

AUDITORS' CERTIFICATE

REF: JP/7875

We have audited the account of **Himmotthan Society** ("the Society") (FC Reg No.347900161) having its registered office at 193, Vasant Vihar, Phase II Dehradun, Uttarakhand, India – 248006, Society Registration Number: 78/2007-2008 in the state of Uttarakhand for the year ending March 31, 2019 and examined all relevant books and vouchers and certify that according to the audited account:

1. The brought forward foreign contribution (Bank Balance) at the beginning of the financial year was ₹ 20,409,555;
2. Foreign contributions of ₹ 37,819,455 was received by the Society during the financial year 2018-19;
3. Interest on Foreign Contribution of ₹ 514,467 was received by the Society during the financial year 2018-19;
4. The balance of unutilized foreign contribution (Bank Balance) with the Society at the end of the financial year was ₹4,198,600;
5. Certified that the Society has maintained the accounts of foreign contribution and records relating thereto in the manner specified in Section 19 of the Foreign Contribution (Regulation) Act, 2010 (42 of 2010) read with rule 17 of the Foreign Contribution (Regulation) Rules, 2011;
6. The information in this certificate and in the enclosed financial statements comprising of the Balance Sheet, Income and Expenditure Account, Statement of Receipts and Payments and Notes forming part of financial statements are correct as checked by us.
7. The Society has utilized the foreign contribution received for the purpose it is registered under Foreign Contribution (Regulation) Act, 2010.

The certificate is to be read along with the notes in Appendix 1.

For **DEOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Joe Pretto
Partner

Membership No.77491
UDIN – 19077491AAAABO7840

Place: Mumbai
Date: September 3, 2019

Appendix 1 - Notes to Auditor's Certificate on Foreign Contribution Regulation Act, 2010

1. This Certificate is issued in accordance with the terms of our engagement letter reference no.: JP/7228 dated February 4, 2019

Management's Responsibility

2. The Society's Management is responsible for the compilation of the information referred in our certificate – JP/7875 dated September 3, 2019, maintenance of separate books of account and records, exclusively, for the foreign contributions received and utilized in terms of Foreign Contributions Regulation Act, 2010 (the "Act") and Rule 17 of the Foreign Contribution (Regulation) Amendment Rules, 2015 (the "Rules"), as applicable and preparation of these financial statements, based on the said set of accounts and records, are in accordance with the accounting principles generally accepted in India.
3. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial Statements and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

Auditor's Responsibility

4. We have examined the books of account and other relevant records and documents maintained by the Society in the normal course of its business for the purpose of providing reasonable assurance on the particulars mentioned in the certificate.
5. This certificate is based on our examination the financial statements attached to this certificate and other relevant records and information considered necessary for the purposes of issuing this certificate and the information and explanations given to us by the Society.
6. We conducted our examination of the Statement in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes issued by the Institute of Chartered Accountants of India (ICAI) and the Standards on Auditing specified under Section 143(10) of the Companies Act 2013. This Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.



Restriction on Use

8. This certificate has been issued at the request of the Society for submission to Secretary, Government of India, Ministry of Home Affairs and is not to be used for any other purpose or to be distributed to any other parties. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing.

