



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, 2017, 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, 2017,
- 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

1. 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, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2017, from being appointed as a director in terms of Section 164(2) of the Act.



- f) On the basis MCA notifications with respect to adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, no separate report on internal financial control and its operating effectiveness is issued.
- 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.
 - iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in the Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the company and as produced to us by the management.
2. As required by the Companies (Auditor's report) Order, 2016 ("The order") issued by the Central Government of India, in terms of Sub section 11 of Section 143 of the Act, we are not giving any comments on the matters specified in the paragraphs 3 & 4 of the order as the said order is not applicable to the company.

For SCM Associates

Chartered Accountants

Firm Registration Number : 314173E

Prakhar Banthiya



Prakhar Banthiya

Partner

Membership Number : 088526

Place : New Delhi

Date : 20/09/2017

Access Development Services
Balance sheet as at 31st March 2017

(All amount in Indian Rupees)

	Note	As at 31st March 2017	As at 31st March 2016
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	400	400
Reserve and surplus	3	174,941,289	168,658,491
		<u>174,941,689</u>	<u>168,658,891</u>
Non current liabilities			
Long term provisions	4	5,744,024	4,253,507
		<u>5,744,024</u>	<u>4,253,507</u>
Current liabilities			
Short term borrowings	5	8,186,225	4,659,222
Accounts payable	6	6,582,681	3,427,828
Other current liabilities	7	22,801,603	22,540,874
Short-term provisions	8	2,882,374	2,591,759
		<u>40,452,884</u>	<u>33,219,683</u>
		<u>221,138,597</u>	<u>206,132,081</u>
ASSETS			
Non current assets			
Fixed assets	9		
- Tangible assets		3,620,114	2,677,680
- Intangible assets		69,725	-
Long term loans and advances	10	13,744,687	11,765,277
		<u>17,434,527</u>	<u>14,442,957</u>
Current assets			
Cash and cash equivalents	11	191,504,125	181,660,122
Short term loans and advances	12	2,737,569	2,417,281
Other current assets	13	9,462,376	7,611,720
		<u>203,704,070</u>	<u>191,689,124</u>
		<u>221,138,597</u>	<u>206,132,081</u>
Significant Accounting Policies	1		
Notes forming part of the financial statements	1 to 32		

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 : 20/09/2017

For and on behalf of the Board of Directors



Vipin Sharma

CEO

DIN: 02565320

Place : New Delhi

Date : 20/09/2017

Gurunathan Senthilkumar

Director

DIN: 07735017

Place : New Delhi

Date : 20/09/2017

Access Development Services
Income and expenditure account for the year ending 31st March 2017

(All amount in Indian Rupees)			
	Note	for the year ending 31st March 2017	for the year ending 31st March 2016
Revenue			
Revenue from operations	14	119,745,220	108,955,827
Other income	15	5,973,927	6,147,230
		125,719,147	115,103,057
Expenses			
Programme expenses	16	62,398,495	61,608,585
Employee benefit expenses	17	40,097,665	37,494,438
Finance costs	18	1,302,916	1,051,623
Depreciation and amortisation	19	618,461	571,730
Other expenses	20	19,377,866	18,634,655
		123,795,403	119,361,031
Surplus before exceptional and extraordinary items and tax		1,923,744	(4,257,974)
Exceptional items			
Surplus before extraordinary items and tax		1,923,744	(4,257,974)
Extraordinary items			
Surplus before tax		1,923,744	(4,257,974)
Tax expenses			
Provision for tax	[See Note 29]	-	-
Provision for tax (prior period)		-	-
Deferred tax		-	-
Excess of income over expenditure for the year		1,923,744	(4,257,974)
Basic/diluted earning per share	[See Note 23]	48,093.60	(106,449.35)
Diluted earning per share		48,093.60	(106,449.35)

Significant Accounting Policies 1
Notes forming part of the financial statements 1 to 32

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 : 20/09/2017

For and on behalf of the Board of Directors



Vipin Sharma
 CEO
 DIN: 02565320


Gurunathan Senthilkumar
 Director
 DIN: 07735017

Place : New Delhi
 Date : 20/09/2017

Place : New Delhi
 Date : 20/09/2017

Access Development Services

Notes forming part of the financial statements

(All amount in Indian Rupees)

