



Independent Auditor's Report

To,

The Members of ACCESS DEVELOPMENT SERVICES

Report on the Financial Statements

We have audited the accompanying financial statements of Access Development Services ("the company"), which comprise the Balance Sheet as at March 31, 2016, the Income and Expenditure Account and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows 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 the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 control, 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 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. 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 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:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016,
- b) In the case of the Income and Expenditure Account, of the excess of income over expenditure for the year ended on that date; and
- c) In the case of the Cash flow statement, the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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 purposes 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 Profit and Loss, and Cash Flow Statement 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) On the basis of written representations received from the directors as on 31 March, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2016, from being appointed as a director in terms of Section 164(2) of the Act.
- f) 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 "Anexure 1" to this report;
- g) 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 did not have any pending litigation which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to Investor Education and Protection Fund by the Company.

For SCM Associates

Chartered Accountants

Firm Registration Number : 314173E

Prakhar Banthiya

Prakhar Banthiya

Partner

Membership Number : 088526

Place : New Delhi

Date :



Annexure - 1 to the Auditors' Report

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 Access Development Services ("the Company") as of 31 March 2016 in conjunction with our audit of the standalone 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 ('ICAI'). 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 as specified 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 judgment, 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 31 March 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 SCM Associates

Chartered Accountants

Firm Registration Number : 314173E

Prakhar Banthiya

Prakhar Banthiya

Partner

Membership Number : 088526

Place : New Delhi

Date :



Access Development Services
Balance sheet as at 31st March 2016

(All amount in Indian Rupees)

	Note	As at 31st March 2016	As at 31st March 2015
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	400	400
Reserve and surplus	3	168,658,492	165,439,881
		<u>168,658,892</u>	<u>165,440,281</u>
Non current liabilities			
Long term provisions	4	4,253,507	4,492,292
		<u>4,253,507</u>	<u>4,492,292</u>
Current liabilities			
Short term borrowings	5	4,659,222	9,763,072
Accounts payable	6	3,427,828	3,215,509
Other current liabilities	7	22,540,874	16,763,137
Short-term provisions	8	2,591,759	2,348,116
		<u>33,219,683</u>	<u>32,089,834</u>
		<u>206,132,081</u>	<u>202,022,407</u>
ASSETS			
Non current assets			
Fixed assets	9		
- Tangible assets		2,677,680	2,828,212
- Intangible assets		-	11,050
Long term loans and advances	10	11,765,277	14,155,038
		<u>14,442,957</u>	<u>16,994,299</u>
Current assets			
Cash and cash equivalents	11	181,660,122	165,255,511
Short term loans and advances	12	2,417,281	1,910,827
Other current assets	13	7,611,720	17,861,770
		<u>191,689,124</u>	<u>185,028,108</u>
		<u>206,132,081</u>	<u>202,022,407</u>
Significant Accounting Policies			
Notes forming part of the financial statements	1 to 31		

As per our report of even date attached.

For SCM Associates

Chartered Accountants

Firm Registration Number : 314173E

Prakhar Banthiya
Partner
Membership Number : 088526

Place : New Delhi

Date : 24/08/2016

For and on behalf of the Board of Directors

Vipin Sharma

CEO

DIN: 02565320

Place : New Delhi

Date : 24/08/16

Sanjeev Kumar Asthana

Chairperson

DIN: 00048958

Place : New Delhi

Date : 24/08/16

Access Development Services
Income and expenditure account for the year ending 31st March 2016

		(All amount in Indian Rupees)	
	Note	for the year ending 31st March 2016	for the year ending 31st March 2015
Revenue			
Revenue from operations	14	108,955,827	107,775,747
Other income	15	6,147,230	3,843,042
		115,103,057	111,618,789
Expenses			
Programme expenses	16	61,608,585	55,704,346
Employee benefit expenses	17	37,494,438	33,348,402
Finance costs	18	1,051,623	1,584,474
Depreciation and amortisation	19	571,730	891,134
Other expenses	20	18,634,655	17,265,223
		119,361,031	108,793,579
Surplus before tax		(4,257,973)	2,825,210
Tax expenses			
Provision for tax	[See Note 28]	-	-
Excess of income over expenditure for the year		(4,257,973)	2,825,210
Basic/diluted earning per share	[See Note 22]	(106,449.34)	70,630.24
Significant Accounting Policies	1		
Notes forming part of the financial statements	1 to 31		

As per our report of even date attached.

