less: Current liabilities and provisions			
Current liabilities	8	372,916	218,484
6. Net current assets		<u>74,567,558</u>	<u>24,750,695</u>
Total		<u>74,996,684</u>	<u>25,630,963</u>
See accompanying notes forming part of the financial statements	1-12		

In terms of our report attached

For M P CHITALE & CO.
Chartered Accountants
(Firm's Registration No. 101851W)


Santosh More
Partner
(Membership No. 114236)



Place: Mumbai
Date: 18th December, 2021

FOR AND ON BEHALF OF UNITED WAY OF INDIA




Gulshan Sachdev
Chairman

Suneeth Katarki
Vice Chairman

Place: Mumbai
Date: 18th December, 2021





United Way of India
Income and Expenditure Account for the year ended 31 March, 2021

	Note No.	Year ended 31 March, 2021 (Rupees)	Year ended 31 March, 2020 (Rupees)
1. Income			
a. Donations received		24,372,120	8,470,703
b. Membership fees		2,469,000	2,250,000
c. Interest income		457,586	2,102,834
d. Amounts appropriated from the earmarked funds for expenditure / disbursements on specified projects/activities	3	172,976,442	40,584,614
		<u>200,275,148</u>	<u>53,408,150</u>
2. Expenditure			
a. Employee benefits expense	9	8,525,973	8,448,606
b. Depreciation expense	5	493,037	744,080
c. Administration expenses	10	1,649,348	5,455,655
d. Other charitable project expenses	11	2,648,060	-
d. Amounts incurred from earmarked funds for expenditure / disbursements on specified projects/activities being the appropriation from earmarked funds	3	172,976,442	40,584,614
		<u>186,292,860</u>	<u>55,232,955</u>
3. Surplus/(deficit) carried to Income and expenditure account balance	4	13,982,288	(1,824,804)
See accompanying notes forming part of the financial statements	1-12		

In terms of our report attached

For M P CHITALE & CO.
Chartered Accountants
(Firm's Registration No. 101851W)


Santosh More
Partner
(Membership No. 114236)

Place: Mumbai
Date: 18th December, 2021



FOR AND ON BEHALF OF UNITED WAY OF INDIA


Gulshan Sachdev
Chairman


Suneeth Katarki
Vice Chairman

Place: Mumbai
Date: 18th December, 2021





United Way of India
Notes Forming Part of the Financial Statement

Note 1 — Background

United Way of India ('the Society') was registered on 28 July, 2009 under the Societies Registration Act, 1860 with the objective to provide charitable and other welfare related services.

The Society accepts voluntary donations, grants, contributions etc. from any person or entity. These funds are then majorly distributed to implementation partners/institutes for application in a wide range of human service programs including those in the fields of education, health, relief of the poor, relief of people effected by natural or other calamities or for the advancement of any other objects of general public utility.

The Society also accepts membership fees from its members (United Way of India Chapters) which is utilised for meeting the operating cost and administrative overheads of the Society.

Note 2 - Significant accounting policies

2.1 Basis of accounting

The financial statements of the Society have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) including the Accounting Standards issued by the Institute of Chartered Accountants of India.

The financial statements are prepared under the historical cost convention. Income mainly comprises donations received which are accounted for as mentioned in the paragraph 2.3 below. Interest income on demand deposits is accounted for when such interest is credited by bank. All expenses are accounted for on cash basis.

The Society is a Level III entity- Small and Medium Sized Enterprise (SME) as defined in the Applicability of Accounting Standards to Non-corporate Entities issued by Institute of Chartered Accountants of India. Accordingly, the Society has complied with the Accounting Standards as applicable to a Level III entity.

2.2 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amount of assets and liabilities (including contingent liabilities). The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/materialise.

2.3 Recognition of grants and donations a. Earmarked funds

Amounts received against specific projects with a stipulation that expenses are to be incurred only against specified projects are considered as 'Earmarked funds'.

Amounts spent from 'Earmarked funds' on specified projects are accounted as income and expenses to the extent incurred on the respective projects, the balance being carried forward as a liability to be spent in future periods.