	As at 31st March 2017	As at 31st March 2016
Note 2: Share capital		
Authorised share capital		
50,000 (previous year 50,000) equity shares of Rs. 10 each	500,000	500,000
	500,000	500,000
Issued and subscribed share capital		
40 (previous year 40) equity shares of Rs. 10 each.	400	400
	400	400
Paid up share capital		
40 (previous year 40) equity shares of Rs. 10 each fully paid up	400	400
	400	400

Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates:

	As at 31st March 2017		As at 31st March 2016	
Name	Number of shares held	Percentage	Number of shares held	Percentage

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

	As at 31st March 2017		As at 31st March 2016	
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	40	40



Notes forming part of the financial statements

		(All amount in Indian Rupees)	
		As at 31st March 2017	As at 31st March 2016
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		130,195,180	125,757,270
Add : Interest earned on term deposits made of LIIF		10,728,405	11,391,750
Less: Expenses incurred related with LIIF		5,677,899	3,995,233
Surplus before provisioning		<u>5,050,506</u>	<u>7,396,517</u>
Less : Reserve fund for contingent liability @15%		757,576	1,109,478
Less : Reserve fund for promotional activities @25%		1,262,627	1,849,129
	(b)	<u>133,225,483</u>	<u>130,195,180</u>
Contingent liability fund (LIIF)			
Balance at the beginning of the year		4,423,796	3,314,318
Add: Transfer during the year from LIIF Corpus fund		757,576	1,109,478
	(c)	<u>5,181,371</u>	<u>4,423,796</u>
Promotional activities fund (LIIF)			
Balance at the beginning of the year		7,372,992	5,523,863
Add: Transfer during the year from LIIF Corpus fund		1,262,627	1,849,129
	(d)	<u>8,635,618</u>	<u>7,372,992</u>
Total Corpus fund	(a+b+c+d)	<u>156,842,473</u>	<u>151,791,967</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	1,765,192	1,685,125
Add: Fixed assets acquired out of grants during the year	132,554	1,226,896
Less: Cost of fixed asset written off (net of accumulated depreciation)	149,768	139,455
Less: Depreciation (transferred from income and expenditure account)	674,238	1,007,374
	<u>1,073,740</u>	<u>1,765,192</u>

Reserve and surplus

Balance at the beginning of the year	15,101,332	19,359,306
Add: Excess of income over expenditure during the year	1,923,744	(4,257,974)
	<u>17,025,076</u>	<u>15,101,332</u>
	<u>174,941,289</u>	<u>168,658,491</u>



Access Development Services

Notes forming part of the financial statements

(All amount in Indian Rupees)

		As at 31st March 2017	As at 31st March 2016
Note 4: Long term provisions			
Employee benefits			
Provision for compensated absences	[See Note 27]	1,433,220	1,317,957
Provision for gratuity	[See Note 27]	2,428,873	1,950,559
Provision for other employee benefits	[See Note 27]	1,881,931	984,991
		5,744,024	4,253,507
Other provisions			
		5,744,024	4,253,507

Note 5: Short term borrowings

Secured

Bank overdraft*

8,186,225	4,659,222
8,186,225	4,659,222
8,186,225	4,659,222

* 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. 2.28 Crores (Previous Year Rs. 2.25 Crores).

Note 6: Accounts payable

Sundry creditors

6,324,066 3,153,888

Other payables

258,615 273,940

6,582,681 3,427,828

Note 7: Other current liabilities

Duties and taxes

1,028,897 1,528,340

Provident fund payable

1,140,714 440,117

Festival allowance payable

221,989 259,169

Income received in advance

20,025,619 18,507,504

Payable to other development organisations

- 285,873

Reimbursable expenses to staff

286,779 1,268,106

Other liabilities

97,605 251,764

22,801,603 22,540,874

Note 8: Short-term provisions

Employee benefits

Provision for compensated absences

[See Note 27] 1,002,297 965,434

Provision for gratuity

[See Note 27] 1,880,077 1,626,325

2,882,374 2,591,759

2,882,374 2,591,759



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Notes forming part of the financial statements