For SCM Associates
Chartered Accountants

Firm Registration Number : 314173E

Prakhar Banthiya
Partner

Membership Number : 088526

Place : New Delhi

Date : 24/08/2016

For and on behalf of the Board of Directors

Vipin Sharma
CEO
DIN: 02565320

Sanjeev Kumar Asthana
Chairperson
DIN: 00048958

Place : New Delhi

Date : 24/08/16

Place : New Delhi

Date : 24/08/16

Note 1: Significant accounting policies**Corporate information**

Access Development Services is a not for profit organization engaged mainly in promotion of microfinance and livelihood activities. It has been licensed by the Government of India to operate under section 8 of the Indian Companies Act 2013 (erstwhile section 25 of the Companies Act, 1956) on certain conditions, mainly being that the company shall apply its surplus, if any, or other income solely in promoting its objects, and is prohibited from payment of any dividend to its members. Further, the Company is registered under Section 12A of the Income Tax Act, 1961 with effect from April 1, 2006.

1.1 Basis of accounting and preparation of financial statements

The Financial Statements are prepared to comply in all material aspects with all the applicable accounting principles in India, the applicable accounting standards notified under the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013.

The company follows mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis. Wherever it is not possible to determine the quantum of accrual with reasonable certainty, the same is accounted for on cash basis.

1.2 Use of estimates

The preparation of financial statement in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities on the date of financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized in future periods.

1.3 Fixed assets

Tangible fixed assets are stated at cost of acquisition including taxes, duties, freight, and other incidental expenses related to acquisition and installation and are recognized at cost less depreciation.

Intangible fixed assets comprising computer software are stated at their cost of acquisition and amortized over the estimated useful life.

1.4 Impairment of assets

Management periodically assesses whether there is an indication that an asset may be impaired. In case of such an indication, the management estimates the recoverable amount of the asset. If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the difference is recognized as impairment loss.

1.5 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash in hand, savings accounts and demand deposits with banks and also includes the overdraft facility from the bank.

Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

1.6 Cash flow statement

Cash flows are reported using the indirect method, whereby net surplus during the year is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.



Note 1: Significant accounting policies**1.7 Depreciation and amortisation**

Depreciation has been provided on the written down value method using the rates arrived at based on useful lives provided in Schedule II to the Companies Act, 2013.

Intangible assets are amortised over their estimated useful life of the asset.

Leasehold improvements are depreciated over the period of lease.

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern.

Depreciation on the amount capitalized on account of foreign exchange difference is provided over the residual life of assets.

1.8 Revenue recognition

(i) Grants received for a specific purpose, are recognized as income to the extent of expenditure incurred during the year.

(ii) Conference receipts are recognized as income to the extent of actual receipts made during the year.

(iii) Revenue from consultancy contracts is recognized as per the terms of agreement for each contract.

(iv) Grants received in form of fixed assets or kinds other than cash are not valued or accounted for in the books of account. Proceeds from sale of fixed assets received in grant is considered as other income.

1.9 Capital asset fund

Assets purchased out of grants received for a specific purpose are expensed in the year of purchase. These assets are also capitalized with the creation of a corresponding capital asset fund.

Depreciation during the year on assets acquired out of grants received for a specific purpose is transferred to the capital asset fund.

1.10 Foreign currency transactions

Transactions in foreign currency are recorded at the exchange rate prevailing at the date of the transaction. Monetary items denominated in foreign currency are restated at the year end exchange rates. Resultant exchange differences arising on settlement of transactions and/or restatements are recognized as Income or Expense in the year.

1.11 Investments

Investments are classified into current investments and Long term investments.

Current investments are valued at cost or market / fair value, whichever is lower.

Long term investments are valued at cost. Provision for diminution is made only if, in the opinion of the management, such a decline is permanent in nature.

1.12 Employee benefitsDefined contribution plans

Provident Fund - All employees of the Company are entitled to receive benefits under the Provident Fund, which is a defined contribution plan. Both the employee and the employer make monthly contributions to the plan at a predetermined rate (presently 12%) of the employees' basic salary. These contributions are made to the fund administered and managed by the Government of India. The Company's contribution to the scheme is expensed off in the Income and Expenditure Account in the year when the amounts are due. The Company has no further obligations under the plan beyond its monthly contributions.



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Note 1: Significant accounting policiesDefined benefit plans

Gratuity - Gratuity is a post employment defined benefit plan. The liability recognized in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The defined benefit obligation is calculated annually at the year end by an independent actuary using the projected unit credit method. Actuarial gains and losses are recognized as an income or expense in the Income and Expenditure Account in the year in which they arise.

Other long-term employee benefits

Leave Encashment - Liability in respect of Leave Encashment is provided both for encashable leave and those expected to be availed based on actuarial valuation and estimate based on actual leave available for availment, which considers undiscounted value of the benefits expected to be paid/availed during the next one year and appropriate discounted value for the benefits expected to be paid/availed after one year. Actuarial gains and losses are recognized as an income or expense in the Income and Expenditure Account in the year in which they arise.

