



AUDITOR'S REPORT

To

The Members,
Care India Solutions for Sustainable Development,
New Delhi

- 1 We have audited the attached Balance Sheet (FCRA Account) of **CARE INDIA SOLUTIONS FOR SUSTAINABLE DEVELOPMENT**, New Delhi as at **31st March, 2011** and also the Receipt and Payment Account for the period ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2 We have conducted our audit in accordance with Auditing Standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as, evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3 We report that:
 - (i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (ii) In our opinion, the Company has kept proper books of accounts as required by law so far as appears from our examination of the books.
 - (iii) The Balance Sheet and Receipt and Payment Account referred to in this report are in agreement with the books of accounts.



- (iv) In our opinion and to the best of our information and according to the explanations given to us subject to *Note No. 1 regarding exemption from the provisions of Foreign Contribution (Regulation) Act, 1976*, the said financial statements together with Significant Accounting Policies and Notes to Accounts given in Schedule VII give the information required by the Foreign Contribution (Regulation) Act, 1976 in the manner so required and give a true & fair view in conformity with the accounting principles generally accepted in India:
- (a) in case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011.
- (b) in case of the Receipt and Payment Account of the transactions for the year ended 31st March, 2011.

For and on behalf of
KUMAR MITTAL & CO.
Chartered Accountants
Firm Reg. No. 10500N



(AMRISH KUMAR)
Partner
M. No. 90553

Place: New Delhi
Date : 29.07.2011



**CARE INDIA SOLUTIONS FOR SUSTAINABLE DEVELOPMENT
NEW DELHI**

**FCRA ACCOUNT
BALANCE SHEET AS AT 31ST MARCH 2011**

	Schedule	As at 31.03.2011 Amount (Rs.)	As at 31.03.2010 Amount (Rs.)
<u>SOURCES OF FUNDS</u>			
General Fund	I	1,600,558	59,828
Unutilised Grants	II	10,461,384	9,455,475
Asset Fund Account	III	915,884	-
TOTAL		12,977,826	9,515,303
<u>APPLICATION OF FUNDS</u>			
<u>Fixed Assets</u>			
Gross Block	IV	1,140,009	-
Less : Depreciation		224,125	-
Net Block		915,884	
<u>Current Assets, Loans & Advances</u>			
- Cash and Bank Balances	V	11,188,389	9,515,303
- Loans & Advances	VI	873,553	-
TOTAL		12,977,826	9,515,303

Significant Accounting Policies and Notes
forming an integral part of accounts

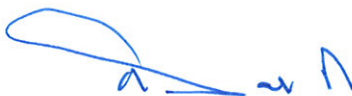
VII

This is the Balance Sheet referred to in
our report of even date.

The Schedules referred to above form
an integral part of the Balance Sheet.

For and on behalf of
KUMAR MITTAL & CO.
Chartered Accountants
Firm Reg. No. 10500N

By order of the Board
For and on behalf of
**CARE INDIA SOLUTIONS FOR
SUSTAINABLE DEVELOPMENT**


(AMRISH KUMAR)
Partner
M. No. 90553
Place : New Delhi
Date : 29.07.2011

(DIRECTORS)



**CARE INDIA SOLUTIONS FOR SUSTAINABLE DEVELOPMENT
NEW DELHI**

FCRA ACCOUNT

RECEIPT & PAYMENT ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2011

	Current Year Amount (Rs.)	Previous Period Amount (Rs.)
OPENING BALANCES		
- Savings Account with Axis Bank	4,515,303	-
- Fixed Deposits with Axis Bank	5,000,000	-
	9,515,303	-
RECEIPTS		
Grants received from CARE INC.		
- Initiation of Fundraising & Marketing Activities	2,389,394	2,700,000
- Project on Urban Micro Finance	1,000,000	1,000,000
- Empowerment of Tribals in Madhya Pradesh	-	6,905,475
Grants received from CARE INTERNATIONAL, UK		
- Enhancing Mobile Populations Access to HIV & Aids Services, Information & support	19,311,088	-
Bank Interest		
- Saving Bank Account	206,738	59,828
- Fixed Deposits	272,433	-
	23,179,653	10,665,303
PAYMENTS		
Care Inc.		
Programme Costs		
- Promotion of Local Resource Generation Initiative	1,300,729	150,000
- Enhancing the health & Education Status of Tribals	985,980	1,000,000
Other Material/ Supplies		
- Resources to support local Fund Generation Initiative	313,406	-
Travelling Expenses	296,237	-
Rent & Brokerage	97,071	-
Fixed Assets		
-Laptops	127,075	-
-Printers	6,300	-
-Software	220,600	-
Training & Material	77,661	-
-Resources to promote the Health & Education Status of Tribals		
Office Supplies & Utilities	70,414	-
Printing & Stationary	34,650	-
Communication	34,120	-
Equipment Maintenance	5,216	-
Other Expenses	77,025	-
Care International, UK		
Programme Costs		
- Information & Support Services for Migrants on HIV-AIDS	6,913,554	-
Training & Material		
-Training of National Field Level Staff & Partners	144,162	-
Grant for Reduction in Vulnerability of Mobile Populations to HIV/AIDS		
-Anchal Charitable Trust	1,267,648	-
-Human Development & Research Institute	597,960	-
-Modicare Foundation	1,160,245	-
-Satyagrah Seva Samiti	379,247	-
-Bhartiya Gramoththan Sewa Vikas Sansthan	855,672	-
-Bhoruka Public Welfare Trust	1,140,615	-
-Action Research Centre	156,331	-
Travelling Expenses	2,470,779	-
Rent	700,285	-