Note 9: Fixed assets

Particulars	Gross Block				Depreciation				(All amount in Indian Rupees)	
	As at 1st April 2016	Additions during the year	Deletion during the year	As at 31st March 2017	As at 1st April 2016	Additions during the year	Charged to Reserve & Surplus	Deletion during the year	As at 31st March 2017	As at 31st March 2016
Tangible assets										
Furniture and fixtures	4,106,958	186,573	1,596,748	2,696,783	3,419,362	190,754.62	-	1,417,449	2,192,668	504,116
Vehicles	1,636,158	-	-	1,636,158	1,400,466	61,217.51	-	-	1,461,684	174,474
Office equipments	3,735,566	363,194	259,106	3,839,654	2,819,015	445,014.69	-	207,398	3,056,632	783,022
Leasehold improvements	-	1,452,729	-	1,452,729	-	50,003.35	-	-	50,003	1,402,726
Computer hardwares	6,433,927	473,585	337,400	6,570,112	5,596,086	512,624.34	-	294,375	5,814,335	755,777
Subtotal (a)	15,912,609	2,476,081	2,193,254	16,195,436	13,234,929	1,259,615		1,919,222	12,575,322	3,620,114
Intangible assets										
Computer software	196,630	102,810	-	299,440	196,630	33,084.75	-	-	229,715	69,725
Subtotal (b)	196,630	102,810	-	299,440	196,630	33,085		-	229,715	69,725
Total	16,109,239	2,578,891	2,193,254	16,494,876	13,431,559	1,292,699		1,919,222	12,805,036	3,689,840
Previous year	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
										2,839,261



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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 2016	Additions during the year	Deletion during the year	As at 31st March 2017	As at 1st April 2016	Additions during the year	Charged to Reserve & Surplus	Deletion during the year	As at 31st March 2017	As at 31st March 2016
Tangible assets										
Furniture and fixtures	1,525,987	84,554	249,551	1,360,990	1,161,448	101,681	-	189,470	1,073,659	364,539
Vehicles	1,587,041	-	-	1,587,041	1,341,847	59,591	-	-	1,401,438	245,194
Office equipments	2,005,021	48,000	154,685	1,898,336	1,545,940	197,878	-	108,023	1,635,795	459,081
Computer hardwares	4,756,772	-	337,400	4,419,372	4,060,394	315,088	-	294,375	4,081,107	696,379
Subtotal (a)	9,874,821	132,554	741,636	9,265,739	8,109,629	674,238		591,868	8,191,999	1,765,193
Total	9,874,821	132,554	741,636	9,265,739	8,109,629	674,238		591,868	8,191,999	1,765,193
Previous year	9,312,875	1,226,896	664,950	9,874,821	7,627,750	1,007,374		525,495	8,109,629	1,685,126

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



Access Development Services

Notes forming part of the financial statements

		(All amount in Indian Rupees)	
		As at 31st March 2017	As at 31st March 2016
Note 10: Long term loans and advances			
Security deposits		920,000	732,400
Income tax refund receivable		12,824,687	11,032,877
		13,744,687	11,765,277
Less: provision for bad and doubtful loans and advances		-	-
		13,744,687	11,765,277
Note 11: Cash and cash equivalents			
Cash in hand		8,771	59,103
Balances with banks			
-Savings bank accounts *		12,014,709	8,084,670
-Term deposit accounts #		172,334,322	171,634,322
-Interest accrued on term deposit accounts		7,146,324	1,882,027
		191,504,125	181,660,122
* Savings account includes Rs. 5,40,194 (Previous year Rs. 3,210,580) lying in designated FCRA bank accounts)			
# Deposits accounts are created out of FCRA funds and includes fixed deposits on account of Corpus Fund - Rs. 11.64 Crores (Previous Year Rs. 11.61 Crores). Out of total deposits, fixed deposits amounting to Rs. 2.28 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		515,000	748,950
Loans and advances		1,515,020	1,082,407
Prepaid expenses		707,549	585,924
		2,737,569	2,417,281
Less: provision for bad and doubtful loans and advances		-	-
		2,737,569	2,417,281
Note 13: Other current assets			
Grants receivable		6,455,697	5,291,554
Receivables from other development organisations		1,164,724	307,633
Contractually reimbursable expenses		1,747,387	3,022,522
Other receivables		732,936	296,014
		10,100,744	8,917,723
Less: provision for overdue receivables	[See Note 30]	638,368	1,306,003
		9,462,376	7,611,720