Sick Leave - The Company provides sick leave of six days per financial year to each employees on pro-rata basis. Unclaimed sick leave can be carried forward to next financial year and can be availed for a maximum of 45 days with full pay and next 45 days with half pay, subject to maximum accumulation of 90 days. Accumulated sick leave is not encashable, however the Company calculates the liability on CTC of the employees and make provision on full liability basis as at the Balance Sheet date .

1.13 Leases

Lease rent payments pertaining to cancellable operating leases are charged to the income and expenditure account on the basis of the terms of the lease agreement over the period of lease on payment basis.

1.14 Earnings per share

The earnings considered in ascertaining the Company's EPS comprises the excess of income over expenditure. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

1.15 Provisions and contingencies

Provisions are recognized when the company has a present obligation as a result of past events for which it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provision required settling the obligation are reviewed regularly and are adjusted where necessary to reflect the current best estimate of the obligation.



Notes forming part of the financial statements

(All amount in Indian Rupees)

	As at 31st March 2016	As at 31st March 2015
Note 2: Share capital		
Authorised share capital		
50,000 (previous year 50,000) equity shares of Rs. 10 each	500,000	500,000
	<u>500,000</u>	<u>500,000</u>
Issued and subscribed share capital		
40 (previous year 40) equity shares of Rs. 10 each.	400	400
	<u>400</u>	<u>400</u>
Paid up share capital		
40 (previous year 40) equity shares of Rs. 10 each fully paid up	400	400
	<u>400</u>	<u>400</u>

Details of shareholders holding more than 5% of aggregate shares in the Company

	As at 31st March 2016		As at 31st March 2015	
Name	Number of shares held	Percentage	Number of shares held	Percentage
Ms. Radhika Agashe Mathur	20	50%	20	50%
ACCESS Holding Venture India Pvt.Ltd.	20	50%	20	50%

Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year

Number of shares outstanding at the beginning of the year	40	40
Shares issued during the year	-	-
Number of shares outstanding at the end of the year	<u>40</u>	<u>40</u>



Nitin Sharma

Access Development Services

Notes forming part of the financial statements

(All amount in Indian Rupees)

	As at 31st March 2016	As at 31st March 2015
Note 3: Reserve and surplus		
Capital Reserve		
General Corpus fund		
Balance at the beginning of the year	9,800,000	9,800,000
Add: Addition during the year	-	-
Less: Utilised during the year	-	-
(a)	<u>9,800,000</u>	<u>9,800,000</u>
LIIF Corpus fund		
Balance at the beginning of the year	125,757,270	120,954,122
Add: Addition during the year	-	-
Add : Interest earned on term deposits made of LIIF	11,391,750	11,654,348
Less: Expenses incurred related with LIIF	3,995,233	3,649,102
Surplus before provisioning	<u>7,396,517</u>	<u>8,005,246</u>
Less : Reserve fund for contingent liability @15%	1,109,478	1,200,787
Less : Reserve fund for promotional activities @25%	1,849,129	2,001,312
(b)	<u>130,195,180</u>	<u>125,757,270</u>
Contingent liability fund (LIIF)		
Balance at the beginning of the year	3,314,318	2,113,531
Add: Transfer during the year from LIIF Corpus fund	1,109,478	1,200,787
Less: Utilised during the year	-	-
(c)	<u>4,423,796</u>	<u>3,314,318</u>
Promotional activities fund (LIIF)		
Balance at the beginning of the year	5,523,863	3,522,551
Add: Transfer during the year from LIIF Corpus fund	1,849,129	2,001,312
Less: Utilised during the year	-	-
(d)	<u>7,372,992</u>	<u>5,523,863</u>
Total Corpus fund	(a+b+c+d) <u>151,791,967</u>	<u>144,395,450</u>
The Company has received Rs. 11.25 Crores from CARE (Cooperative for Assistance and Relief Everywhere Inc.) as (RLF) Revolving Loan Fund, pursuant to the RLF exit agreement entered between CARE and United Kingdom's Department for International Development (DFID). The RLF is to be used to provide loan funds to promote livelihoods and microfinance by way of Term loan, Short term working capital loan, Asset finance loan, MFI incubation loan, Loan guarantee and Livelihood innovations. On the basis of the agreement entered with CARE the Company has treated it under Corpus Fund as Livelihoods Innovation and Investment Fund (LIIF).		
In terms of the agreement entered between the Company and CARE the LIIF has been increased by the income earned from investment of LIIF net of expenses; and Contingent liability fund and Promotional activities fund has been created @ 15% and 25% respectively, of the net income from investment of LIIF.		
Capital asset fund		
Balance at the beginning of the year	1,685,125	2,303,000
Add: Fixed assets acquired out of grants during the year	1,226,896	730,714
Less: Cost of fixed asset written off (net of accumulated depreciation)	139,455	60,819
Less: Depreciation (transferred from income and expenditure account)	1,007,374	1,061,740
Less : Adjustment of Depreciation as per Schedule II of Companies Act,2013	-	226,030
	<u>1,765,192</u>	<u>1,685,125</u>
Reserve and surplus		
Balance at the beginning of the year	19,359,306	16,673,362
Add: Excess of income over expenditure during the year	(4,257,973)	2,825,210
Less : Adjustment of Depreciation as per Schedule II of Companies Act,2013	-	139,266
	<u>15,101,332</u>	<u>19,359,306</u>
	<u>168,658,492</u>	<u>165,439,881</u>



