

# Walker Chandiook & Co LLP

---

**Walker Chandiook & Co LLP**

L 41, Connaught Circus,  
Outer Circle,  
New Delhi - 110 001  
India

T +91 11 4278 7070  
F +91 11 4278 7071

## Independent Auditor's Report

To  
The Trustees of Pratham Mumbai Education Initiative

## Report on the Audit of Foreign Contribution Financial Statements

### Opinion

1. We have audited the accompanying special purpose financial statements of **Pratham Mumbai Education Initiative** ('the Trust'), which comprise the Balance Sheet as at 31 March 2022, Statement of Income and Expenditure, Statement of Receipts and Payments for the year then ended, and a summary of significant accounting policies and other explanatory information (together hereinafter referred to as 'Foreign Contribution Financial Statements'), which have been prepared by the Trust's management in accordance with the basis of accounting specified in Note 1 of Annexure E to the Foreign Contribution Financial Statements, pursuant to the requirement of section 19 of the Foreign Contribution (Regulation) Act, 2010 (as amended) ('Act') read with Rule 17 of the Foreign Contribution (Regulation) Rules, 2011 (as amended) ('Rules').
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Foreign Contribution Financial Statements are prepared, in all material respects, in accordance with the basis of accounting as described in Note 1 of Annexure E to these Foreign Contribution Financial Statements.

### Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('the ICAI'). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Foreign Contribution Financial Statements' section of our report. We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India ('the ICAI') and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of Matter- Basis of accounting and Restriction on distribution or use

4. Without modifying our opinion, we draw attention to note 1 of Annexure E to these Foreign Contribution Financial Statements, which describes the basis of accounting used by the Trust's management for the preparation these financial statements. The accompanying Foreign Contribution Financial Statements has been prepared by the management solely for the purpose of enabling the management to comply with the requirements of Rule 17(5) of the Rules, which requires them to submit this report with the accompanying Foreign Contribution Financial Statements to the Ministry of Home Affairs and therefore, these Foreign Contribution Financial Statements may not be suitable for any other purpose. This report is issued solely for the aforementioned purpose and accordingly, should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Further, we do not accept or assume any liability or any duty of care for any other purpose for which or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.



---

Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurugram, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

---

Walker Chandiook & Co LLP is registered with limited liability with identification number AAC-2085 and its registered office at L-41 Connaught Circus, New Delhi, 110001, India



5. Our work was performed solely to assist you in meeting your responsibilities in relation to submission of accompanying Foreign Contribution Financial Statements with the Ministry of Home Affairs. The management has also prepared complete set of financial statements for Trust for the purpose of submission with Form 10B of the Income Tax Rules, 1962. Our opinion is not modified in respect of this matter.

## **Responsibilities of Management for the Foreign Contribution Financial Statements**

6. The Trust's Management is responsible for the preparation of these Foreign Contribution Financial Statements in accordance with the basis of accounting specified in note 1 of Annexure E to the Foreign Contribution Financial Statements. This responsibility also includes 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 of the Foreign Contribution Financial Statements that are, in all material respects, in accordance with the basis of accounting specified in aforementioned note 1 of Annexure E and are free from material misstatement, whether due to fraud or error.
7. In preparing the Foreign Contribution Financial Statements, management is responsible for assessing the Trust'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 Trust or to cease operations, or has no realistic alternative but to do so.

## **Auditor's Responsibility for the Audit of the Foreign Contribution Financial Statements**

8. Our objectives are to obtain reasonable assurance about whether the Foreign Contribution 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 Standards on Auditing 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 Foreign Contribution Financial Statements.
9. As part of an audit in accordance with Standards on Auditing, 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 whether the Trust has in place adequate internal financial controls with reference to financial statements and the operating effectiveness of such controls;
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management; and
  - 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 Trust'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 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 auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.



# Walker Chandiok & Co LLP

10. 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.