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Fixed Assets		
-Laptops	668,224	-
-Printers	47,790	-
-Cameras	70,020	-
Computer Accessories	22,460	-
Office Supplies & Utilities	96,424	-
Printing & Stationary	46,665	-
Audit Fees	30,000	-
Communication	152,052	-
Other Expenses	65,720	-
Other Payments		
Bank Charges	645	-
Interest on TDS	32	-
	20,633,014	1,150,000
CLOSING BALANCES		
- Savings Account with Axis Bank	5,915,956	4,515,303
- Fixed Deposits with Axis Bank	5,272,433	5,000,000
- Loan to service provider(net)	500,000	-
- Advances for Projects	373,553	-
	12,061,942	9,515,303

Significant Accounting Policies and Notes
forming an integral part of accounts

VII

This is the Receipt & Payment Account
referred to in our report of even date.

The Schedules referred to above form an intergral
part of the Receipt & Payment Account.

For and on behalf of
KUMAR MITTAL & CO.
Chartered Accountants
Firm Reg. No. 10500N

By order of the Board
For and on behalf of
**CARE INDIA SOLUTIONS FOR
SUSTAINABLE DEVELOPMENT**





(AMRISH KUMAR)
Partner
M. No. 90553
Place : New Delhi
Date : 29.07.2011

(DIRECTORS)



**CARE INDIA SOLUTIONS FOR SUSTAINABLE DEVELOPMENT
NEW DELHI**

SCHEDULE - I

**GENERAL FUND FORMING PART OF
FCRA ACCOUNT BALANCE SHEET AS AT 31ST MARCH 2011**

General Fund	As at 31.03.2011 Amt. (Rs.)	As at 31.03.2010 Amt. (Rs.)
Opening Balance	59,828	
Reciepts during the year		
- Interest on Saving Bank Account	206,738	59,828
- Interest on Fixed Deposit	272,433	-
Recovery of Quality Assurance & Oversight Cost from Grants	1,062,236	-
	1,541,407	59,828
Payments during the year		
- Bank Charges	645	-
- Interest on TDS	32	-
Closing Balance	1,600,558	59,828

SCHEDULE - II

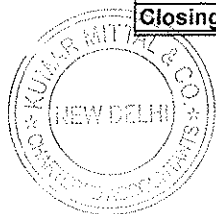
**GRANTS UNUTILISED FORMING PART OF
BALANCE SHEET AS AT 31ST MARCH 2011**

Funding Agency	Opening balance as on 01.04.2010	Transactions during the period		Closing balance as on 31.03.2011
		Receipts	Payments/ Adjustment	
Grant from CARE INC. for				
- Initiation of Fundraising & Marketing Activities	2,550,000	2,389,394	2,231,813	2,707,581
- Project on Urban Micro Finance	-	1,000,000	2,174	997,826
- Empowerment of Tribals in Madhya Pradesh	6,905,475	-	1,412,497	5,492,978
Grant from CARE INTERNATIONAL,UK for				
- Enhancing Mobile Populations Access to HIV & Aids Services,Information & support	-	19,311,088	18,048,089	1,262,999
TOTAL	9,455,475	22,700,482	21,694,573	10,461,384

SCHEDULE - III

**ASSETS FUND ACCOUNT FORMING PART OF
BALANCE SHEET AS AT 31ST MARCH 2011**

Assets Fund Account	As at 31.03.2011 Amt. (Rs.)	As at 31.03.2010 Amt. (Rs.)
Opening Balance	-	-
Add:		
Assets purchased during the year	1,140,009	-
	1,140,009	-
Less:		
Depreciation for the year	224,125	-
Closing Balance	915,884	-



CARE INDIA SOLUTIONS FOR SUSTAINABLE DEVELOPMENT
NEW DELHI

SCHEDULE - IV

FIXED ASSETS FORMING PART OF
BALANCE SHEET AS AT 31ST MARCH 2011

Fixed Assets	Rate of Dep. %	Gross Block			Depreciation Block			Net Block	
		Cost as at 01.04.2010	Additions during the year	Sales/ discarded during the year	Cost as at 31.03.2011	Dep. upto 01.04.2010	Dep. for current year	Dep. upto 31.03.2011	W.D.V. as on 31.03.2011
CARE INTERNATIONAL, UK									
Computers	40	-	668,224	-	668,224	-	162,908	162,908	505,316
Printers	13.91	-	47,790	-	47,790	-	1,042	1,042	46,748
Camera	13.91	-	70,020	-	70,020	-	3,335	3,335	66,685
SUB TOTAL		-	786,034	-	786,034	-	167,285	167,285	618,749
CARE INC.									
Software	40	-	220,600	-	220,600	-	51,493	51,493	169,107
Printers	13.91	-	6,300	-	6,300	-	101	101	6,199
Computers	13.91	-	127,075	-	127,075	-	5,246	5,246	121,829
SUB TOTAL		-	353,975	-	353,975	-	56,840	56,840	297,135
GRAND TOTAL		-	1,140,009	-	1,140,009	-	224,125	224,125	915,884
Previous Year	-	-	-	-	-	-	-	-	-