Signature of the Accountant

Access Development Services

Notes forming part of the financial statements

(All amount in Indian Rupees)

		As at 31st March 2016	As at 31st March 2015
Note 4: Long term provisions			
Employee benefits			
Provision for compensated absences	[See Note 26]	1,317,957	1,258,899
Provision for gratuity	[See Note 26]	1,950,559	1,820,998
Provision for other employee benefits		984,991	1,412,395
		<u>4,253,507</u>	<u>4,492,292</u>

Note 5: Short term borrowings

Secured

Bank overdraft*		4,659,222	9,763,072
		<u>4,659,222</u>	<u>9,763,072</u>

* The Company has availed overdraft facility of Rs. 1.94 Crores (Previous Year Rs. 1.94 Crores) by way of pledging of fixed deposit of Rs. 2.25 Crores (Previous Year Rs. 2.25 Crores).

Note 6: Accounts payable

Sundry creditors	[See Note 27]	3,153,888	2,856,670
Other payables		273,940	358,839
		<u>3,427,828</u>	<u>3,215,509</u>

Note 7: Other current liabilities

Duties and taxes		1,528,340	786,150
Provident fund payable		440,117	445,453
Festival allowance payable		259,169	291,607
Income received in advance		18,507,504	12,578,345
Reimbursable expenses to staff		1,268,106	1,405,666
Other liabilities*		251,764	140,200
		<u>22,540,874</u>	<u>16,763,137</u>

*Other current liabilities includes Rs. Nil (Previous Year Rs 140,200) received as contribution towards incorporation of various producer companies.

Note 8: Short-term provisions

Employee benefits

Provision for compensated absences	[See Note 26]	965,434	941,670
Provision for gratuity	[See Note 26]	1,626,325	1,406,446
		<u>2,591,759</u>	<u>2,348,116</u>



Access Development Services

Notes forming part of the financial statements

Note 9: Fixed assets

(All amount in Indian Rupees)										
Particulars	Gross Block			Depreciation			Net Block			
	As at 1st April 2015	Additions during the year	Deletion during the year	As at 31st March 2016	As at 1st April 2015	Additions during the year	Charged to Reserve & Surplus	Deletion during the year	As at 31st March 2016	As at 31st March 2015
Tangible assets										
Furniture and fixtures	3,766,061	345,847	4,950	4,106,958	3,206,935	217,377	-	4,950	3,419,362	687,596
Vehicles	2,516,105	-	879,947	1,636,158	1,949,955	144,529	-	694,018	1,400,466	235,692
Office equipments	2,956,912	778,654	-	3,735,566	2,271,736	547,279	-	-	2,819,015	916,551
Computer hardwares	5,954,977	478,950	-	6,433,927	4,937,218	658,868	-	-	5,596,086	837,841
Subtotal (a)	15,194,055	1,603,451	884,897	15,912,609	12,365,843	1,568,054		698,968	13,234,929	2,677,680
Intangible assets										
Computer software	196,630	-	-	196,630	185,580	11,050	-	-	196,630	-
Subtotal (b)	196,630	-	-	196,630	185,580	11,050		-	196,630	-
Total	15,390,685	1,603,451	884,897	16,109,239	12,551,424	1,579,104		698,968	13,431,559	2,677,680
Previous year	14,224,276	1,282,178	115,769	15,390,685	10,288,204	1,952,874	365,296	54,950	12,551,424	2,839,261
										3,936,072



Mani Sharma



Access Development Services

Notes forming part of the financial statements

Note 9.1: Fixed assets acquired out of grant funds

Particulars	Gross Block				Depreciation				Net Block	
	As at 1st April 2015	Additions during the year	Deletion during the year	As at 31st March 2016	As at 1st April 2015	Additions during the year	Charged to Reserve & Surplus	Deletion during the year	As at 31st March 2016	As at 31st March 2015
Tangible assets										
Furniture and fixtures	1,220,895	310,042	4,950	1,525,987	1,065,636	100,762	-	4,950	364,539	155,258
Vehicles	2,247,041	-	660,000	1,587,041	1,735,535	126,857	-	520,545	245,194	511,506
Office equipments	1,512,517	492,504	-	2,005,021	1,284,305	261,635	-	-	459,081	228,212
Computer hardwares	4,332,422	424,350	-	4,756,772	3,542,274	518,120	-	-	696,379	790,148
Subtotal (a)	9,312,875	1,226,896	664,950	9,874,821	7,627,750	1,007,374		525,495	1,765,192	1,685,125
Total	9,312,875	1,226,896	664,950	9,874,821	7,627,750	1,007,374		525,495	1,765,192	1,685,125
Previous year	8,697,930	730,714	115,769	9,312,875	6,394,930	1,061,740	226,030	54,950	1,685,125	2,303,000

The addition in fixed assets, depreciation and deletion in fixed assets net of depreciation has been charged off to the capital asset fund.