For **DEOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



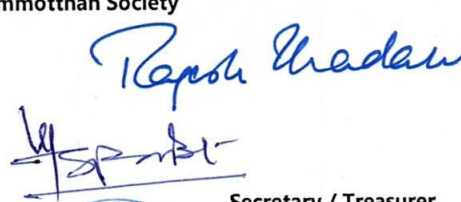



Joe Pretto
Partner






Membership No.77491
UDIN – 19077491AAAABO7840

Place: Mumbai
Date: September 3, 2019







BALANCE SHEET (FOREIGN CONTRIBUTION) AS AT MARCH 31, 2019

Particulars	Note No.	As at March 31 2019 (₹)	As at March 31, 2018 (₹)
FUNDS AND LIABILITIES			
Funds			
(a) General Fund	3	61,332	61,332
(b) Earmarked Funds	4	4,157,007	20,369,895
(c) Other Funds	5	11,314,516	680,788
		15,532,855	21,112,015
LIABILITIES			
(a) Payables	6	85,261	120,355
		15,618,116	21,232,370
ASSETS			
(a) Fixed assets	7	11,314,516	680,788
(b) Loans and advances	8	105,000	142,027
(c) Cash and bank balances	9	4,198,600	20,409,555
		15,618,116	21,232,370
See accompanying notes forming part of the financial statements		1-16	
In terms of our certificate ref. JP dated , 2019 attached.			
For Deloitte Haskins & Sells LLP Chartered Accountants		For and on behalf of the Himmotthan Society	
 Joe Bretto Partner	 Chairman	 Secretary / Treasurer	
Place : Mumbai Date : <u>Sept 3</u> 2019	Place : Dehradun Date : <u>16/03</u> , 2019		

INCOME AND EXPENDITURE ACCOUNT (FOREIGN CONTRIBUTION) FOR THE YEAR ENDED MARCH 31, 2019

Particulars	Note No.	For the Year Ended March 31, 2019 (₹)	For the Year Ended March 31, 2018 (₹)
Income			
Transfer from Earmarked Funds	4	43,233,266	44,545,882
Transferred from Fixed Assets Fund - For Depreciation	5	1,482,174	367,417
Total Income		44,715,440	44,913,299
Expenses			
Expenditure on objects of the Society			
(a) Grants Paid		14,127,269	18,268,101
(b) Programme Expenses	10	27,916,776	24,598,400
(c) Employee Benefit Expenses	11	618,352	761,135
(d) Establishment Expenses	12	570,869	918,246
(e) Depreciation Expenses	7	1,482,174	367,417
Total Expenses		44,715,440	44,913,299
Excess of Income over Expenditure		-	-
See accompanying notes forming part of the financial statements	1-16		
In terms of our certificate ref. JP dated , 2019 attached.			
For Deloitte Haskins & Sells LLP Chartered Accountants  Joe Pretto Partner 		For and on behalf of the Himmotthan Society   Secretary / Treasurer 	
Place : Mumbai Date : <u>Sept 3</u> 2019		Place : Dehradun Date : <u>Sept 03</u> , 2019	

RECEIPTS & PAYMENTS ACCOUNT (FOREIGN CONTRIBUTION) FOR THE YEAR ENDED MARCH 31, 2019

S. No.	Particulars	For the Year Ended March 31, 2019 (₹)	For the Year Ended March 31, 2018 (₹)
A.	RECEIPTS :		
	Opening Balance B/f		
	Bank Balance	2,340,819	1,871,210
	Short Term Deposit	18,068,736	27,012,466
	Cash	-	-
	Grant received	37,819,455	34,795,348
	Grant refund by PO's	802,358	-
	Interest earned on Grants	514,467	1,397,999
	TDS Refund received	37,027	350,746
	TOTAL	59,582,862	65,427,769
B.	PAYMENTS :		
	Grant paid	14,127,269	18,268,101
	Programme Expenses	27,861,476	24,282,495
	Employee Benefit Expenses	588,391	738,988
	Establishment expenses	570,869	918,246
	Statutory Liability Paid	120,355	-
	Fixed assets purchased	12,115,902	810,384
	Closing Balance C/f		
	Bank Balance	3,187,090	2,340,819
	Short Term Deposit	1,011,510	18,068,736
	Cash	-	-
	TOTAL	59,582,862	65,427,769
In terms of our certificate ref. JP dated , 2019 attached.			
For Deloitte Haskins & Sells LLP Chartered Accountants  Joe Pretto Partner 		For and on behalf of the Himmotthan Society   Chairman  Secretary / Treasurer 	
Place : Mumbai Date : <u>Sept 3</u> 2019		Place : Dehradun Date : <u>Sept 03</u> , 2019	

