# Ajay K. Sud & Associates

Chartered Accountants

F-3, South Extension, Part-I, New Delhi-110049

**Tel. No. 41637412; Fax-41648098**

## Certificate

We have audited the account of ChildFund International USA, 22 Museum Road, Bangalore, Karnataka -560001, having FCRA Registration No. 094420147, Darpan ID KA/2017/0167585, and PAN: AACCC477F for the year ending 31st March 2024 and examined all relevant books and vouchers and certify that according to the audited account:

(i) The brought forward foreign contribution at the beginning of the financial year was **Rs. 10,45,18,341.99**/-

(ii) Foreign contribution worth Rs. **53,968,170.26/-**was received by the association during the financial year 2023-2024.

(iii) Interest accrued on foreign contribution and other income derived from foreign contribution or interest thereon worth **Rs 3280** was received by the association during the financial year 2023-2024.

(iv) The balance of unutilised foreign contribution with the person/association at the end of the financial year was Rs. **73,22,973.65**/-.

(v) Certified that the association 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.

(vi) The information in this certificate and in the enclosed balance sheet and statement of receipt and payment is correct as checked by me.

(vii) The association has utilised the foreign contribution received for the purpose(s) it is registered/ granted prior permission under the Foreign Contribution (Regulation) Act, 2010 (42 of2010).

**For Ajay K. Sud & Associates**

Chartered Accountants

FRN No.: 03939N

AJAY K. SUD & ASSOCIATES CHARTERED ACCOUNTANTS FRN:003939N NEW DELHI

**Ravi Gupta**

Partner

Membership number: 086728

UDIN:-24086728BKCUJW5946

Place: New Delhi

Date: 20-12-2024

ChildFund International USA - India Office
Balance sheet as at 31st March 2024

| | Notes | 31 March 2024 | 31 March 2023 |
|---|---|---|---|
| | | *(Amount in Rupees)* | |
| **I. EQUITY AND LIABILITIES** | | | |
| **(1) Shareholder's Funds** | | - | - |
| Head Office Fund | 3 | 2,51,59,393.37 | 2,98,00,572.93 |
| **(2) Non-Current Liabilities** | | | |
| Long term borrowings | | | |
| Deferred Tax Liability (Net) | | | |
| Long term provisions | | | |
| **(3) Current Liabilities** | | | |
| Unspent Fund | 4 | 0.00 | 7,49,00,564.79 |
| Other Current liabilities | 5 | 23,46,360.00 | 33,24,512.54 |
| Other Provisions | 6 | 4,72,500.00 | 61,11,088.00 |
| | | **2,79,78,253.37** | **11,41,36,738.26** |
| **II. Assets** | | | |
| **Non-current assets** | | | |
| **Property, Plant and Eqipment and Intangible Assets** | 7 | | |
| Property, Plant and Equipment | | 67,61,270.72 | 96,18,396.27 |
| Intangible assets | | | |
| | | **67,61,270.72** | **96,18,396.27** |
| **Current assets** | | | |
| Cash and cash equivalents | 8 | 73,58,984.65 | 8,91,14,805.99 |
| Other current assets | 9 | 1,38,57,998.00 | 1,54,03,536.00 |
| | | **2,12,16,982.65** | **10,45,18,341.99** |
| **Summary of significant accounting policies** | **2.1** | | |
| | | **2,79,78,253.37** | **11,41,36,738.26** |
| | | 0.00 | (0.00) |

**The accompanying notes are integral part of the financial statements**

As per our attached report of even date
For Ajay K Sud & Associates
FRN : 03939N
Chartered Accountants

AJAY K. SUD & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN:003939N
NEW DELHI

(Ravi Gupta)
Partner
M.No. 086728
UDIN-24086728BKCUJW5946
Place: New Delhi
Date: 20 DEC 2024