[Signature]



[Signature]

Access Development Services

Notes forming part of the financial statements

(All amount in Indian Rupees)

	As at 31st March 2016	As at 31st March 2015
Note 10: Long term loans and advances		
Security deposits	732,400	349,000
Income tax refund receivable	11,032,877	13,806,038
	11,765,277	14,155,038
Note 11: Cash and cash equivalents		
Cash in hand	59,103	83,802
Cheques, drafts on hand	-	-
Balances with banks		
-Savings bank accounts *	8,084,670	15,511,633
-Term deposit accounts #	171,634,322	148,734,322
-Interest accrued on term deposit accounts	1,882,027	925,754
	181,660,122	165,255,511
* Savings account includes Rs. 3,210,580 (Previous year Rs. 7,308,994) lying in designated FCRA bank accounts)		
# Deposits accounts are created out of FCRA funds and includes fixed deposits on account of Corpus Fund - Rs. 11.61 Crores (Previous Year Rs. 10.80 Crores). Out of total deposits, fixed deposits amounting to Rs. 2.25 Crores (Previous Year Rs. 2.25 Crores) have been pledged as security against the overdraft facility of Rs. 1.94 Crores (Previous Year Rs. 1.94 Crores) with Axis Bank.		
Note 12: Short term loans and advances		
Security deposits	748,950	942,726
Loans and advances	1,082,407	389,921
Prepaid expenses	585,924	578,180
	2,417,281	1,910,827
Note 13: Other current assets		
Grants receivable	5,291,554	8,639,522
Receivables from other development organisations	307,633	5,760,037
Contractually reimbursable expenses	3,022,522	6,179,074
Other receivables	296,014	236,342
	8,917,723	20,814,975
Less: provision for overdue receivables	[See Note 29] 1,306,003	2,953,205
	7,611,720	17,861,770

[Signature]

Vijay Sharma



Access Development Services

Notes forming part of the financial statements

(All amount in Indian Rupees)

	for the year ending 31st March 2016	for the year ending 31st March 2015
Note 14: Revenue from operations		
Grant income	99,099,038	78,685,721
Conference receipts	3,305,617	4,121,757
Consultancy income	6,551,172	24,968,270
	<u>108,955,827</u>	<u>107,775,747</u>
Note 15: Other income		
Interest income on:		
Bank deposits	3,082,665	2,662,678
Income tax refund	738,768	-
	<u>3,821,433</u>	<u>2,662,678</u>
Liabilities / provisions no longer required written back	1,647,202	-
Profit on sale of fixed assets	117,577	31,525
Gain on sale of fixed assets received as grant	350,000	451,314
Miscellaneous income	211,017	697,524
	<u>2,325,797</u>	<u>1,180,363</u>
	<u>6,147,230</u>	<u>3,843,042</u>
Note 16: Programme expenses		
Project expenses	26,637,885	28,651,065
Consultancy	25,048,879	14,776,807
Travelling expenses	8,694,925	9,494,341
Grants given	-	2,051,420
Fixed assets charged to programme	1,226,896	730,714
	<u>61,608,585</u>	<u>55,704,346</u>
Note 17: Employee benefit expenses		
Salary and allowances	33,659,344	29,226,490
Contribution to employee's provident fund	2,123,638	2,401,015
Gratuity	726,909	675,747
Compensated absences (including sick leave)	116,463	250,834
Other employee related costs	868,084	794,316
	<u>37,494,438</u>	<u>33,348,402</u>
Note 18: Finance costs		
Interest paid on borrowings	1,051,623	1,584,474
	<u>1,051,623</u>	<u>1,584,474</u>
Note 19: Depreciation and amortisation		
Depreciation on fixed tangible assets	1,568,054	1,826,477
Amortisation of intangible assets	11,050	126,397
	<u>1,579,104</u>	<u>1,952,874</u>
Less: Depreciation charged to capital asset fund	1,007,374	1,061,740
	<u>571,730</u>	<u>891,134</u>