Access Development Services

Notes forming part of the financial statements

	(All amount in Indian Rupees)	
	for the year ending 31st March 2017	for the year ending 31st March 2016
Note 14: Revenue from operations		
Grant income	103,503,303	99,099,038
Conference receipts	3,282,846	3,305,617
Consultancy income	12,959,071	6,551,172
	119,745,220	108,955,827
Note 15: Other income		
Interest income on:		
Bank deposits	3,714,359	3,082,665
Income tax refund	230,230	738,768
	3,944,589	3,821,433
Liabilities / provisions no longer required written back	1,497,757	1,647,202
Profit on sale of fixed assets	153,122	117,577
Gain on sale of fixed assets received as grant	33,953	350,000
Miscellaneous income	344,506	211,017
	2,029,338	2,325,797
	5,973,927	6,147,230
Note 16: Programme expenses		
Project expenses	32,481,521	26,637,885
Consultancy	23,711,976	25,048,879
Travelling expenses	6,072,444	8,694,925
Fixed assets charged to programme	132,554	1,226,896
	62,398,495	61,608,585
Note 17: Employee benefit expenses		
Salary and allowances	34,280,959	33,659,344
Contribution to employee's provident fund	2,302,204	2,123,638
Gratuity [See Note 27]	893,578	726,909
Compensated absences (including sick leave) [See Note 27]	1,734,420	116,463
Other employee related costs	886,504	868,084
	40,097,665	37,494,438
Note 18: Finance costs		
Interest paid on borrowings	1,302,916	1,051,623
	1,302,916	1,051,623



Notes forming part of the financial statements

	(All amount in Indian Rupees)	
	for the year ending 31st March 2017	for the year ending 31st March 2016
Note 19: Depreciation and amortisation		
Depreciation on fixed tangible assets	1,259,615	1,826,477
Amortisation of intangible assets	33,085	(247,373)
	1,292,699	1,579,104
Less: Depreciation charged to capital asset fund	674,238	1,007,374
	618,461	571,730
Note 20: Other expenses		
Administrative costs		
Board meeting expenses	28,956	40,875
Directors sitting fees	100,000	150,000
Other meeting expenses	1,134,419	1,116,968
Electricity expenses	623,282	747,236
Communication expenses	2,203,166	2,387,866
Legal and professional expenses	874,829	530,979
Printing and stationary expenses	2,250,269	2,106,697
Insurance expenses	100,768	95,474
Rent	3,762,696	3,757,202
Office expenses	2,719,381	3,382,873
Repair and maintenance expenses	1,238,428	1,192,241
Vehicle running and maintenance expenses	274,484	335,877
Conveyance	3,040,749	2,694,583
Bad and doubtful receivables written off	20,000	36,750
Bank charges	81,328	32,361
Net loss on foreign currency transactions and translation	30,476	1,260
Other expenses	669,346	25,413
Loss On Sale of Fixed Assets received as grant	106,071	-
Loss On Sale of Fixed Assets	119,218	-
	19,377,866	18,634,655
	19,377,866	18,634,655



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 2017	for the year ending 31st March 2016
Salary and allowances	6,501,637	6,512,291
Employer's contribution to benefit funds	441,592	430,931
	6,943,229	6,943,222

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 2017	for the year ending 31st March 2016
Access Assist		
Grants paid	0	
Allocation of administrative expenses	0	139,406
Allocation of payroll expenses	0	1,150,000
Consultancy provided	460,000	930,000
	460,000	2,219,406

Ode to Earth Enterprises Private Limited

Payment for event participation fees	45,570	296,075
Payment for programme related expenses	990,000	973,179
Purchase of programme related materials	402,500	522,800
	1,438,070	1,792,054

ACCESS Holding Venture India Private Limited

Allocation of administrative expenses	106,027	
Allocation of payroll expenses	208,189	4,708,420
Consultancy provided	135,340	
	449,556	4,708,420



Access Development Services

Notes forming part of the financial statements

(All amount in Indian Rupees)

The company has entered into Memorandum of Understanding with its 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.