For ChildFund International USA - India Office

Rajesh Ranjan Singh
Country Director

ChildFund International USA
No. 22
Museum Road
Bangalore
560 001

**ChildFund International USA - India Office**
**Receipts and payments account for the year ended March 31, 2024**

*(Amount in Rupees)*

| | Notes | 31 March 2024 | 31 March 2023 |
|---|---|---|---|
| **Opening balance** | | | |
| Cash in hand | 8 | 16,262.00 | 40,289.00 |
| Cash balance with scheduled bank, in current account | 8 | 8,90,98,543.99 | 5,37,12,119.91 |
| | | **8,91,14,805.99** | **5,37,52,408.91** |
| **Add : Receipts** | | | |
| Grants Received from International Office | 10 | 5,37,85,412.00 | 7,68,60,494.36 |
| Funds Received from Head Office | | - | - |
| Grants Received for Designated Fund - Projects | | | 22,68,14,285.72 |
| Expenses paid by International Office | | 1,82,758.26 | 56,53,946.81 |
| Miscellaneous /Other Receipts | | 3,280.00 | 75,009.28 |
| | | **5,39,71,450.26** | **30,94,03,736.17** |
| **Less: Payments** | | | |
| Fixed Assets | 7 | 2,57,634.00 | 12,45,810.00 |
| Personnel expenses | 11 | 3,32,26,235.13 | 4,85,09,136.00 |
| Project related expenditure | 12 | 1,43,93,274.39 | 87,14,268.13 |
| Other/Incidental project expenses | 13 | 78,78,360.75 | 1,20,16,696.73 |
| Grants expenses for Designated Fund - Projects | | 7,49,00,564.79 | 20,02,96,268.67 |
| Changes in current liabilities and provisions | | 66,16,740.54 | 45,22,984.99 |
| Changes in loans and advances | | (15,45,538.00) | (12,63,825.43) |
| | | **13,57,27,271.60** | **27,40,41,339.09** |
| **Closing balance** | | **73,58,984.65** | **8,91,14,805.99** |
| Represented by | | | |
| Cash in hand | 8 | - | 16,262.00 |
| Cash balance with scheduled bank, in current account | 8 | 73,58,984.65 | 8,90,98,543.99 |
| | | **73,58,984.65** | **8,91,14,805.99** |
| Summary of significant accounting policies | **2.1** | **0.00** | **0.00** |

The accompanying notes are integral part of the financial statements
As per our attached report of even date

For Ajay K Sud & Associates
FRN : 03939N
Chartered Accountants

AJAY K SUD & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN:003939N
NEW DELHI

(Ravi Gupta)
Partner
M.No. 086728
UDIN- 24086728BKCUJW5946
Place: New Delhi
Date: 20 DEC 2024

For ChildFund International USA - India Office

**Rajesh Ranjan Singh**
Country Director

ChildFund International USA
No. 22
Museum Road
Bangalore
560 001

**ChildFund International USA - India Office**

**Statement of Income and Expenditure account year ended March 31, 2024**

| | | *(Amount in Rupees)* | |
|---|---|---|---|
| **Particulars** | **Notes** | **31 March 2024** | **31 March 2023** |
| **Revenue from operations:** | | | |
| Grants Received from International Office | 10 | 5,37,85,412.00 | 7,68,60,494.36 |
| Grants Received for Designated Fund - Projects | | - | 22,68,14,285.72 |
| | | | |
| **Other income** | | | |
| Expenses paid by International Office | | 1,82,758.26 | 56,53,946.81 |
| Miscellaneous Income | | - | 75,009.28 |
| **Total Income** | | **5,39,68,170.26** | **30,94,03,736.17** |
| | | | |
| **Expenses:** | | | |
| Grants expenses for Designated Fund - Projects | | 7,49,00,564.79 | 20,02,96,268.67 |
| Personnel expenses | 11 | 3,32,26,235.13 | 4,85,09,136.00 |
| Project related expenditure | 12 | 1,43,93,274.39 | 87,14,268.13 |
| Other/ Incidental project expenses | 13 | 78,78,360.75 | 1,20,16,696.73 |
| Depreciation and amortization expense | 7 | 30,64,480.53 | 40,82,873.89 |
| Assets Written Off | | 46,999.01 | 1,91,615.41 |
| **Total Expenses** | | **13,35,09,914.61** | **27,38,10,858.83** |
| | | | |
| **Surplus** | | **(7,95,41,744.35)** | **3,55,92,877.34** |
| **Less: Unutilised Restricted Funds (Net) transferred to Balance Sheet:** | | | |
| Grants expenses for Designated Fund - Projects | | (7,49,00,564.79) | 2,65,18,017.05 |
| | | | |
| 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** | | **(46,41,179.56)** | **90,74,860.29** |
| | | | |
| **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 Ajay K Sud & Associates
FRN : 03939N
Chartered Accountants