Access Development Services

Notes forming part of the financial statements

(All amount in Indian Rupees)

	for the year ending 31st March 2016	for the year ending 31st March 2015
Note 20: Other expenses		
Administrative costs		
Board meeting expenses	40,875	44,271
Directors sitting fees	150,000	190,000
Other meeting expenses	1,116,968	280,458
Electricity expenses	747,236	598,859
Communication expenses	2,387,866	1,980,671
Legal and professional expenses	[See Note 25] 530,979	326,759
Printing and stationery expenses	2,106,697	2,351,299
Insurance expenses	95,474	132,251
Rent	3,757,202	3,509,376
Office expenses	3,382,873	1,213,781
Repair and maintenance expenses	1,192,241	883,521
Vehicle running and maintenance expenses	335,877	294,746
Conveyance	2,694,583	2,377,218
Bad and doubtful receivables written off	36,750	2,953,205
Bank charges	32,361	87,653
Net loss on foreign currency transactions and translation	1,260	4,465
Other expenses	25,413	36,690
	18,634,655	17,265,223

 

 

 

Access Development Services

Notes forming part of the financial statements

(All amount in Indian Rupees)

Note 21 : Related party disclosure

As per Accounting Standard 18, the disclosures of transactions with related parties are given below:

Relationship	Name of related parties
Other organisations where significant influence exists and having transactions during the year	Access Assist Ode to Earth Enterprises Private Limited ACCESS Holding Venture India Pvt.Ltd.
Key Managerial Personnel	Mr. Vipin Sharma- Chief Executive Officer

Transactions with related parties during the year in the ordinary course of business at commercial terms Remuneration to Key Managerial Personnel

	for the year ending 31st March 2016	for the year ending 31st March 2015
Salary and allowances	6,943,222	5,792,137
Employer's contribution to benefit funds	430,931	393,400
	<u>7,374,153</u>	<u>6,185,537</u>

The above amounts are included in salary and contribution to employee benefit funds.

The above disclosure is excluding group insurance benefits, as the same is on basis of premium paid to insurance company as the amount pertaining to individual employees is not available separately.

The provision for gratuity and leave encashment liability is taken on an overall basis based on actuarial valuation and separate figure applicable to an employee is not available and therefore, the same has not been taken into account in the above disclosure.

Transactions with other organisations where significant influence exists

	for the year ending 31st March 2016	for the year ending 31st March 2015
Access Assist		
Allocation of administrative expenses	139,406	1,401,067
Allocation of payroll expenses	1,150,000	4,463,822
Consultancy provided	930,000	958,367
	<u>2,219,406</u>	<u>6,823,256</u>
Ode to Earth Enterprises Private Limited		
Payment for event participation fees	296,075	150,000
Payment for programme related expenses	973,179	
Purchase of programme related materials	522,800	819,405
	<u>1,792,054</u>	<u>969,405</u>
ACCESS Holding Venture India Private Limited		
Allocation of administrative expenses		4,515
Allocation of payroll expenses	4,708,420	6,645,349
	<u>4,708,420</u>	<u>6,649,864</u>

The company has entered into Memorandum of Understanding with it's group organisations (entities under common management) regarding cost sharing of expenses incurred on various projects of social, economic and other development related work including organising microfinance summit, which the above organisations executes jointly with the Company.



Vipin Sharma



Access Development Services

Notes forming part of the financial statements

(All amount in Indian Rupees)

Balance outstanding at the year end of the related parties

	As at 31st March 2016	As at 31st March 2015
Receivables		
Access Assist	2,626,145	5,864,889
ACCESS Holding Venture India Pvt. Ltd.	179,580	233,600
Rent security paid on behalf of Mr. Vipin Sharma	150,000	150,000
	<u>2,955,725</u>	<u>6,248,489</u>
Payables		
Expenses reimbursable to Key Management Personnel		43,108
	<u>-</u>	<u>43,108</u>

Note 22 : Earnings per share

The following reflects the profit and share data used in the basic and diluted EPS computations

	for the year ending 31st March 2016	for the year ending 31st March 2015
Net profit after tax attributable to equity shareholders (A)	(4,257,973)	2,825,210
Weighted average number of equity shares outstanding during the year - (B)	40	40
Nominal value of equity share	10	10
Basic /diluted earnings per share (Rs.) - (A)/(B)	(106,449.34)	70,630.24

Note 23 : Receipt from foreign agencies

	for the year ending 31st March 2016	for the year ending 31st March 2015
Conference receipts	-	451,314
Grant income	40,451,009	58,211,607
	<u>40,451,009</u>	<u>58,662,921</u>

Note 24 : Expenditure in foreign currency (on payment basis)

	for the year ending 31st March 2016	for the year ending 31st March 2015
Travelling & lodging expenses	440,745	100,657
	<u>440,745</u>	<u>100,657</u>

Note 25 : Auditor's remuneration

	for the year ending 31st March 2016	for the year ending 31st March 2015
Statutory audit fees (including service tax)	258,216	252,810
Other certification fees		5,618
Expenses reimbursed	21,000	21,000
	<u>279,216</u>	<u>279,428</u>

