

# RAY & RAY

CHARTERED ACCOUNTANTS

205, Ansal Bhawan,  
16, Kasturba Gandhi Marg, New Delhi - 110001  
T +91 11 23705415, 23705416, 41525215  
E rayandraydelhi@vsnl.com W www.raynray.net

## INDEPENDENT AUDITOR'S REPORT

To,

**Members of Sphere India**

### Report on the Financial Statement

We have audited the accompanying financial statements of Sphere India, which comprise the Balance Sheet as at March 31, 2018, the Income & Expenditure Account and Receipts & Payments Account for the year then ended and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Society in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India, to the extent applicable. This responsibility also includes maintenance of adequate accounting records for safeguarding the assets of the Society and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgements and estimates that are reasonable and prudent, and 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 and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Organisation's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Society has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Society at 31.03.2018 its excess of expenditure over income and its Receipts & Payments for the year ended on that date.

**Report on other legal and Regulatory requirements**


We report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Society so far as it appears from our examination of those books.
- c) The Balance Sheet, Income & Expenditure Account and Receipts & Payments Account dealt with in this Report are in agreement with the books of account.

Place: New Delhi

Date: 24 Dec 2018

For RAY & RAY  
Chartered Accountants  
Firm Registration no. 301072E

  
(Samir Manocha)  
Partner  
Membership no. 091479




**SPHERE INDIA**

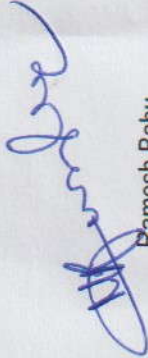
**Balance Sheet as on 31<sup>st</sup> March 2018 (Consolidated)**

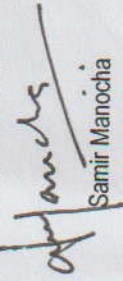
Liabilities	Amount (Rs.)	Assets	Amount (Rs.)
<b>Current Liabilities &amp; Provisions</b>		<b>Current Assets, Loans &amp; Advances</b>	
Expenses payable	1,053,915.00	Cash & Bank Balances	
Sundry Creditors	87,617.00	Cash in Hand	1,208.00
		<b>Cash at Bank</b>	
		ICICI Bank 007101054619	150,739.61
<b>Unutilised balance of FC</b>		ICICI Bank 007101054825 (FC)	16,963.00
Project fund balance			
ACTED		Advances	65,730.00
		TDS receivable	315,858.00
		<b>Income &amp; Expenditure A/c</b>	
		Excess Of Expenditure Over Income transferred	606,033.39
		from Income & Expenditure A/c	1,156,532.00
			<b>1,156,532.00</b>

Significant Accounting Policies & Notes to Accounts - Schedule-4  
Schedule 4 form an integral part of the Balance Sheet

  
Vikrant Mahajan  
Chief Executive Officer

  
Ram Kishan  
Chairman

  
Ramesh Babu  
Treasurer

**For Ray & Ray**  
Chartered Accountants  
Firm Registration no. 301072E  
  
Samir Manocha  
Partner

Place: New Delhi

Date: 24/Dec/18

Membership No. 091479



**SPHERE INDIA**

**Income & Expenditure Account for the year ending 31.03.2018 (Consolidated)**

Expenditure	Amount (Rs.)	Income	Amount (Rs.)
Expenses (as per schedule -3)	1,235,159.00	Sphere Membership fee	720,000.00
Audit	100,300.00	<u>Other Receipts</u>	
		Interest received	6,873.00
		Misc. Receipts	51,000.00
		Excess of Expenditure over Income c/d	557,586.00
	<b>1,335,459.00</b>		<b>1,335,459.00</b>
Excess of Expenditure over Income b/f	557,586.00		
Balance of previous year	48,447.39		
	<b>606,033.39</b>		
		Balance transferred to Balance Sheet	606,033.39
			<b>606,033.39</b>


Significant Accounting Policies & Notes to Accounts - Schedule-4  
Schedules 3 & 4 form an integral part of the Balance Sheet

  
Vikrant Mahajan  
Chief Executive Officer

  
Ram Kishan  
Chairman

  
Ramesh Babu  
Treasurer

**For Ray & Ray**  
Chartered Accountants  
Firm Registration no. 301072E

  
Samir Manocha  
Partner  
Membership No. 091479

Place: New Delhi

Date: 27 Dec 2018



**SPHERE INDIA**

**Receipts & Payments Account for the year ending 31.03.2018(Consolidated)**

Receipts	Amount (Rs.)	Amount (Rs.)	Payments	Amount (Rs.)
<b>Opening Balances:</b>				
Cash in Hand	17,870.00		Expenses	277,384.00
Cash at Bank	(388,590.39)		Project wise expenditure (Schedule 2)	850,517.00
Advances & Deposit	62,038.00	(308,682.39)	Liabilities paid	178,572.00
Sphere Membership fee		18,000.00	<b>Closing Balances:</b>	
<b>Other Receipts</b>			Cash in Hand	1,208.00
Interest received		6,873.00	Cash at Bank	167,702.61
Misc. Receipts		51,000.00	Advances	234,640.61
Receivables received		263,653.00		
Project wise Receipt (Schedule 1)		810,270.00		
		<b>1,541,113.61</b>		<b>1,541,113.61</b>

