S. Sahoo & Co.

Chartered Accountants

Independent Auditor's Report

To the Members of Board
ChildFund International USA

Report on the Financial Statements

We have audited the accompanying financial statements of **ChildFund International USA – India Office**which comprise the Balance Sheet as at March 31, 2016 and the Statement of Income & Expenditurefor 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 matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments 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 have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules madethereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company 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 the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the financial statements

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act 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 Company as at March 31, 2016, and its surplus for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "***Annexure* A"** a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143 (3) of the Act, 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 purpose of our audit;

   b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   c. the Balance Sheet, the Statement of Income & Expenditure and the Receipts & payment account dealt with by this Report are in agreement with the books of account

   d. in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**.

   f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For and on behalf of:
S.SAHOO & CO.
Chartered Accountants
Firm No. 322952E

CA Subhajit Sahoo, FCA
Partner
M. NO: 057426

Place: Bangalore
Date: 20-07-2016

"Annexure A" to the Independent Auditors' Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2016:

1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

(b) The Fixed Assets have been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.

(c) According to the information and explanation given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the company.

2) Child Fund International USA – India office is engaged in supporting locally led initiatives that strengthen families and communities, helping them break the cycle of poverty and protect the rights of their children. Accordingly it does not hold any physical inventory, thus paragraph 3 (ii) of the order is not applicable to the company.

3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.

4) According to the information and explanations given to us, the company has not granted/taken any loans, investments, guarantees, and securities therefore the compliance with the provisions of section 185 and I86 of the Companies Act, 2013 are not applicable.

5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.

S. SAHOO & CO. FRN 322952E New Delhi Chartered Accountants

7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Income-Tax (Tax Deducted at Source), Professional Tax, Provident Fund and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2016 for a period of more than six months from the date on when they become payable.

b) According to the information and explanation given to us, there are no dues of income tax, professional tax, provident fund outstanding on account of any dispute.

8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.

9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.

10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.

11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;

12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.

13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debenture during the year.

S. SAHOO & CO.
FRN: 322952E
New Delhi
Chartered Accountants

15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For and on behalf of:
S.SAHOO & CO.
Chartered Accountants
Firm No. 322952E

CA Subhajit Sahoo, FCA
Partner
M. NO: 057426

Place: Bangalore
Date: 20-07-2016

"Annexure B" to the Independent Auditor's Report of even date on the Financial Statements of ChildFund International USA – India Office

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **ChildFund International USA – India Office** as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For and on behalf of:
S.SAHOO & CO.
Chartered Accountants
Firm No. 322952E

S. SAHOO & CO. Chartered Accountants FRN 322952E New Delhi

S Sahoo

CA Subhajit Sahoo, FCA
Partner
M. NO: 057426

Place: Bangalore
Date: 20-07-2016

ChildFund International USA - India Office

(formerly known as Christian Children's Fund Inc., National Office India)

Balance sheet as at 31st March 2016

Amount in Rs.

	Notes	31 March 2016	31 March 2015
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
Share Capital		-	-
Reserves and Surplus:			
Working fund	3	34,782,240	30,137,052
(2) Non-Current Liabilities			
Long term borrowings		-	-
Long term provisions		-	-
(3) Current Liabilities			
Sponsorship Funds - Designated	4	-	17,988
Funds for NSP Project	5	63,880	1,314,520
Sponsorship Funds - Projects	6	-	3,831,639
Grants for Projects	7	2,573,000	4,710,138
Other Current liabilities	8	1,966,842	1,838,147
Other Provisions	9	478,170	430,920
		39,864,132	**42,280,403**
II. Assets			
Non-current assets			
Fixed assets	12		
Tangible assets		21,054,927	24,417,342
Intangible assets		-	-
		21,054,927	**24,417,342**
Current assets			
Cash and cash equivalents	10	12,828,585	13,493,956
Other current assets	11	5,980,620	4,369,105
		18,809,205	**17,863,060**
Summary of significant accounting policies	**2.1**		
		39,864,132	**42,280,403**
		-	

The accompanying notes are integral part of the financial statements

As per our attached report of even date

for S.Sahoo & Co.
Chartered Accountants
FRN: 322952E

CA. Subhajit Sahoo FCA, LLB
Partner
M. No.: 057426

Place: Bangalore
Date : 20.07.2016

for ChildFund International USA - India Office

Neelam Makhijani
National Director

ChildFund International Museum Road Bangalore 560 001

ChildFund International USA - India Office
(formerly known as Christian Children's Fund Inc., National Office India)