Note 26 : Employee benefits

Defined contribution plan

During the year, the Company has recognized the following amounts in the Income and Expenditure Account.

	for the year ending 31st March 2016	for the year ending 31st March 2015
Employer's contribution to employee provident fund	2,123,638	2,401,015
	<u>2,123,638</u>	<u>2,401,015</u>



Defined benefit plans

In accordance with Accounting Standard 15 (Revised), actuarial valuation was done in respect of the aforesaid defined benefit plans based on the following assumptions:

Gratuity

	for the year ending 31st March 2016	for the year ending 31st March 2015
Reconciliation of present value of the defined benefits obligation :		
Obligation at beginning of year	3,227,444	3,315,110
Interest Cost	258,196	281,784
Service Cost	660,819	690,385
Benefits paid	(918,766)	(1,250,109)
Actuarial (gain)/loss on obligation	349,191	190,274
Obligation at end of year	3,576,884	3,227,444

Expense recognized during the year in the income and expenditure account:

Current service cost	660,819	690,385
Interest cost	258,196	281,784
Actual return on plan assets		
Net actuarial (gain)/ loss recognized in the period	349,191	190,274
Expenses to be recognized in the income and expenditure account	1,268,206	1,162,443

Reconciliation of gratuity expenses recognised in the income and expenditure account

Expenses recognised under employee benefit expenses	726,909	675,747
Amount charged under expenses related to LIIF Corpus fund	94,418	119,571
Amount charged under expenses related Access Assist	129,218	247,423
Amount charged under expenses related Access Holding Venture	317,661	119,702
	1,268,206	1,162,443

Compensated absences

	for the year ending 31st March 2016	for the year ending 31st March 2015
Reconciliation of present value of the defined benefits obligation :		
Obligation at beginning of year	2,200,569	2,550,073
Interest Cost	176,046	216,756
Service Cost	482,878	547,753
Benefits paid	(700,812)	(1,049,087)
Actuarial (gain)/loss on obligation	124,710	(64,926)
Obligation at end of year	2,283,391	2,200,569

Expense recognized during the year in the income and expenditure account:

Current service cost	482,878	547,753
Interest cost	176,046	216,756
Actual return on plan assets		
Net actuarial (gain)/ loss recognized in the period	124,710	(64,926)
Expenses to be recognized in the income and expenditure account	783,634	699,583

Reconciliation of leave encashment expenses recognised in the income and expenditure account

Expenses recognised under Employee benefit expenses	116,463	250,834
Amount charged under expenses related to LIIF Corpus fund	45,374	32,164
Amount charged under expenses related Access Assist	37,317	95,633
Amount charged under expenses related Access Holding Venture	157,076	52,711
Less: Sick leave included in leave encashment under Employee benefit	(427,404)	(268,241)
	783,634	699,583



Vijin Maurya

Actuarial assumptions

	IALM 2006-08	IALM 2006-08
Mortality Table		
Discount Rate (per annum)	8.00%	8.00%
Expected Rate of increase in compensation levels	6.00%	6.00%
Expected Average remaining working lives of employees (years)	21.75	21.80

The estimates of increase in compensation levels considered in the actuarial valuation takes into account factors like inflation, future salary increases, seniority, promotion, supply and demand in the employment market etc.

Sick Leave

The Company has provided Rs. 984,991 for liability towards sick leave as at the balance sheet date (previous year Rs. 1,412,395). The current portion of liability is not determinable, hence the company has classified entire provision as non current liability.

Note 27 : Disclosures required under Section 22 of the MSMED Act, 2006

Information required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. As represented by the management there are no Micro, Small and Medium enterprises to whom the Company owes dues, which are outstanding for more than 45 days as at March 31, 2016.

Note 28 : Taxation

The company is a not for profit organization engaged mainly in promotion of microfinance and livelihood activities and the company is registered under Section 12A of the Income Tax Act, 1961 with effect from April 1, 2006.

The management believes that the activities of the companies are covered within the definition of the charitable purpose as defined in section 2(15) of the Income tax Act, 1961 and accordingly the company has not provided for tax in the current year and previous years.

Note 29 : Provision for overdue receivables

The balances of loans and advances and other receivables are subject to confirmations. As at the end of reporting year the management has made provision of Rs. 1,306,003 (Previous year Rs. 2,953,205) in respect of certain overdue receivables.

In the opinion of the management, other current assets, loans and advances have a value on realization in ordinary course of business, at least equal to the amount at which they are stated.

Note 30 : Applicability of accounting standards

The company is a small and medium sized company (SMC) as defined in the general instruction in respect of accounting standards notified under the Companies Act. Accordingly, the company has complied with the Accounting Standards as applicable to Small and Medium Sized Company.