Balance outstanding at the year end of the related parties

	As at 31st March 2017	As at 31st March 2016
Receivables		
Access Assist	830451	2,626,145
ACCESS Holding Venture India Pvt. Ltd.	629136	179,580
Rent security paid on behalf of Mr. Vipin Sharma	213000	150,000
Other advances to Key Managerial Personnel	-	-
	<u>1,672,587</u>	<u>2,955,725</u>
Payables		
Expenses reimbursable to Key Management Personnel	-	-
	<u>-</u>	<u>-</u>

Note 22: Details of Specified Bank Notes held & transacted during demonitization period

	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	2,000	25,195	27,195
(+) Permitted receipts		116,337	116,337
(+) Withdrawal from Banks		236,103	236,103
(-) Permitted payments		334,975	334,975
(-) Amount deposited in Banks	2,000	125	2,125
Closing cash in hand as on 30.12.2016	-	42,535	42,535

Note 23 : 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 2017	for the year ending 31st March 2016
Net profit after tax attributable to equity shareholders (A)	1,923,744	(4,257,974)
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)	48,093.60	(106,449.35)

Note 24 : Receipt from foreign agencies

	for the year ending 31st March 2017	for the year ending 31st March 2016
Conference receipts	305,877	-
Grant income	7,790,958	40,451,009
	<u>8,096,835</u>	<u>40,451,009</u>



Access Development Services

Notes forming part of the financial statements

(All amount in Indian Rupees)

Note 25 : Expenditure in foreign currency (on payment basis)

	for the year ending 31st March 2017	for the year ending 31st March 2016
Travelling & lodging expenses	116,276	440,745
Consultancy charges	-	-
	116,276	440,745

Note 26 : Auditor's remuneration

	for the year ending 31st March 2017	for the year ending 31st March 2016
Statutory audit fees (including service tax)	258,750	258,216
Other certification fees	-	-
Expenses reimbursed	27,001	21,000
	285,751	279,216

Note 27 : 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 2017	for the year ending 31st March 2016
Employer's contribution to employee provident fund	2,302,204	2,123,638
	2,302,204	2,123,638

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 2017	for the year ending 31st March 2016
Reconciliation of present value of the defined benefits obligation :		
Obligation at beginning of year	3,576,884	3,227,444
Interest Cost	286,151	258,196
Service Cost	730,398	660,819
Benefits paid	(365,208)	(918,766)
Actuarial (gain)/loss on obligation	80,725	349,191
Obligation at end of year	4,308,950	3,576,884

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

Current service cost	730,398	660,819
Interest cost	286,151	258,196
Actual return on plan assets	-	-
Net actuarial (gain)/ loss recognized in the period	80,725	349,191
Expenses to be recognized in the income and expenditure account	1,097,274	1,268,206



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Access Development Services

Notes forming part of the financial statements

(All amount in Indian Rupees)

Reconciliation of gratuity expenses recognised in the income and expenditure account

Expenses recognised under employee benefit expenses	893,578	726,909
Amount charged under expenses related to LIIF Corpus fund	203,696	94,418
Amount charged under expenses related Access Assist	-	129,218
Amount charged under expenses related Access Holding Venture	-	317,661
	1,097,274	1,268,206

Compensated absences

	for the year ending 31st March 2017	for the year ending 31st March 2016
Reconciliation of present value of the defined benefits obligation :		
Obligation at beginning of year	2,283,391	2,200,569
Interest Cost	182,671	176,046
Service Cost	453,377	482,878
Benefits paid	(758,100)	(700,812)
Actuarial (gain)/loss on obligation	274,178	124,710
Obligation at end of year	2,435,517	2,283,391

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

Current service cost	453,377	482,878
Interest cost	182,671	176,046
Actual return on plan assets		
Net actuarial (gain)/ loss recognized in the period	274,178	124,710
Expenses to be recognized in the income and expenditure account	910,226	783,634

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

Expenses recognised under Employee benefit expenses	1,734,420	116,463
Amount charged under expenses related to LIIF Corpus fund	72,746	45,374
Amount charged under expenses related Access Assist	-	37,317
Amount charged under expenses related Access Holding Venture	-	157,076
Less: Sick leave included in leave encashment under Employee benefit	896,940	(427,404)
	910,226	783,634

Actuarial assumptions

Mortality Table	IALM 2006-08	IALM 2006-08
Discount Rate (per annum)	7.54%	8.00%
Expected Rate of increase in compensation levels	6.00%	6.00%
Expected Average remaining working lives of employees (years)	20.37	21.75

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. 18,81,931 for liability towards sick leave as at the balance sheet date (previous year Rs. 984,991). The current portion of liability is not determinable, hence the company has classified entire provision as non current liability.