Statement of Income and Expenditure account

(Amount in Rupees)

Particulars	Notes	31 March 2016	31 March 2015
Income			
Funds from International Office / Grants	13	182,387,747	177,677,961
Expenses paid by International Office		6,463,350	10,356,751
Miscellaneous Income		239,500	243,650
Total Revenue		**189,090,598**	**188,278,362**
Expenses:			
Personnel expenses	14	60,484,517	60,585,661
Project related expenditure	15	69,000,026	34,810,340
Other/ Incidental project expenses	16	50,805,491	79,277,994
Depreciation and amortization expense	12	4,155,376	5,642,661
Total Expenses		**184,445,410**	**180,316,655**
Excess of (Expenditure over Income)/ Income over Expenditure		**4,645,188**	**7,961,707**
Tax expense:			
Current tax expenses for current year		-	-
Current tax expenses for Previous year		-	-
Excess of (Expenditure over Income)/ Income over Expenditure transferred to working fund		**4,645,188**	**7,961,707**
Summary of significant accounting policies	**2.1**		

The accompanying notes are integral part of the financial statements

As per our attached report of even date

for S.Sahoo & Co.
Chartered Accountants
FRN: 322952E

CA. Subhajit Sahoo FCA, LLB
Partner
M. No.: 057426

for ChildFund International USA - India Office

ChildFund International Museum Road Bangalore 560 001

Neelam Makhijani
National Director

Place: Bangalore
Date : 20.07.2016

ChildFund International USA - India Office
(formerly known as Christian Children's Fund Inc., National Office India)
Receipts and payments account for the year ended March 31, 2016

Amount in Rs.

	Notes	31 March 2016	31 March 2015
Opening balance			
Cash in hand		116,174	52,363
Cash balance with scheduled bank, in current account	10	13,377,782	23,080,635
		13,493,956	**23,132,998**
Add : Receipts			
Funds from International Office		161,060,005	158,269,846
Grants received for Projects		2,573,000	5,234,248
Sponsorship Funds - Designated	4	82,266,759	83,762,156
Sponsorship Funds - Projects	6	441,963,300	372,313,828
Funds for NSP Project	5	12,353,759	3,433,918
Expenses paid by International Office		6,463,350	10,356,751
Designated funds send to National Office		6,146	6,475
Miscellaneous Income		239,500	243,650
		706,925,819	**633,620,871**
Less: Payments			
Fixed Assets	12	792,961	14,099,497
Personnel expenses	14	60,484,517	60,585,661
Project related expenditure	15	69,000,026	34,810,340
Other/Incidental project expenses	16	50,805,491	79,277,994
Sponsorship Funds utilised - Designated	4	82,187,193	85,562,623
Sponsorship Funds utilised - Projects	6	442,885,432	368,237,861
Changes in current liabilities and provisions		(175,945)	(699,762)
Changes in loans and advances		1,611,515	1,385,701
		707,591,190	**643,259,913**
Closing balance		**12,828,585**	**13,493,956**
Cash in hand	11	75,000	116,174
Cash balance with scheduled bank, in current account	11	12,753,585	13,377,782
		12,828,585	**13,493,956**
Summary of significant accounting policies	**2.1**		

The accompanying notes are integral part of the financial statements

As per our attached report of even date

for S.Sahoo & Co.
Chartered Accountants
FRN: 322952E

S.Sahoo

CA. Subhajit Sahoo FCA, LLB
Partner
M. No.: 057426

Place: Bangalore
Date : 20.07.2016

for ChildFund International USA - India Office

Neelam Makhijani

Neelam Makhijani
National Director

Notes to Financial Statements

1. Background

ChildFund International USA (formerly Christian Children's Fund Inc.,) ('the International Office' or 'IO') incorporated in the United States of America has established ChildFund International USA – India Office (formerly known as Christian Children's Fund Inc., National Office India) as a place of business in Bangalore, India which is registered under Section 379 of the Companies Act, 2013 as a Foreign Company having its place of business in India vide registration no. F00052.