AJAY K SUD & ASSOCIATES CHARTERED ACCOUNTANTS FRN:003939N NEW DELHI

(Ravi Gupta)
Partner
M.No. 086728
UDIN-24086728BKCUJW5946
Place: New Delhi
Date: 20 DEC 2024

For ChildFund International USA - India Office

**Rajesh Ranjan Singh**
Country Director

ChildFund International USA No. 22 Museum Road Bangalore 560001

## Notes to Financial Statements

### 1. Background

ChildFund International USA ('the International Office' or 'IO') incorporated in the United States of America has established ChildFund International USA – India Branch Office 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 Branch Office is registered under Section 12A of the Income Tax Act, 1961, vide letter no. PRO.718/10A/VOL AIC298. The same has been renewed from AY 2022-23 to AY 2026-27 vide Unique Registration Number AACCC4777FE2000 dated 24$^{th}$ September 2021.

Further, ChildFund International USA – India Branch 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 Branch 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. 11/21022/69(268)/85-FCRA.3 dated 15th December 1987 bearing registration No. 094420147. Further, this registration has been renewed vide letter no. 0300010602021 dated 11$^{th}$ March 2024 bearing registration No. 094420147 for 5 years commencing from 1$^{st}$ April 2024.

ChildFund International USA – India Branch Office receives funds for charitable purposes in India. The principal activity is to support and monitor 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 and monitoring 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 Branch 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 International Office of Childfund International, USA, in the bank account of ChildFund International USA – India Branch Office and expenditures are incurred therefrom. Since ChildFund International USA – India Branch Office is not carrying on business, it prepares an income and expenditure and not a profit and loss account.

AJAY K. SUD & ASSOCIATES CHARTERED ACCOUNTANTS FRN:003939N NEW DELHI

ChildFund International USA No. 22 Museum Road Bangalore 560 001

## 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 recognized prospectively in current and future periods.

### (b) Property, Plant and Equipment

Property, Plant and Equipment are stated at historical cost. The cost of Property, Plant and Equipment includes taxes, duties, freight, and other incidental expenditure related to acquisition and installation.

Assets acquired for the purpose of implementation of projects have been treated as project expenses.

Gains or losses that arise on disposal or retirement of an asset are measured as the difference between net disposal proceeds and the carrying value of property, plant and equipment and are recognized in the statement of profit and loss when the same is derecognized.

### (c) Depreciation

Depreciation is calculated on pro rata basis on straight-line method based on estimated useful life prescribed under Schedule II of the Companies Act, 2013.

The useful life of major components of Property, Plant and Equipment is as follows:

| Property, Plant and Equipment | Useful Life (Years ) |
|---|---|
| Land | Infinite |
| Buildings | 60 |
| Plant and Machinery | 15 |
| Tools and Equipments | 5 |
| Data Processing Equipments | 3 |
| Furniture and Fixtures | 10 |
| Vehicles | 8 |

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### (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 recognized 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 recognized in the period in which the change occurs.

### (e) 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 an accrual basis.

### (f) Income taxes

ChildFund International USA – India Branch Office 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 Branch Office is exempt from tax, subject to the compliance of terms and conditions specified in the Income Tax Act, 1961.