The Society transfers a specified percentage (as per the respective agreements with donors) of the donations received to itself for being incurred on general administrative purposes.

These disbursements are made to implementing partners/institutes as per the terms of project implementation agreement ("agreement") entered with them.

Further, in case the implementation of the project by the implementing partners/institutes is not as per the agreement, the Society has recourse to receive only the balance unutilised amount with the implementing partners/institutes.

b. Donations other than towards 'Earmarked Funds'

Amount received as donations towards general objects of the society are considered as donations other than towards 'Earmarked Funds'. These are recognised as income on receipt basis and are credited to the Income and Expenditure account.

C. Membership fees

Amount received as annual membership fees are recognised as income on receipt basis.

2.4 Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on property, plant and equipment has been provided on the straight line method as per the useful life of the assets which has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacements anticipated technological changes, manufacturers warranties and maintenance support etc. Accordingly, the useful life of the assets has been considered as follows:

Asset Useful Life

- i. Furniture and fixtures 10 years
- ii. Office equipment 5 years
- iii. Computers 3 years

Leasehold improvements are amortised over the remaining period of lease.

Full year depreciation has been provided on additions to property, plant and equipment irrespective of the date of capitalisation of assets.



Signature
Abhishek



Abhishek

2.5 Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation/amortization and impairment losses, if any. The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use and other incidental expenses. Subsequent expenditure relating to property, plant and equipment after its purchase/completion is capitalised only if such expenditure results in an increase in future benefits from such asset beyond its previously assessed standard of performance.

Property, plant and equipment retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately in the Balance Sheet.

2.6 Leases

Lease arrangements where the risk and rewards incidental to ownership of an asset substantially vest with lessor are recognised as operating leases.

Lease rentals under operating lease are recognised as an expense in the Statement of Profit and Loss on the basis of payment (on cash basis) according to the lease term.

2.7 Income tax

The society is registered under Section 12A of the Income tax Act, 1961 ('the Act'). Under the provisions of the Act, the income of the society is exempt from tax, subject to the compliance of terms and conditions specified in the Act.

2.8 Provision, Contingent liabilities and Contingent assets

A provision is recognized when the trust has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to its present value and are 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 current best estimates.

Contingent liabilities is a possible obligation that arise from past events and the existence of which will be confirmed by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of society, or is a present obligation that arises from past events but is not recognised because either it is not probable that an outflow are resource embodying benefits will be required to settle the obligation, or a reliable estimate of the amount of the obligation cannot be made. Contingent Asset is neither disclosed nor recognized in the financial statements.(refer note 11)



January
Abhankar



Abhankar

United Way of India
Notes forming part of the Balance Sheet

Note 3

Earmarked funds

Name of fund	Opening balance as at 1 April, 2020	Received during the year	Disbursed during the year	(Rupees)
				Balance as at 31 March, 2021
1. United Way Disaster Response Fund- India-Uttarakhand	3,292,076	10,317	1,990,469	1,311,924
2. United Way Disaster Response Fund- India-Jammu & Kashmir	2,887,989	11,868	1,390,712	1,509,145
3. Covid Relief Fund	5,000,000	198,795,003	160,284,692	43,510,311
4. Other projects	9,721,088	9,542,687	9,310,569	9,953,206
Total	20,901,153	208,359,874	172,976,442	56,284,585
Previous year	(37,846,185)	(23,639,581)	(40,584,614)	(20,901,152)

Note-A:

During the financial year an amount of Rs.5,000,000 was transferred from Seed Fund - United Way Disaster Response to Covid 19 project. Similarly an amount of Rs.7,40,000 and Rs. 3,89,000 is respectively transferred from Miss do kahani suno project & Born learning project respectively to Uttarakhand project. All these transferred were approved by the board.

Note-B:

Amount received by the society for earmarked purposes for other project are those which are for a short term. The grant categorised under short term grant or Other projects are received from multiple source it includes individual, corporate and funding agencies etc. Hence it is proposed to be treated as other Projects.