Note 28 : 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.



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Notes forming part of the financial statements

(All amount in Indian Rupees)

Note 30 : 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 no provision (Previous year Rs. 1,306,003) 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 31 : 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 32 : 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.

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 : 20/09/2017

For and on behalf of the Board of Directors

Vipin Sharma

CEO

DIN: 02565320

Place : New Delhi

Date : 20/09/2017

Gurunathan Senthilkumar

Director

DIN: 07735017

Place : New Delhi

Date : 20/09/2017

Access Development Services
Cash flow statement for the year ending 31st March 2017

	All amount in Indian Rupees	
	for the year ending 31st March 2017	for the year ending 31st March 2016
Cash flow from operating activities		
Surplus during the year	1,923,744	(4,257,974)
Surplus from LIIF Corpus fund	5,050,506	7,396,517
Amount charged to Capital Asset fund	(691,452)	80,067
Net surplus for the year	6,282,798	3,218,611
<i>Adjustments for:</i>		
Depreciation and amortisation during the year (including depreciation charged to capital asset fund)	1,292,699	1,579,104
Finance costs	1,302,916	1,051,623
(Profit)/ Loss on sale of fixed assets (After adjusting asset written off from capital asset fund)	(3,354)	21,878
Unrealised Foreign currency (Gain)/ Loss		
Provision for compensated absences	152,126	82,822
Provision for Gratuity/ superannuation	732,066	349,440
Provision for bad and doubtful receivables	(667,635)	(1,647,202)
Operating profit before working capital changes	9,091,616	4,656,275
Changes in working capital		
Decrease/ (increase) in long term loans and advances	(187,600)	(383,400)
Decrease/ (increase) in trade receivables		
Decrease/ (increase) in short term loans and advances	(320,288)	(506,454)
Decrease/ (increase) in other current assets	(1,183,020)	11,897,252
Decrease/ (increase) in inventories		
(Decrease)/ increase in long term provisions	896,940	(427,404)
(Decrease)/ increase trade payables	3,154,853	212,319
(Decrease)/ increase in other current liabilities	260,730	5,777,736
(Decrease)/ increase in short term borrowings		
Cash generated from operations	11,713,231	21,226,324
Income tax paid (net of refund)	(1,791,810)	2,773,161
Net cash (used in)/generated from operating activities (A)	9,921,421	23,999,485
Cash flow from investing activities		
Amount paid for acquisition of fixed assets	(2,578,891)	(1,603,451)
Proceeds from sale of fixed assets	277,386	164,051
Net cash used in investing activities (B)	(2,301,505)	(1,439,400)
Cash flow from financing activities		
Proceeds from issue of equity shares		
Receipt/ (payment) of short-term borrowings		
Proceeds/(Payment) from/of long-term borrowings		
Finance cost	(1,302,916)	(1,051,623)
Net cash flow generated from / (used in) financing activities (C)	(1,302,916)	(1,051,623)
Net decrease in Cash and Cash equivalents (A+B+C)	6,317,000	21,508,462
Cash and cash equivalents at the beginning of the year	177,000,901	155,492,439
Cash and cash equivalents at the end of the year	183,317,900	177,000,901




Access Development Services
Cash flow statement for the year ending 31st March 2017

	for the year ending 31st March 2017	All amount in Indian Rupees for the year ending 31st March 2016
Cash and cash equivalents comprise of:		
Cash in hand	8,771	59,103
Balances with banks:		
- in current accounts	12,014,709	8,084,670
- in deposit accounts including accrued interest	179,480,646	173,516,349
Overdraft Account :		
Bank overdraft	(8,186,225)	(4,659,222)
	183,317,900	177,000,901

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 : 20/09/2017

For and on behalf of the Board of Directors

 
Vipin Sharma **G. Arunathan Senthilkumar**
 CEO Director
 DIN: 02565320 DIN: 07735017

Place : New Delhi

Date : 20/09/2017

Place : New Delhi

Date : 20/09/2017

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.



Note 1: Significant accounting policies**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.

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.



Note 1: Significant accounting policies**1.12 Employee benefits**Defined 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.

Defined 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.

1.16 Previous year's figure regrouped wherever necessary**1.17 Prior period items**

Expenses/income pertaining to previous financial year is to be shown separately from the figure of current financial year.