### (g) Employee benefits

Benefits such as salaries and allowances are recognized 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 Branch Office make monthly contribution to the fund, which is equal to a specified percentage of the covered employee's basic salary. ChildFund International USA – India Branch Office 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 Branch Office 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:*
Provision for leave encashment has been made as per the human resource policy of the Child Fund International – India Branch Office.

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ChildFund International USA No. 22 Museum Road Bangalore 560 001

### (h) 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.

### (i) Expenditure

ChildFund International USA – India Branch Office implements its programmes through projects conducted for Children and communities by itself. Accordingly, expenditure incurred during the year to monitor and implement their internal projects is charged to the Income and Expenditure.

ChildFund International USA
No. 22
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CHARTERED ACCOUNTANTS
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NEW DELHI

ChildFund International USA - India Office
Notes to the financial statements

| | (Amount in Rupees) As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **Note 3 - Head Office Fund** | | |
| Opening balance | 2,98,00,572.93 | 2,09,83,292.70 |
| Add: Funds Received from Head Office | - | - |
| **Add:** Excess of (Expenditure over Income)/ Income over Expenditure | (46,41,179.56) | 90,74,860.29 |
| **Less:** Land and Building (NON FC Assets) Net of accumulated depreciation | - | 2,57,580.06 |
| | **2,51,59,393.37** | **2,98,00,572.93** |
| **Note 4 - Unspent Fund** | | |
| Opening balance | 7,49,00,564.79 | 4,83,82,547.74 |
| **Add/(Less):** Transferred from Income & Expenditure Account | (7,49,00,564.79) | 2,65,18,017.05 |
| | **0.00** | **7,49,00,564.79** |
| **Note 5 - Current liabilities** | | |
| Statutory Dues payable | 2,03,160.00 | 19,55,280.00 |
| Salary & Expenses Payable | 21,43,200.00 | 13,69,232.54 |
| | **23,46,360.00** | **33,24,512.54** |
| **Note 6 - Provisions** | | |
| Provision for Leave Encashment | - | 35,55,600.00 |
| Provision for Audit Fees | 4,72,500.00 | 5,40,000.00 |
| Provision for Gratuity | - | 20,15,488.00 |
| | **4,72,500.00** | **61,11,088.00** |
| **Note 8 - Cash and bank balances** | | |
| Cash on hand | - | 16,262.00 |
| Balances with scheduled banks, in current accounts | 73,58,984.65 | 8,90,98,543.99 |
| | **73,58,984.65** | **8,91,14,805.99** |
| **Note 9 - Loans and advances** | | |
| *Unsecured, considered good* | | |
| Advances recoverable in cash or kind or for value to be received | 1,32,66,464.00 | 1,33,28,054.00 |
| Rental & Other Deposits | 3,94,878.00 | 10,80,220.00 |
| Prepaid expenses | 1,96,656.00 | 9,95,262.00 |
| | **1,38,57,998.00** | **1,54,03,536.00** |

AJAY K. SUD & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN:003939N
NEW DELHI