Note 4

Income and expenditure account balance

Opening balance
Add: Surplus/(deficit) for the year transferred from the Income and Expenditure Account
Closing balance

	As at 31 March, 2021 (Rupees)	As at 31 March, 2020 (Rupees)
	4,729,811	6,554,615
	13,982,288	(1,824,804)
	18,712,099	4,729,811



January
Abhishek



Abhishek

UNITED WAY OF INDIA

Notes forming part of the Balance Sheet

Note 5

Property, plant and equipment

Particulars	Gross block		Accumulated depreciation		Net block	
	Balance as at 1 April, 2020	Balance as at 31 March, 2021	Balance as at 1 April, 2020	Depreciation/ amortisation expenses for the year	Balance as at 31 March, 2021	Balance as at 31 March, 2020
Tangible assets						
a. Furniture and fixtures	104,625	104,625	52,315	10,463	41,848	52,310
b. Office equipment	548,203	548,203	478,913	25,864	43,426	69,290
c. Leasehold improvements	2,699,683	2,699,683	2,084,761	358,705	256,217	614,922
d. Computers	447,119	489,013	303,373	98,005	87,635	143,746
Total	3,799,630	3,841,524	2,919,362	493,037	3,412,399	880,268
Previous year	2,788,819	3,799,630	2,175,282	744,080	2,919,362	880,268

Note: Previous year figures are in italics



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United Way of India
Notes forming part of the Balance Sheet

	<u>As at 31 March, 2021 (Rupees)</u>	<u>As at 31 March, 2020 (Rupees)</u>
Note 6		
Cash and bank balances		
Cash in hand	170	3,845
Balances with scheduled bank		
- in savings account (FCRA)	45,786,902	1,206,400
- in savings account (Others)	8,386,326	3,240,438
- in deposit accounts	18,468,372	18,307,905
	<u>72,641,770</u>	<u>22,758,588</u>
Note 7		
Loans and advances (Unsecured, considered good)		
Loans and advances-Tax deducted at source	1,779,204	1,771,049
Employee and other Recoverable	117,500	-
Security deposit & Other receivable	402,000	439,542
	<u>2,298,704</u>	<u>2,210,591</u>
Note 8		
Current liabilities and provisions		
Other payables	<u>372,916</u>	<u>218,484</u>



Jimmy

Abhish



Abhish

United Way of India
Notes forming part of the Income and Expenditure Account

	Year ended 31 March, 2021 (Rupees)	Year ended 31 March, 2020 (Rupees)
Note 9		
Employee benefits expenses		
a. Salaries and wages	8,267,464	8,331,648
b. Staff welfare	150,000	17,655
c. Health Insurance	108,509	99,303
	8,525,973	8,448,606

Note 10

Administration expenses

a. Professional and consultancy charges	352,100	757,100
b. Travelling and conveyance	112,740	392,201
c. Communication expenses	22,120	37,353
d. Rent	800,000	1,309,356
e. Electricity expenses	8,798	52,730
f. Postage and courier	1,779	18,897
g. Miscellaneous expenses	351,810	2,888,018
	1,649,347	5,455,655

Note 11

Other charitable project expenses

Project Expenses	2,648,060	
	2,648,060	-



Johnny

Abhank



Abhank.

United Way of India

	Year ended 31 March, 2021 (Rupees)	Year ended 31 March, 2020 (Rupees)
Note 12		
Contingent Liabilities		
A. Income Tax Disputed Demands	5,557,670	3,812,781
	<u>5,557,670</u>	<u>3,812,781</u>

Note :

During the year, the Society had received order under section 143(3) of Income-tax Act, 1961 (the Act) for AY 2018-19, wherein an adjustment of Rs. 47,84,073 was made on account of utilization of funds accumulated under section 11(2) of the Act and a tax demand of Rs. 17,44,889 raised. The Society has filed an appeal before the Commissioner of Income Tax (Appeals) against the said order. The management believes that that Society has a strong chance of success.



Jimmy
Ashtekar



Ashtekar