HIMMOTTHAN SOCIETY

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

1. **SOCIETY OVERVIEW:**

- i. Himmotthan Society ("the Society") is registered with the Registrar of Societies, Uttarakhand under the Society Registration Act, 1860 vide registration No. 78/2007-2008 dated December 20, 2017 which is valid till December 19, 2022.
- ii. The Society is registered under Foreign Contribution (Regulation) Act, 2010 ("FCRA") vide registration no. 347900161. During the Financial Year 2016-17, FCRA authorities has renewed FCRA certificate for the period starting from November 1, 2016 to October 31, 2021 dated October 28, 2016.
- iii. The Society incurs expenditure by way of grants given towards objects and project expenses which represents initiatives/activities undertaken by the society.
- iv. Main objects of the Society are to promote, develop and undertakes activities in Sanitation, Agriculture, Livelihood, Environment, Education, Drinking water, Health, Pollution, Renewable energy, etc as and when required and also focus on poor and underprivileged, in particular people living below poverty line, scheduled caste and scheduled tribes.

2. **SIGNIFICANT ACCOUNTING POLICIES:**

- i. **Basis of Preparation of Financial Statements:**
The financial statements have been prepared on cash basis except for provision for gratuity which is accounted for on accrual basis.
- ii. **Fixed Assets:**
 - a) 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 of the asset.
 - b) Fixed assets value up to 5,000/- is fully depreciated in the year of acquisition.
 - c) Fixed Assets Fund is created for the fixed assets purchased from specific grant received.
- iii. **Depreciation:**
Depreciation is provided on the written down value method in accordance with the rates prescribed under Income Tax Act which are given as below.

<u>Nature of Assets</u>	<u>Rate of Depreciation Percentage</u>
Computer & Software	40%
Furniture & Fixture	10%
Office Equipment	15%
Land & Building	10%
Plant and Machinery	15%
Plant and Machinery (Solar)	40%
Vehicle	15%
- iv. **Revenue Recognition:**
 - a) Earmarked grants are initially credited to a liability account in the Balance Sheet and are transferred to Income and Expenditure Account in the year in which and to the extent to which the Society complies with the conditions attached to them.
 - b) Interest Income is recognized in the year of receipt.
 - c) Income from symposia, seminars and workshops are recognized on receipt for symposia, seminars and workshops organized and held.



HIMMOTTHAN SOCIETY

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Foreign Currency Transactions:

The Society has received foreign contributions under Foreign Contribution Regulatory Act, 2010 read with FCRA Rules, 2011. The foreign contribution received has been accounted for in the books on the basis of Foreign Inward Remittance Certificate copies issued by the banker. The exchange rate mentioned in the FIRC copy is taken as conversion rate for the purpose of converting foreign contribution in INR.

v. **Grant :**

Grants paid to implementing partners are accounted as an expense in the year of payment.

vi. **Employee Benefits:**

a) **Short Term Benefits:**

Short term Employee Benefits are accounted as an expense in the Income and Expenditure account in the year in which the payments are made.

b) **Post-employment Benefit Plans**

Contribution to Provident Fund are recognized as an expense in the income and expenditure account when the employees have rendered services entitling them to contributions.

Charge and provision for gratuity is recorded based on actuarial valuation done by an independent actuary.



HIMMOTTHAN SOCIETY**Notes forming part of the financial statements****Note 3: General Fund**

Particulars	As at March 31, 2019 (₹)	As at March 31, 2018 (₹)
General Fund		
Balance at beginning of the year	61,332	-
Add: Transferred from Earmarked Funds	-	61,332
Total	61,332	61,332

Note 4: Earmarked Funds

Particulars	As at March 31, 2019 (₹)	As at March 31, 2018 (₹)
Balance at beginning of the year	20,369,895	29,594,146
Add: Received during the year	37,819,455	34,795,348
Add: Interest Income	514,467	1,397,999
Less: Transferred to General Fund	-	61,332
Add: Refund by Onward Partners	802,358	-
Less: Transferred to Fixed Assets Fund	12,115,902	810,384
Less: Transferred to Income and Expenditure Account	43,233,266	44,545,882
Total	4,157,007	20,369,895

Refer Annexure 4.1 for details

Note 5: Other Funds

Particulars	As at March 31, 2019 (₹)	As at March 31, 2018 (₹)
Fixed Assets Fund		
Balance at beginning of the year	680,788	237,821
Add: Transferred from Earmarked Funds	12,115,902	810,384
Less: Transferred to Income and Expenditure Account	1,482,174	367,417
Total	11,314,516	680,788