ChildFund International USA

ChildFund International USA - India Office
Schedules to the financial statements

Note 7 - Property, Plant and Eqipment and Intangible Assets

*(Amount in Rupees)*

| | Gross Block | | | | Depreciation | | | | Net Block As at | |
|---|---|---|---|---|---|---|---|---|---|---|
| **Assets** | **As at 1-Apr-23** | **Additions** | **Deletions on assets discarded** | **As at 31-Mar-24** | **As at 1-Apr-23** | **Deletions on assets discarded** | **For the Year** | **As at 31-Mar-24** | **31-Mar-24** | **31-Mar-23** |
| Building | 2,10,972.80 | - | - | 2,10,972.80 | 1,01,424.15 | - | 9,267.00 | 1,10,691.15 | 1,00,281.65 | 1,09,548.65 |
| Electrical Equipment | 92,96,741.00 | 1,13,510.00 | 1,98,600.00 | 92,11,651.00 | 58,48,467.74 | 1,65,680.36 | 7,32,996.28 | 64,15,783.66 | 27,95,867.34 | 34,48,273.26 |
| Computers/Printers | 1,42,08,373.74 | 1,42,136.00 | - | 1,43,50,509.74 | 1,20,55,481.68 | - | 8,30,920.31 | 1,28,86,401.99 | 14,64,107.75 | 21,52,892.06 |
| Vehicles | 53,27,749.00 | - | - | 53,27,749.00 | 46,25,503.86 | - | 2,81,461.36 | 49,06,965.22 | 4,20,783.78 | 7,02,245.14 |
| Furniture and Fixture | 1,46,41,367.00 | 1,988.00 | 1,65,818.00 | 1,44,77,537.00 | 1,14,35,930.15 | 1,48,458.94 | 12,09,835.58 | 1,24,97,306.80 | 19,80,230.20 | 32,05,437.17 |
| **Total** | **4,36,85,203.54** | **2,57,634.00** | **3,64,418.00** | **4,35,78,419.54** | **3,40,66,807.59** | **3,14,139.30** | **30,64,480.53** | **3,68,17,148.82** | **67,61,270.72** | **96,18,396.27** |
| Previous year | 4,65,14,071.74 | 12,45,810.00 | 40,74,678.20 | 4,36,85,203.54 | 3,36,09,416.43 | 36,25,482.73 | 40,82,873.89 | 3,40,66,807.59 | 96,18,396.27 | 1,29,04,655.31 |

AJAY K. SUD & ASSOCIATES CHARTERED ACCOUNTANTS FRN:003939N NEW DELHI

ChildFund International USA No. 22 Museum Road Bangalore 560 001

ChildFund International USA - India Office

| Notes to the financial statements | *(Amount in Rupees)* 31 March 2024 | 31 March 2023 |
|---|---|---|
| **Note 10 - Funds from International Office / Grants** | | |
| Funds from International Office | 1,60,68,196.77 | 7,68,60,494.36 |
| Designated funds send to Country Office | - | - |
| Restricted funds from Donor | - | - |
| | **1,60,68,196.77** | **7,68,60,494.36** |
| **Note 11 - Personnel expenses** | | |
| Salaries and allowances | 2,85,06,009.13 | 4,39,70,465.00 |
| Other Employee Benefits (Severance, Gratuity, Insurance etc.) | 47,20,226.00 | 45,38,671.00 |
| | **3,32,26,235.13** | **4,85,09,136.00** |
| **Note 12 - Project related expenditure** | | |
| Community project expenditure | 1,15,85,332.99 | 69,98,892.00 |
| Training, Conference & Meetings | 28,07,941.40 | 17,15,376.13 |
| | **1,43,93,274.39** | **87,14,268.13** |
| **Note 13 - Other/ Incidental project expenses** | | |
| Supplies | 3,52,154.88 | 7,89,299.00 |
| Contracted services | 31,11,891.42 | 25,99,889.39 |
| Travel expenses | 18,55,615.98 | 54,75,133.69 |
| Rent and Occupancy | 9,34,453.00 | 44,326.00 |
| Legal & Professional charges | 9,66,320.00 | 10,41,100.00 |
| Communication expenses | 3,15,180.16 | 5,24,763.72 |
| Conferences and meetings | - | - |
| Other expenses | 3,42,745.31 | 14,79,184.93 |
| Depreciation | - | - |
| Equipment Purchases | - | 63,000.00 |
| Bad Debt/Amount Receivable Written off | - | - |
| Loss on Sale of Assets | - | |
| | **78,78,360.75** | **1,20,16,696.73** |
| TOTAL | **5,54,97,870.27** | **6,92,40,100.86** |

VIJAY K. SUD & ASSOCIATES CHARTERED ACCOUNTANTS FRN:003939N NEW DELHI

ChildFund International USA No. 22 Museum Road Bangalore

### 14. 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 2024 is NIL.

B. **Capital Commitments**

Estimated amounts 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 GST)**

| **Particulars** | **For the year ended 31 March 2024** (Amount in Rs.) | **For the year ended 31 March 2023** (Amount in Rs.) |
|---|---|---|
| As Auditor | 6,19,500.00 | 5,90,000.00 |
| For other services | - | 15,340.00 |
| Out of pocket expenses | - | - |
| | **6,19,500.00** | **6,05,340.00** |