Significant Accounting Policies & Notes to Accounts - Schedule-4  
Schedules 1, 2 & 4 form an integral part of the Receipt & Payment Account

**For Ray & Ray**  
Chartered Accountants  
Firm Registration no. 301072E

*[Signature]*  
Samir Manocha  
Partner

*[Signature]*  
Ramesh Babu  
Treasurer

*[Signature]*  
Ram Kishan  
Chairman

*[Signature]*  
Vikrant Mahajan  
Chief Executive Officer

Membership No. 091479

Place: New Delhi

Date: 24 Dec 2018



SPHERE INDIA

Project wise Receipts & Utilization Statement

Donor	Project Name	Op. Bal. (Rs.)	Income (Rs.)	Expendiutre (Rs.)	Closing Balance (Rs)
Reliance Foundation	Reliance		287,100.00	287,100.00	-
UNFPA	Learning Review - MISP Program	40247	33,170.00	73,417.00	-
UNICEF	Unicef		490,000.00	490,000.00	-
	<b>Total</b>		<b>810,270.00</b>	<b>850,517.00</b>	-



SCHEDULE-2

SPHERE INDIA

Project wise expenditure		
Sl No,	Particulars	Amount (Rs)
1	<b>Relaince Foundation</b>	287,100.00
	Consultancy	139,000.00
	Meeting & Consultation	13,100.00
	Coordination	135,000.00
2	<b>UNFPA</b>	73,417.00
	Assessment of preparedness & intervention	65,760.00
	Support Cost	7,657.00
3	<b>UNICEF</b>	490,000.00
	Desk online research	120,000.00
	IAG Coordination	100,000.00
	Design & planning	225,000.00
	Communication	45,000.00
<b>Grand total</b>		<b>850,517.00</b>



SCHEDULE-3

**SPHERE INDIA**

Expenditure for the period 1st April 2017 - 31st March 2018

Sl No	Particulars	Sphere Membersip fee
1	Rent	180,000
2	Printing & Stationery	3,072
3	Postage	2,087
4	Salary/Conultancy	855,000
5	Travel	98,615
4	Electricity & Water	20,700
5	Office maintenance	73,552
6	Rates & taxes	2,133
	<b>Total</b>	<b>1,235,159</b>





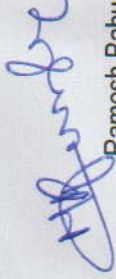
**SPHERE INDIA**  
Balance Sheet as on 31<sup>st</sup> March 2018 (FC)

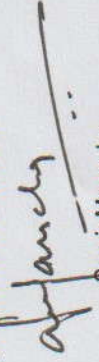
Liabilities	Amount (Rs.)	Assets	Amount (Rs.)
<u>Unutilised balance of FC</u>		ICICI Bank A/c No.007101054825 (FC)	16,963.00
<u>Project fund balance</u>			
ACTED	15,000.00		
Income & Expenditure A/c	1,963.00		
	<b>16,963.00</b>		<b>16,963.00</b>

Significant Accounting Policies & Notes to Accounts - Schedule-4  
 Schedule 4 form an integral part of the Balance Sheet

  
 Vikrant Mahajan  
 Chief Executive Officer

  
 Ram Kishan  
 Chairman

  
 Ramesh Babu  
 Treasurer

**For Ray & Ray**  
 Chartered Accountants  
 Firm Registration no. 301072E  
  
 Samir Manocha  
 Partner  
 Membership No. 091479

Place: New Delhi

Date: 24 Dec 2018



**SPHERE INDIA**

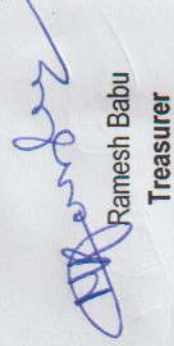
**Income & Expenditure Account for the year ending 31.03.2018 (FC)**

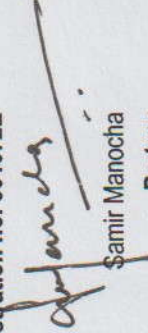
Expenditure	Amount (Rs.)	Income	Amount (Rs.)
Excess of Income over expenditure c/d	610.00	Interest on SB Accounts	610.00
	<b>610.00</b>		<b>610.00</b>
Transferred to Balance Sheet	1,963.00	Excess of Income over expenditure b/d	610.00
	<b>1,963.00</b>	B/f from last year	1,353.00
			<b>1,963.00</b>