Note 6: Payables

Particulars	As at March 31, 2019 (₹)	As at March 31, 2018 (₹)
Statutory Dues	29,822	51,881
Provision for Gratuity	55,439	68,474
Total	85,261	120,355



HIMMOTTHAN SOCIETY

Annexure 4.1: Earmarked Fund - Programme-wise details

In (₹)

Sr. No.	Project Name	Opening Balance as on April 1, 2018	Grant received during the year	Interest received during the year	Transfer to Income and Expenditure Account	Transfer to Fixed Assets Fund (Refer Note 5)	Transfer to General Fund (Refer Note 3)	Refunded by Onward Partners	Closing Balance as on Mar 31, 2019 (Refer Note below)
	Foreign Contribution								
1	One Prosper International-Canada	16,512	-	-	-	-	-	-	16,512 **
2	Donation for Relief Rehabilitation and Livelihoods work in Uttarakhnad	13,815,371	-	185,489	4,453,367	9,546,900	-	-	593 *
3	Vesterguard Lifestraw	31,122	335,000	-	334,777	22,000	-	-	9,345
4	The Hans Foundation, New Delhi								
4.1	Education Washplus Programme	5,177,005	11,587,356	105,341	14,484,873	169,694	-	77,462	2,292,597
4.2	Maximizing Mountain Agriculture Project	280,282	19,255,349	93,063	17,087,747	2,319,284	-	-	221,663
4.3	Toilet Construction in School Under Hans School Modernization Program	-	6,641,750	80,452	5,048,333	58,024	-	-	1,615,845
5	HT Parekh Foundation, Mumbai								
	A Sanitation, Hygiene Water Security and Point use (WaSH Plus) Programme with the Himmotthan Society in the Gangolihaat Cluster of Pithoragarh District in Uttarakhnad" BODF	1,049,603	-	50,122	1,824,169	-	-	724,896	452
	Previous year	29,594,146	34,795,348	1,397,999	44,545,882	810,384	61,332	-	20,369,895
	Total -FC- (1-5)	20,369,895	37,819,455	514,467	43,233,266	12,115,902	-	802,358	4,157,007

Note :-

1) Closing balance represent amounts received from various donors for specific projects under taken/ to be undertaken by the society as per its objects, which have remained unutilized as at the Balance Sheet date.

2) Previous year figures are in italics.

3) * Projects closed during the year.

4) ** Projects closed during the previous year.



HIMMOTTHAN SOCIETY

Notes forming part of the financial statements

Note 7 : Fixed Assets (created out of Earmarked Funds)

Fixed Assets (Foreign Contribution)

Particulars	Gross Block (at Cost)					Depreciation			Net Block As on March 31, 2019
	Opening Balance as on April 1, 2018	Additions during the Year	Deletions	Closing Balance as on March 31, 2019	Opening Balance as on April 1, 2018	Depreciation for the Year	Deletions	Closing Balance as on March 31, 2019	
Tangible Assets									
Computers	675,053	71,024	-	746,077	289,372	175,182	-	464,554	281,523
	158,881	516,172	-	675,053	113,733	75,639	-	289,372	385,681
Office Equipments	262,984	527,968	-	790,952	57,239	87,340	-	144,579	646,373
	763,406	99,578	-	262,984	20,930	36,309	-	57,239	205,745
Furnitures & Fixtures	387,552	124,440	-	511,992	298,190	19,909	-	318,099	193,893
	192,918	194,634	-	387,552	142,721	155,469	-	298,190	89,362
Land and Building	-	9,475,000	-	9,475,000	-	947,500	-	947,500	8,527,500
	-	1,220,870	-	1,220,870	-	153,378	-	153,378	1,067,492
Plant and Machinery	-	696,600	-	696,600	-	98,865	-	98,865	597,735
Vehicles	-	-	-	-	-	-	-	-	-
Total Tangible	1,325,589	12,115,902	-	13,441,491	644,801	1,482,174	-	2,126,975	11,314,516
Previous Year	515,205	810,384	-	1,325,589	277,384	367,417	-	644,801	680,788

Note:

1) The total value of the building that has been capitalized in the books is ₹ 14,131,048 of which the amount of ₹ 9,475,000 has been expended from the FCRA bank account.