## Report on Other Legal and Regulatory Requirements

11. As required under Rule 17(5) of the Rules and basis the Foreign Contribution Financial Statements for the year ended 31 March 2022, we report that:
- (i) The brought forward foreign contribution at the beginning of the year ended 31 March 2022 was Rs. 32,985,080;
  - (ii) Foreign contribution of Rs. 77,993,544 was received by the Trust during the year ended 31 March 2022;
  - (iii) Interest accrued on foreign contribution and other income derived from foreign contribution or interest thereon of Rs. 1,281,804 was received by the Trust during the year ended 31 March 2022;
  - (iv) The balance of unutilised foreign contribution with the Trust as at 31 March 2022 is Rs. 43,522,545;
  - (v) The Trust has maintained the accounts of foreign contribution and records relating thereto in the manner specified in Section 19 of the Act read with Rule 17 of the Rules;
  - (vi) The information in the enclosed Balance Sheet and Statement of Receipts and Payments is correct as checked by us; and
  - (vii) The Trust has utilised the foreign contribution received for the purpose(s) it is registered/granted prior permission under the Act.

For **Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

*Jyoti*

**Jyoti Vaish**  
Partner  
Membership No.: 096521  
UDIN: 22096521ATPFDF9895



**Place:** New Delhi  
**Date:** 20 September 2022

**Name of the Public Trust: Pratham Mumbai Education Initiative**  
**Receipt and Payment Account for the year ended 31 March 2022 (Foreign Contribution)**

Registration No.E15454

(All amounts are in ₹, unless otherwise stated)

Receipts	For the year ended 31 March 2022	For the year ended 31 March 2022	Payments	For the year ended 31 March 2022	For the year ended 31 March 2022
<u>Opening balance as on 1 April 2021</u>			Expenditure on objects of the trust and other expenses		6,66,53,119
Savings bank	88,58,623		Purchase of assets (addition)		21,94,714
Fixed deposit with bank	2,41,26,457	3,29,85,080			
Interest received		12,81,804			
Donation received		7,79,93,544	<u>Closing balance as on 31 March 2022</u>		
Refund of security deposit / other advances		1,09,950	Savings bank	53,03,374	
			Fixed deposit with bank	3,82,19,171	4,35,22,545
<b>Total (₹)</b>		<b>11,23,70,378</b>	<b>Total (₹)</b>		<b>11,23,70,378</b>

Significant Accounting Policies

Annexure E

For Walker Chandiook & Co LLP  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

*Jyoti*  
**Jyoti Vaish**  
Partner  
Membership No.: 096521

Place: New Delhi  
Date: 20 September 2022



For and on behalf of Board of Trustees of  
Pratham Mumbai Education Initiative

*Farida Lambay*  
**Mrs. Farida Lambay**  
Trustee  
Executive Secretary

Place: Mumbai  
Date: 20 September 2022



*Sharad Kale*  
**Mr. Sharad Kale**  
Trustee

Place: Mumbai  
Date: 20 September 2022



THE BOMBAY PUBLIC TRUSTS ACT, 1950  
SCHEDULE IX [ Vide Rule 17 (1)]

Name of the Public Trust: Pratham Mumbai Education Initiative  
Income and Expenditure Account for the year ending 31 March 2022 (Foreign Contribution)

(All amounts are in ₹, unless otherwise stated)

Registration No.E15454

Expenditure	For the year ended 31 March 2022	Income	For the year ended 31 March 2022
<b>To Expenditure in respect of properties :-</b>		<b>By Interest</b>	
Rates, taxes, cesses	5,44,491	On Bank accounts	10,84,206
Repairs and maintenance	32,17,322	Fixed deposit with banks	4,12,113
Depreciation (by way of provision or adjustment)	1,73,84,627	Bank accounts	<b>14,96,319</b>
<b>To Establishment expenses (Refer Annexure C)</b>	65,06,872	<b>By Donation in cash or kind</b>	7,93,13,700
<b>To Legal and Professional expenses</b>	12,22,100	<b>By Income from other sources</b>	
<b>To Written off expenses</b>	1,45,474	Liabilities / provisions no longer required written back	1,55,739
<b>To Audit fees</b>	10,62,000		<b>1,55,739</b>
including applicable taxes			
<b>To Depreciation</b>	26,95,514	<b>By Deficit carried over to Balance Sheet</b>	52,82,808
<b>To Expenditure on objects of the trust</b>			
Educational (Refer Annexure D)	5,34,70,166		
<b>Total (₹)</b>	<b>8,62,48,566</b>	<b>Total (₹)</b>	<b>8,62,48,566</b>