ChildFund International USA – India is registered under Section 12A of the Income Tax Act, 1961, vide letter no. PRO.718/10A/VOL AIC298.

Further, ChildFund International USA – India Office has been given permission by Reserve Bank of India to hold immovable property in India vide letter no. EC.CO.FCS (III) 1224 C29-74 dated 19 June 1974. ChildFund International USA – India Office has been granted registration from the Ministry of Home Affairs under the Foreign Contribution (Regulation) Act, 2010 to accept specified foreign contributions vide letter no. II/21022/69(268)/85-FCRA.3 dated 15th December 1987 bearing registration No. 094420147.

ChildFund International USA – India Office receives funds for charitable purposes in India. The principal activity is to support locally led initiatives that strengthen families and communities, helping them break the cycle of poverty and protect the rights of their children. This includes supporting programs relating to health, education, nutrition, water, sanitation and livelihood provided to millions of children and their families so that they can take greater control of their lives and their future.

2. Basis of Preparation

The financial statements of ChildFund International USA – India Office have been prepared under the historical cost convention on the accrual basis of accounting in accordance with the Generally Accepted Accounting Principles ("GAAP") in India. These financial statements comply with the Accounting Standards notified by the Central Government under the Companies (Accounting Standards) Rules and the relevant provisions of the Companies Act, 2013, to the extent applicable. The remittances are received from the IO in the bank account of ChildFund International USA – India Office and expenditures are incurred therefrom. Since ChildFund International USA – India Office is not carrying on business, it prepares an income and expenditure and not a profit and loss account.

2.1 Summary of Significant accounting policies

(a) Use of estimates

The preparation of financial statements in conformity with the accounting policies described below requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amounts of expenses and related incomes. Actual results could differ from those estimated. Any revision to accounting estimates is recognised prospectively in current and future periods.

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(b) Tangible Fixed assets

Fixed assets are stated at historical cost. The cost of fixed assets includes taxes, duties, freight and other incidental expenditure related to acquisition and installation.

Assets purchased out of specific purpose/restricted grants are not capitalized in the books of accounts and are charged to the respective funds. The same is considered appropriate with regard to the nature of operations of ChildFund International USA – India Office.

(c) Depreciation

Depreciation is provided on all fixed assets using straight line method at the rates of depreciation prescribed under Schedule II to the Companies Act, 2013.

(d) Provisions and contingent liabilities and contingent assets

A provision is created when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

(e) Contributions received and income recognition.

Non-Sponsorship Program (NSP) funds are contributions received from members of the ChildFund Alliance, Major Donors, and Corporate gifts to International Office (IO). It collectively assists the National Offices and projects in meeting their program goals and objectives. NSP categories include program enhancement, special opportunity, and emergency response. Income is recognized on receipt of amount and expenses are booked on the basis of monthly expense report submitted by the Local Partner Organizations (LPs).

Grant Awards from institutional donors, such as USAID, UN, Other Governments, NGOs, or Foundations. Grants are awarded via a signed agreement between the grantor and grantee, and the funds awarded are restricted for the implementation of specific programs. Segregated fund accounting is required and balances unspent must be returned to the donor.

Sponsorship Funds - Designated (DFC) are the child specific contribution made by the sponsors in the form of monetary gifts to the sponsored child. List of children to get the gifts are sent to ChildFund International USA – India Office along with the money transfer. All gifts received through cash or cheques are deposited in ChildFund International USA – India's bank account and a corresponding cheque for the same value is issued in favour of the LPs.

Sponsorship Funds – Monthly contributions received from sponsors to be used for ChildFund's program purposes. Subsidy funds are transferred from the International Office to the NO's account and subsequently are transferred to various LPs based on approved budgets for the implementation of projects for children.

S. SAHOO & CO. ★ Chartered Accountants ★ FRN. 322952E New Delhi

Special Sponsorship Program is created out of withheld subsidy of local partners in International Office to address a specific program need in the country. The funds are transferred to India Office on the basis of program plan on a monthly basis to its working fund.

Partnership Effective Fund empowers National Offices to have in-country spending discretion for up to 20% of a country's sponsorship funds which will support the capacity of local partners to deliver quality programs.

(f) Leases

Leases where the lessor effectively retains, substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Lease rentals are charged to the profit and loss on accrual basis.