HIMMOTTHAN SOCIETY

Notes forming part of the financial statements

Note 8: Loans and Advances

Particulars	As at March 31, 2019 (₹)	As at March 31, 2018 (₹)
Security Deposits	105,000	105,000
Advance Income Tax (TDS Recoverable)	-	37,027
Total	105,000	142,027

Note 9: Cash and Bank Balances

Particulars	As at March 31, 2019 (₹)	As at March 31, 2018 (₹)
Cash and Bank Balance		
(a) Cash on hand	-	-
(b) Balances with banks		
(i) In Saving accounts :		
Indian Overseas Bank	3,187,090	2,340,819
(ii) Term Deposit Accounts:		
Deposits with Indian Overseas Bank	1,011,510	18,068,736
Total	4,198,600	20,409,555



HIMMOTTHAN SOCIETY**Notes forming part of the financial statements****Note 10: Programme Expenses**

Particulars	For the Year Ended March 31, 2019 (₹)	For the Year Ended March 31, 2018 (₹)
Salaries	2,568,675	3,078,897
Staff Welfare Expenses	10,993	-
Contribution to Provident Fund, Gratuity and ESI	225,401	385,815
Honorarium and Consultancy Fees	3,838,890	4,222,121
Insurance	-	32,500
Field Office Building Rent	175,677	276,899
Communication	113,407	176,619
Training/ Programme expenses	18,456,926	14,097,517
Books and Periodicals	129	674
Travel and Conveyance	2,017,465	1,858,981
Printing and Stationery	468,422	347,563
Software and Computer Consumables	36,004	64,140
Repairs and Maintenance	4,787	56,674
Total	27,916,776	24,598,400

Note 11: Employee Benefit Expenses

Particulars	For the Year Ended March 31, 2019 (₹)	For the Year Ended March 31, 2018 (₹)
Salaries to Admin staff	556,542	694,387
Staff Welfare Expenses	2,916	1,215
Contribution to Provident Fund, Gratuity and ESI	58,894	65,533
Total	618,352	761,135

Note 12: Establishment Expenses

Particulars	For the Year Ended March 31, 2019 (₹)	For the Year Ended March 31, 2018 (₹)
Professional / Consultant fees - Non Program	75,025	59,686
Water and Electricity Charges	5,288	27,761
Miscellaneous and Office Maintenance Expenses	92,190	205,604
Office Building Rent	329,564	502,518
Bank Charges	11,217	14,268
Insurance	-	-
Travel & Conveyance	32,859	23,823
Communication, Postage and Courier	24,726	84,586
Total	570,869	918,246



HIMMOTTHAN SOCIETY

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

13. The Society is registered under section 12AA of the Income Tax Act, 1961, by the Commissioner of Income Tax, Dehradun vide registration No.10768 dated September 25, 2008 w.e.f. March 28, 2008, which entitles it to claim an exemption from Income tax provided certain conditions laid down in the Income Tax Act 1961 are complied with. Provision for tax will be made only in the year in which the Society is unable to establish reasonable certainty of its ability to fulfil these conditions. The Society has also obtained a certificate under section 80G of the Income Tax Act, 1961.
14. During the year Himmotthan Society enrolled themselves in the Pradhan Mantri Rojgar Protsahan Yojana Scheme with effect from November 2018 wherein the Provident Fund contribution of the new employees recruited during the year is being contributed by the Government of India. A total number of 2 employees have been enrolled under this scheme which is valid for a period of three years.
15. The bifurcation of costs within various cost centers have been done based on Management's Judgement.
16. Previous years' figures have been regrouped/ reclassified wherever necessary.



For and on behalf of the Himmotthan Society

[Signature]
Chairman

[Signature]
[Signature]
Secretary/Treasurer



Place: Dehradun

Date: *Sept 03, 2019*