Significant Accounting Policies

Annexure E

For Walker Chandio & Co LLP  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

Jyoti Valsh  
Partner  
Membership No.: 096521

Place: New Delhi  
Date: 20 September 2022



For and on behalf of Board of Trustees of  
Pratham Mumbai Education Initiative

Mrs. Farida Lambay  
Trustee  
Executive Secretary

Place: Mumbai  
Date: 20 September 2022



Mr. Sharad Kale  
Trustee

Place: Mumbai  
Date: 20 September 2022

**THE BOMBAY PUBLIC TRUSTS ACT, 1950**  
**SCHEDULE VIII [ Vide Rule 17 (1)]**

**Name of the Public Trust: Pratham Mumbai Education Initiative**  
**Balance Sheet as at 31 March 2022 (Foreign Contribution)**

Registration No.E15454

(All amounts are in ₹, unless otherwise stated)

Funds & Liabilities	For the year ended on 31 March 2022	Property and Assets	For the year ended on 31 March 2022
<b>Trust Funds or Corpus</b>		<b>Immovable Properties</b>	
Balance as per last Balance Sheet	2,760	Balance as per last Balance Sheet	18,83,11,563
	<b>2,760</b>	Additions during the year	-
		Sales/deletion during the year	-
		Depreciation for the year	(1,73,84,627)
			<b>17,09,26,936</b>
<b>Liabilities :-</b>		<b>Furniture and Fixtures :</b>	
For expenses	18,90,018	Balance as per last Balance Sheet	52,67,460
For sundry credit balances	95,42,028	Additions during the year	61,230
	<b>1,14,32,046</b>	Sales/deletion during the year	(60,484)
		Depreciation for the year	(5,34,642)
			<b>47,33,564</b>
<b>Income and Expenditure Account</b>		<b>Other Fixed Assets (Refer Annexure A)</b>	
Balance as per last Balance Sheet	25,63,28,174	Balance as per last Balance Sheet	96,12,819
Deficit as per Income & Expenditure account	(52,82,808)	Additions during the year	21,33,484
Net balance	<b>25,10,45,366</b>	Sales/deletion during the year	(84,990)
		Depreciation for the year	(21,60,872)
			<b>96,00,441</b>
		<b>Advances :-</b>	
		To Employees	3,46,129
		To Contractors	-
		To Others	3,18,74,066
		Tax deducted at source	9,93,980
			<b>3,32,14,175</b>
		<b>Income Outstanding</b>	
		Interest	5,82,511
			<b>5,82,511</b>
		<b>Cash and Bank Balances (Refer Annexure B)</b>	
		(a) In Saving account with banks	53,03,374
		(b) In Fixed deposit account with banks	3,82,19,171
			<b>4,35,22,545</b>
<b>Total (₹)</b>	<b>26,24,80,172</b>	<b>Total (₹)</b>	<b>26,24,80,172</b>

**Significant Accounting Policies**

**Annexure E**

The above Balance Sheet to the best of our belief contains a true account of the Funds and Liabilities and of the Property and Assets of the Trust.

For Walker Chandio & Co LLP  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