As per the exemptions/relaxations as contained in the notification, AS-17 Segment reporting and certain disclosure requirements of AS-19 Leases, AS-29 Provisions, Contingent Liabilities and Contingent Assets are not applicable to the company for the reporting period.

Note 31 : Applicability of Schedule III of Companies Act, 2013

These financial statements have been prepared in the format prescribed by the Schedule III to the Companies Act 2013. Previous year's figures have been regrouped and rearranged, wherever necessary, to confirm to the current year's classification.



Vinod Sharma

Access Development Services

Notes forming part of the financial statements

(All amount in Indian Rupees)

As per our report of even date attached.

For SCM Associates

Chartered Accountants

Firm Registration Number : 314173E

P Banthiya

Prakhar Banthiya

Partner

Membership Number : 088526



Place : New Delhi

Date : 24/08/2016

For and on behalf of the Board of Directors

Vipin Sharma

Vipin Sharma

CEO

DIN: 02565320

Sanjeev Kumar Asthana

Sanjeev Kumar Asthana

Chairperson

DIN: 00048958

Place : New Delhi

Date : 24/08/2016

Place : New Delhi

Date : 24/08/2016



Access Development Services
Cash flow statement for the year ending 31st March 2016

	All amount in Indian Rupees	
	for the year ending 31st March 2016	for the year ending 31st March 2015
Cash flow from operating activities		
Surplus during the year	(4,257,973)	2,685,944
Surplus from LIIF Corpus fund	7,396,517	8,005,246
Amount charged to Capital Asset fund	80,067	(617,875)
Net surplus for the year	<u>3,218,611</u>	<u>10,073,315</u>
<i>Adjustments for:</i>		
Depreciation and amortisation during the year (including depreciation charged to capital asset fund)	1,579,104	2,318,170
Finance costs	1,051,623	1,584,474
(Profit)/ Loss on sale of fixed assets (After adjusting asset written off from capital asset fund)	21,878	29,294
Provision for compensated absences	82,822	(349,504)
Provision for Gratuity/ superannuation	349,440	(87,666)
Provision for bad and doubtful receivables	(1,647,202)	2,953,205
Operating profit before working capital changes	<u>4,656,275</u>	<u>16,521,288</u>
Changes in working capital		
Decrease/ (increase) in long term loans and advances	(383,400)	51,849
Decrease/ (increase) in short term loans and advances	(506,454)	(589,497)
Decrease/ (increase) in other current assets	11,897,252	(4,801,707)
(Decrease)/ increase in long term provisions	(427,404)	(298,569)
(Decrease)/ increase trade payables	212,319	1,418,605
(Decrease)/ increase in other current liabilities	5,777,736	(3,124,556)
Cash generated from operations	<u>21,226,324</u>	<u>9,177,413</u>
Income tax paid (net of refund)	2,773,161	(2,630,080)
Net cash (used in)/generated from operating activities (A)	<u>23,999,485</u>	<u>6,547,333</u>
Cash flow from investing activities		
Amount paid for acquisition of fixed assets	(1,603,451)	(1,282,178)
Proceeds from sale of fixed assets	164,051	31,525
Net cash used in investing activities (B)	<u>(1,439,400)</u>	<u>(1,250,653)</u>
Cash flow from financing activities		
Receipt/ (payment) of short-term borrowings	-	(10,081,740)
Finance cost	(1,051,623)	(1,584,474)
Net cash flow generated from / (used in) financing activities (C)	<u>(1,051,623)</u>	<u>(11,666,214)</u>
Net decrease in Cash and Cash equivalents (A+B+C)	21,508,462	(6,369,534)
Cash and cash equivalents at the beginning of the year	155,492,439	161,861,973
Cash and cash equivalents at the end of the year	<u>177,000,901</u>	<u>155,492,439</u>







Access Development Services
Cash flow statement for the year ending 31st March 2016

	All amount in Indian Rupees	
	for the year ending 31st March 2016	for the year ending 31st March 2015
Cash and cash equivalents comprise of:		
Cash in hand	59,103	83,802
Balances with banks:		
- in current accounts	8,084,670	15,511,633
- in deposit accounts including accrued interest	173,516,349	149,660,076
Overdraft Account :		
Bank overdraft	(4,659,222)	(9,763,072)
	<u>177,000,901</u>	<u>155,492,439</u>

As per our report of even date attached.

For SCM Associates
Chartered Accountants

Firm Registration Number : 314173E

Prakhar Banthiya
Partner

Membership Number : 088526

Place : New Delhi

Date : 24/08/2016



For and on behalf of the Board of Directors

Vipin Sharma
CEO
DIN: 02565320

Place : New Delhi

Date : 24/08/2016

Sanjeev Kumar Asthana
Chairperson
DIN: 00048958

Place : New Delhi

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