**CARE INDIA SOLUTIONS FOR SUSTAINABLE DEVELOPMENT
NEW DELHI**

SCHEDULE - V

**CASH AND BANK BALANCES FORMING PART OF
FCRA ACCOUNT BALANCE SHEET AS AT 31ST MARCH 2011**

Cash and Bank Balances	As at 31.03.2011 Amt. (Rs.)	As at 31.03.2010 Amt. (Rs.)
Balance in FCRA Designated Saving Account with Axis Bank	5,915,956	4,515,303
Fixed Deposits with Axis Bank	5,272,433	5,000,000
TOTAL	11,188,389	9,515,303

SCHEDULE - VI

**LOANS AND ADVANCES FORMING PART OF
BALANCE SHEET AS AT 31ST MARCH, 2011**

Loans and Advances	As at 31.03.2011 Amt. (Rs.)	As at 31.03.2010 Amt. (Rs.)
Loan to service providers	500,000	-
Security Deposits - Care Inc.	20,000	-
Advances for Projects - Care Inc.	10,000	-
- Care International,UK	343,553	-
TOTAL	873,553	-



**CARE INDIA SOLUTIONS FOR SUSTAINABLE DEVELOPMENT
NEW DELHI**

**SCHEDULE – VII : SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING
PART OF FCRA ACCOUNTS FOR THE YEAR ENDED ON 31ST
MARCH 2011**

A. SIGNIFICANT ACCOUNTING POLICIES

1. The accounts are prepared on historical cost basis as a 'Going Concern'. Income and Expenses are accounted for on cash basis following generally accepted accounting principles and practices and Accounting Standards issued by the Institute of Chartered Accountants of India for NGOs, wherever applicable, except otherwise stated.
2. Fixed Assets acquired / received in kind are directly charged to expenses accounts and stated in the Balance Sheet through Assets Fund Account.
3. Fixed Assets are stated as under:
 - a) Assets directly acquired – at purchase cost less accumulated depreciation.
 - b) Assets received in kind – at stated / estimated cost less accumulated depreciation.
4. Depreciation on Fixed Assets is provided on written down value method as laid down in and at the rates prescribed in schedule XIV of Companies Act, 1956.
5. The surplus / (deficit) of the completed projects/activities are transferred to General Fund and the remaining balances of continuing projects are reported under Grant Balances.
6. Inventories are valued and disclosed as under:
 - a) Acquired / self produced – at cost.
 - b) Received free of cost or at a nominal charge – at market price or estimated net realizable value.

B. NOTES TO ACCOUNTS

1. In the opinion of the Company, the foreign remittances received (other than through Prior Approval from Ministry of Home Affairs under Foreign Contribution (Regulation) Act, 1976) are out of the purview of the Foreign Contribution (Regulation) Act, 1976, being fee to provide advice to the Department of Health and Family Welfare in Orissa and Bihar, to develop its health sector plan for women, dalits, adivasis & other marginalized groups and not a grant, hence not considered as foreign receipts within the purview of FCRA prior permission and reporting.
2. The Company had applied for Prior Permission with Ministry of Home Affairs for a sum of 159,247 Pounds (UK) through CARE International, UK in the previous year, other than the prior permission applied and received during the current year. However, pending receipt of the approval, the company had incurred expenses of Rs. 33,44,093 out of local funds in the previous year. The company has received the prior permission for 159,247 Pounds and refunded Rs. 33,44,093 to local fund account.
3. Reliance has been placed on the Audited Utilization Statements submitted by the NGO's for the grants of Rs. 55.58 lakhs given by the company to NGO's registered under FCRA, out of the Grants for carrying out the activities.




4. The Company has leveraged certain assets from European Union on use basis and the expenses incurred on repair & maintenance and usage etc. have been charged in the books of the company. Also, the company is using infrastructure, human resource and expertise of Care Inc. and the costs allocated are reimbursed.
5. Some of the agencies have been provided the soft loans out of local and foreign contributions funds and recovery of installment have also been accounted for in the respective funds.
6. The year to year figures provided are based on the year-wise budgets received.

Signature to Schedule – I to VII of the Balance Sheet.

As per our report of even date.

For and on behalf of
KUMAR MITTAL & CO.
Chartered Accountants
Firm Reg. No. 10500N



(AMRISH KUMAR)
Partner
M. No. 90553

By order of the Board
For and on behalf
**CARE INDIA SOLUTIONS FOR
SUSTAINABLE DEVELOPMENT**



(DIRECTORS)

Place : New Delhi
Date : 29.07.2011