Significant Accounting Policies & Notes to Accounts - Schedule-4  
Schedules 4 form an integral part of the Income & Expenditure Account

  
Vikrant Mahajan  
Chief Executive Officer

  
Ram Kishan  
Chairman

  
Ramesh Babu  
Treasurer

**For Ray & Ray**  
Chartered Accountants  
Firm Registration no. 301072E  
  
Samir Manocha  
Partner  
Membership No. 091479

Place: New Delhi


Date: 27 Dec 2018



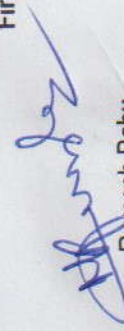
**SPHERE INDIA**  
**Receipts & Payments Account for the year ending 31.03.2018 (FC)**

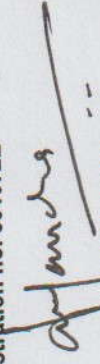
Receipts	Amount (Rs.)	Amount (Rs.)	Payments	Amount (Rs.)
<b>Opening Balances:</b>				
ICICI Bank A/c No.007101054835 (FC)		16,353.00		
			<b>Closing Balances:</b>	
Interest on SB Accounts		610.00	ICICI Bank A/c No.007101054825 (FC)	16,963.00
		<b>16,963.00</b>		<b>16,963.00</b>

Significant Accounting Policies & Notes to Accounts - Schedule-4  
 Schedule 4 form an integral part of the Receipt & Payment Account

  
 Vikrant Mahajan  
 Chief Executive Officer

  
 Ram Kishan  
 Chairman

  
 Ramesh Babu  
 Treasurer

**For Ray & Ray**  
 Chartered Accountants  
 Firm Registration no. 301072E  
  
 Samir Manocha  
 Partner  
 Membership No. 091479

Place: New Delhi

Date: 24 Dec 2018



## Sphere India

### Schedule-4

#### Significant Accounting Policies & Notes to Accounts

**1. Objective of the Society:**

The Society generally facilitates the Inter Agency Coordination, Training & Capacity Building, Information & knowledge management and Common Advocacy through a collaborative process for quality & accountability.

**2. Basis Of Accounting:**

Financial Statement has been prepared on the Accrual Basis other than membership fees which has been accounts for on cash basis.

**3. Fixed Assets:**

Fixed assets have not been reflected in the books of accounts of Sphere India. The Assets being used by the Society have been given by various project partners for the purposes of the project. As such, these assets are not owned by the Society. The assets will be capitalized only once the assets are legally transferred to the Society.

**4. Membership Fees:**

Amount received from the members toward the membership and initial joining fees have been recognized as income in the income & expenditure account. The membership fee has been accounted for on receipt basis.

**5. Income Tax**

The Society is in the process of obtaining registration under section 12A & 80G of the Income Tax Act, 1961. The necessary applications have been filed which are pending to be heard at the Income Tax Appellate Tribunal.

**6. Foreign Contribution Regulation Act, 2010**

The society obtained a prior permission to carry out a project for Relief/ Rehabilitation of victims of Natural calamities funded by ACTED, France on September 9, 2014 & also for program to address acute under-nutrition funded by WELT HUNGER HILFE, New Delhi on October 13, 2014. Expenses on the project were incurred during the year. The Bank Account details of the designated Foreign Contribution Bank account are as under:

Bank name – ICICI Bank Ltd.


Bank Account No. – 007101054825

Balance as on 31<sup>st</sup> March 2018 – 16963/-

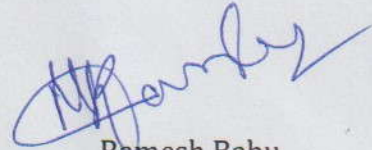
7. Earmarked Project funds received are not treated as income. All project related receipts, payments & closing balances are reflected directly in the Balance Sheet.
8. **Legal status of the Organization:**
- 8.1 Sphere India is a Society registered under Delhi Societies Registration Act, 1860 vide registration number S/1076 on 31st August 2012.
- 8.2 Society is in the process of obtaining registration under Sec 12AA/80G of the Income Tax Act, 1961.
- 8.3 The Society is registered with Service Tax Authorities & its Service Tax number is **AALTS9659JSD001**.
9. The Society is in the process of regularizing/filing returns with tax authorities in respect of TDS & Service Tax amount. Penalty/charges if any on late filing will be accounted for as & when paid.
10. No provision of income tax has been in the books of account as the society is exempt from the same under the principle of mutuality.



Vikrant Mahajan  
Chief Executive Officer



Ram Kishan  
Chairman



Ramesh Babu  
Treasurer

Place: New Delhi

Date: 24 Dec 2018