*Jyoti*  
**Jyoti Vaish**  
Partner  
Membership No.: 096521

Place: New Delhi  
Date: 20 September 2022



For and on behalf of Board of Trustees of  
Pratham Mumbai Education Initiative

*Farida Lambay*  
**Mrs. Farida Lambay**  
Trustee  
Executive Secretary

Place: Mumbai  
Date: 20 September 2022



*Sharad Kale*  
**Mr. Sharad Kale**  
Trustee

Place: Mumbai  
Date: 20 September 2022

**Pratham Mumbai Education Initiative**

**Summary of significant accounting policies and notes to the accounts for the year ended 31 March 2022**

*(All amounts are in ₹, unless otherwise stated)*

**Annexure A - Other Fixed Assets (Foreign Contribution)**

Particulars	Rate of Depreciation	Opening WDV as on 1 April 2021	Sales/Deletion during the year	Additions during the year	Total	Depreciation for the year	Closing WDV as on 31 March 2022
Computers	40%	9,13,895	151	18,31,548	27,45,292	8,33,101	19,12,191
Office equipment	15%	77,35,923	81,021	3,01,936	79,56,838	11,83,893	67,72,945
Vehicle	15%	9,63,001	3,818	-	9,59,183	1,43,878	8,15,305
<b>Grand Total</b>		<b>96,12,819</b>	<b>84,990</b>	<b>21,33,484</b>	<b>1,16,61,313</b>	<b>21,60,872</b>	<b>95,00,441</b>

*(This space has been intentionally left blank)*



Pratham Mumbai Education Initiative  
Summary of significant accounting policies and notes to the accounts for the year ended 31 March 2022  
(All amounts are in ₹, unless otherwise stated)

**Annexure B - Cash and bank balances (Foreign Contribution)**

Particulars	Year ended 31 March 2022
<b>A. In Saving Account with Banks</b>	
Savings account balances with ICICI	23,10,092
Savings account balances with SBI	29,93,282
<b>Sub-Total (Savings accounts)</b>	<b>53,03,374</b>
<b>B. In Fixed deposits with banks</b>	
Fixed deposit with SBI	3,82,19,171
<b>Sub-Total (Fixed deposits)</b>	<b>3,82,19,171</b>
<b>Total (₹)</b>	<b>4,35,22,545</b>

**Annexure C - Establishment expenses (administration expenses) (Foreign Contribution)**

Particulars	Year ended 31 March 2022
Salaries and wages	18,73,966
Insurance expense	1,38,702
Communication expense	12,446
Travel and conveyance expense	51,686
Printing and stationery expense	19,585
Software and computer consumables	11,325
Repair and maintenance	36,58,446
Office expenses	7,40,716
<b>Total (₹)</b>	<b>65,06,872</b>

**Annexure D - Expenditure on the objects of the Trust (Educational) (Foreign Contribution)**

Particulars	Year ended 31 March 2022
Salary and wages (including gratuity)	3,76,20,923
Honorarium and consultancy fees	11,41,800
Insurance expense	5,01,426
Rent expense	16,95,254
Communication expense	1,51,279
Teaching and learning material	24,09,818
Training expense	4,81,776
Travel and conveyance expense	19,86,316
Printing and stationery expense	4,02,111
Software and computer consumables	1,01,453
Repair and maintenance	1,24,236
Office expenses	41,13,104
School/Tuition Fees	27,40,670
<b>Total (₹)</b>	<b>5,34,70,166</b>





## Annexure E - Significant Accounting Policies

### 1. Basis of accounting

The Trust is a charitable organisation and is not engaged in any commercial, industrial or business activity. The financial statements of the Trust are prepared under the historical cost convention and are on accrual basis.

### 2. Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods. Contingencies are recorded when it is probable that a liability will be incurred, and the amount can be reasonably estimated.

### 3. Fixed assets and depreciation

Tangible fixed assets are stated at written down values i.e. cost of acquisition less accumulated depreciation. Cost of acquisition of fixed assets includes all direct expenses relating to acquisition and installation/erection of the assets. Depreciation is calculated using written down value method, at base rates specified in New Appendix 1 to the Income Tax Rules, 1962. Depreciation are charged for the whole of the accounting year if the asset is put to use for a period of 180 days or more and at half the rates prescribed if the asset is put to use for a period less than 180 days. However, if in the assessment of the Trust an accelerated depreciation is justified, having regard to the nature of the assets and its estimated balance useful life, an appropriate higher rate is applied. No depreciation is charged in the year of deletion.

### 4. Recognition of grants and donations

#### Corpus fund

Corpus fund relates to funds contributed by the founder members at incorporation and donation received with the direction to be included as a part of the Corpus.