D. Details of expenses in foreign currency during the year: - Nil

E. **Receipts in foreign currency**

| **Particulars** | **For the year ended 31 March 2024** (Amount in Rs.) | **For the year ended 31 March 2023** (Amount in Rs.) |
|---|---|---|
| FC Fund Received | 5,37,85,412.00 | 30,36,74,780.08 |
| Expenses paid by International Office | 1,82,758.26 | 56,53,946.81 |
| | **5,39,68,170.26** | **30,93,28,726.89** |

F. ChildFund International USA – India Branch Office has not imported any capital assets or traded goods during the year ended 31 March 2024 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 their customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. ChildFund International USA – India Branch 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 – International Office

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

(Amount in Rs.)

| **Particulars** | **31 March 2024** | **31 March 2023** |
|---|---|---|
| ChildFund International, USA | | |
| • Remittances received | 5,30,80,852.00 | 30,12,07,580.08 |
| • Expenses paid | 1,82,758.26 | 56,53,946.81 |

AJAY K. SUD & ASSOCIATES CHARTERED ACCOUNTANTS FRN:003939N NEW DELHI

**ChildFund International USA – India Branch Office**
**Schedules forming parts of the financial statements.**

I. **Unhedged Foreign Currency Exposure**:
ChildFund International USA – India Branch Office does not have any unhedged foreign currency exposure and outstanding derivative instruments as at year end.

J. **Contingent Liabilities**

i. One of the Ex-employees has lodged case against India Branch Office and its officers. The company has made a provision of Rs. 85000/- in the books of Accounts and the case are still pending.

ii. During the earlier years the company has received the demand Rs.3,87,75,210/- for the Assessment Year 2014-15 and for Rs. 2,75,52,603/- for the AY 2015-16 from the Deputy Commissioner of Income Tax. The company has filed an appeal against the order by depositing 20% of the demand of Rs. 77,55,042/- and Rs.55,10,520/-. The case is still pending with the appellate authority.

K. **Administrative Expenses**

ChildFund International, USA (Branch Office) has registered under the provisions of the Foreign Contribution (Regulation) Act, 2020 (FCRA) since 1st January 1985. Following an email dated August 4,2023 from State Bank of India, NDMB, Parliament Street, New Delhi, the BO was advised that donations from ChildFund USA would require prior approval of MHA and in the absence of such approval, the said donation would be remitted back to the donor. This situation continued till March 2024. Consequently, during the period July 2023 to March 2024, the Branch Office was unable to receive donations from ChildFund International, USA.

Therefore, the Branch Office could not receive funds from ChildFund International, USA, for the period of the embargo i.e. from July 2023 to March 2024 for a period of nine months. The organization was having a substantial opening balance of funds as on 01.04.2023 which was utilized during FY 2023-24 with lesser programmatic expenditure and with practically no receipts during the year. The admin costs, being largely in the nature of fixed costs, continued to be incurred. The admin cost was mainly utilized for staff settlement due to non-receipt of FCRA funds. This resulted in the ratio of administrative expenses to total FC Receipts at 47.13 % which is higher than prescribed ratio of 20% as per FCRA.

However, during the year the ratio of administrative expenses to Total Expenses under FCRA stood at 16.83% which is well below the requirement of 20%.

For Ajay K Sud & Associates
FRN : 03939N
Chartered Accountants

AJAY SUD & ASSOCIATES CHARTERED ACCOUNTANTS FRN:003939N NEW DELHI

**(Ravi Gupta)**
Partner
M.No. 086728
UDIN- 24086728BKCUJW5946
Place: New Delhi
Date: 20 DEC 2024

For ChildFund International USA - India Office

**Rajesh Ranjan Singh**
Country Director

ChildFund International USA No. 22 Museum Road Bangalore 560001