(g) Income taxes

ChildFund International USA – India is registered under Section 12A of the Income tax Act, 1961 ('the Act') which exempts from taxes on income from property held under trust and voluntary contributions received. Accordingly, the income of ChildFund International USA – India is exempt from tax, subject to the compliance of terms and conditions specified in the Income Tax Act, 1961.

(h) Employee benefits

Benefits such as salaries, allowances are recognised in the Income and Expenditure Account in the period in which the employee renders the related services.

Provident fund:

All eligible employees receive benefit from provident fund, which is a defined contribution plan. Both the employee and ChildFund International USA – India make monthly contribution to the fund, which is equal to a specified percentage of the covered employee's basic salary. ChildFund International USA – India has no further obligations under this plan beyond its monthly contributions. Monthly contributions made are charged to income and expenditure account.

Gratuity:

ChildFund International USA – India has an employee's gratuity fund managed by Life Insurance Corporation of India. The annual premiums paid to the LIC are charged to the Income & Expenditure account.

Compensated Absences:

As per the human resource policy of the Child Fund International, leave encashment is not allowed hence NO provision has been created for same.

S. SAHOO & CO. Chartered Accountants New Delhi

(i) Foreign exchange transactions

Transactions in foreign exchange are recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies (if any) as at the balance sheet date are translated at the closing exchange rates on that date; the resultant exchange differences are recognized in the income and expenditure account. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

(j) Expenditure

ChildFund International USA – India implements its programmes for strengthening training, research and policy development in the area of eradication of poverty through projects conducted by itself or by other local non-governmental organizations to which it disburses grants. Accordingly, expenditure incurred during the year to monitor such non-governmental organizations and implement their internal projects is charged to the Income and Expenditure.

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New Delhi
Chartered Accountants

ChildFund International USA – India Office
(formerly known as Christian Children's Fund Inc., National Office India)
Schedules forming parts of the financial statements
(All amount are in Indian Rupees)

17. Additional Information to the Financial Statements

A. The Company is registered without share capital, there are no shareholders in the company. Therefore Shareholders fund in the Balance sheet as on 31st March 2016 is NIL.

B. **Capital Commitments**

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for is Rs. Nil (Previous year: Nil).

C. **Auditors' remuneration (including service tax, included in professional charges)**

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Statutory audit fees	478,170	430,920
Out of pocket expenses	-	-
	478,170	**430,920**

D. ChildFund International USA – India Office has not incurred any expenses in foreign currency during the year.

E. **Receipts in foreign currency**

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Sponsorship Funds – Designated	82,266,759	83,762,156
Sponsorship Funds – Projects	441,963,300	372,313,828
Funds from International Office	161,060,005	158,276,321
Grant received	-	5,234,248
NSP received	14,926,759	3,433,918
	700,216,822	**623,020,470**

F. ChildFund International USA – India Office has not imported any capital assets or traded goods during the year ended 31 March 2016 and in the previous year.

G. **Dues to Micro, Small and Medium Enterprise**

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. ChildFund International USA – India Office has not received such intimation from any of the enterprises which have supplied goods and services.

H. Related party disclosures

(a) Related party where control exists

Childfund International USA (formerly Christian Children's Fund Inc.,) – International Office

(b)The following is a summary of significant transactions with related parties for the year

ChildFund International USA – India Office
(formerly known as Christian Children's Fund Inc., National Office India)
Schedules forming parts of the financial statements
(All amount are in Indian Rupees)

Rs.

Particulars	**31 March 2016**	**31 March 2015**
Childfund International, USA		
• Remittances received	700,216,822	623,020,470
• Expenses paid by Head Office	6,463,350	10,356,751
Childfund India, Society		
• Subsidy Paid to Society	14,54,98,447.59	140,510,310
• DFC Paid to Society	2,49,94,181.53	22,977,705
• NSP Paid to Society	27,84,922.00	1,023,880
• Grant Paid to Society	47,58,314.00	8.126,437

I. ChildFund International USA – India Office does not have any unhedged foreign currency exposure and outstanding derivative instruments as at year end.

for S.Sahoo & Co.
Chartered Accountants
FRN: 322952E

CA. Subhajit Sahoo FCA, LLB
Partner
M. No.: 057426

Place: Bangalore
Date : 20.07.2016

for ChildFund International USA - India Office

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