#### Specific funds

Specific purpose grants are received for projects funded by donors and are accounted for based on receipt as a separate fund. The expenses against such grants are charged to the fund and the unspent balance of the grant is carried forward.

#### Restricted funds

The Trust receives funds which are restricted in nature from foreign and domestic sources. Revenue from restricted funds is recognised during the year in the Income and Expenditure Account to match the related expenditure. The balance amount is carried forward in the restricted fund for use in future periods. Grant related to depreciable assets are transferred to the capital asset fund as and when the property, plant and equipment are purchased. Depreciation of these property, plant and equipment is debited to the capital asset fund through the Income and Expenditure Account.

#### Unrestricted funds

The Trust also receives general funds which are unrestricted in nature from foreign and domestic sources. The excess of income over expenditure during the year, being general purpose in nature is carried forward for use in future periods.

### 5. Employee Benefits

#### Defined contribution plan - Provident fund

Provident fund benefit is a defined contribution plan under which the Trust pays fixed contribution into funds established under Employees Provident Fund and Miscellaneous Provisions Act, 1952. The Trust has no legal or constructive obligations to pay further contributions after payment of the fixed contribution. The contributions recognised in respect of defined contribution plans are expensed as they accrue. Liabilities and assets may be recognised if underpayment or prepayment has occurred and are included in current liabilities or current assets, respectively, as they are normally of a short term nature. The Trust's contributions paid/payable under the scheme is recognized as an expense in the Income and Expenditure Account during the year in which the employee renders the related service.

#### Short term benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service.

#### Defined Benefit Plan - Gratuity (Funded) :

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Income and expenditure account in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortized on a straight-line basis over the average period until the benefits become vested.

### 6. Foreign currency transactions and translations

Foreign currency receipts on account of donations and grants are translated at spot rates prevailing at the time of receipt into the designated accounts of the Trust. Foreign currency expenditure is recorded using the spot rates prevailing on the date of transaction as per Foreign Inward Remittance Certificate (FIRC) document.

Foreign currency monetary items of the Trust, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Trust are carried at historical cost.

Exchange differences arising on settlement/restatement of short-term foreign currency monetary assets and liabilities of the Trust are recognised as income or expense in the Statement of Income and Expenditure.



*Handwritten signature*



#### 7. Income Tax

The Trust is registered as a charitable trust under section 12AA of the Income Tax Act, 1961, which entitles it to full exemption from income tax provided certain conditions laid down in that Act are complied with. Provision for income tax would be made only in the year in which the Trust is uncertain of being able to fulfil these conditions

#### 8. Other Receipts

Other receipts include the reimbursement of expenses incurred by the Trust on various programmes which are recognised on receipt on grounds of prudence. Interest income is recognised on a time proportion basis taking into account the outstanding amount and applicable rate.

#### 9. Cash and bank balances

Cash and bank balances include cash in hand, balances and demand deposits with banks.

#### 10. Provisions and contingencies

A provision is recognised when the Trust has a present obligation as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and reliable estimate can be made of the amount of the obligation. A contingent liability is recognised where there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

#### 11. Leases

##### Operating Lease

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset are classified as operating leases. Operating lease charges are recognised as an expense in the Income and Expenditure Account on a straight-line basis over the lease term.

##### Financial Lease

Leases under which the Trust assumes substantially all the risks and rewards of ownership are classified as finance leases. The lower of fair value of asset and present value of minimum lease rentals is capitalised as property, plant and equipment with corresponding amount shown as lease liability. The principal component in the lease rentals is adjusted against the lease liability and interest component is charged to Income and Expenditure Account.

For Walker Chandio & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

*Jyoti*

Jyoti Vaish

Partner

Membership No.: 096521



For and on behalf of Board of Trustees of

Pratham Mumbai Education Initiative

*Farida Lambay*

Mrs. Farida Lambay

Trustee

Executive Secretary



*Sharad Kale*

Mr. Sharad Kale

Trustee

Place: New Delhi

Date: 20 September 2022

Place: Mumbai

Date: 20 September 2022

Place: Mumbai

Date: 20 September 2022