

**AUDITED FINANCIAL STATEMENTS
of
ACCESS DEVELOPMENT SERVICES**

For the FY 2018-2019

INDEPENDENT AUDITORS' REPORT

To the Members of
Access Development Services

Report on the audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Access Development Services** ("the company"), which comprise the Balance Sheet as at 31 March 2019, the Income and expenditure account, the Cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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:

1. in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2019;
2. in the case of the Income and expenditure account, of the excess of expenditure over income for the year ended on that date; and
3. in the case of Cash flow Statement, of the cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high-level assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Refer Annexure "A" for detailed auditor's responsibilities for the audit of the financial statement.

Report on other Legal and Regulatory Requirements

1. 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.
2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 Income and expenditure account, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.

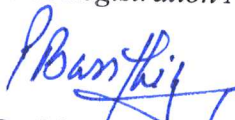


- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on 31 March, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2019, 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:
- The Company did not have any pending litigation which would impact its financial position.
 - The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - 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 No.: 314173E


Prakhar Banthiya
Partner



Membership No.: 088526

UDIN : 19088526AAAABS7469

Place: New Delhi

Date: 18/09/2019

ANNEXURE – A TO THE INDEPENDENT AUDITORS' REPORT

As part of an audit in accordance with Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, internal omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial control system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



Access Development Services
Balance sheet as at 31st March 2019

(All amount in Indian Rupees)

	Note	As at 31st March 2019	As at 31st March 2018
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	400	400
Reserve and surplus	3	178,917,337	180,579,239
		<u>178,917,737</u>	<u>180,579,639</u>
Non current liabilities			
Long-term borrowings	4	816,198	1,134,692
Long term provisions	5	7,592,016	5,754,826
		<u>8,408,214</u>	<u>6,889,518</u>
Current liabilities			
Short term borrowings	6	5,707,002	3,565,332
Trade payables			
(a) total outstanding dues of micro enterprises and small enterprises; and	[See Note 29]	-	-
(b) Others	7	4,630,465	1,195,341
Other current liabilities	8	78,076,414	43,338,983
Short-term provisions	9	3,845,047	3,114,043
		<u>92,258,928</u>	<u>51,213,700</u>
		<u>279,584,880</u>	<u>238,682,857</u>
ASSETS			
Non current assets			
Property, Plant and Equipments			
(a) Tangible assets	10	4,419,063	4,914,153
(b) Intangible assets		93,812	24,622
Long term loans and advances	11	17,759,991	10,810,414
		<u>22,272,865</u>	<u>15,749,189</u>
Current assets			
Accounts receivable	12	241,238	-
Cash and cash equivalents	13	229,259,296	209,853,118
Short term loans and advances	14	1,969,097	2,385,106
Other current assets	15	25,842,383	10,695,445
		<u>257,312,014</u>	<u>222,933,669</u>
		<u>279,584,880</u>	<u>238,682,857</u>
Significant Accounting Policies	1		
Notes forming part of the financial statements	1 to 33		

As per our report of even date attached.

For SCM Associates

Chartered Accountants

Firm Registration Number : 314173E

Prakhar Banthiya
Prakhar Banthiya
Partner

Membership Number : 088526

UDIN: J9088526AAAAB57469

Place : New Delhi

Date : 18/09/2019



For and on behalf of the Board of Directors

Vipin Sharma

Vipin Sharma
CEO
DIN: 02565320

Arvind Mayaram

Arvind Mayaram
Chairperson
DIN: 00080262

Place : New Delhi

Date : 18/09/2019

Place : New Delhi

Date : 18/09/2019



Access Development Services
Income and expenditure account for the year ending 31st March 2019

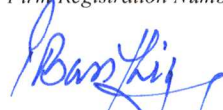
(All amount in Indian Rupees)			
	Note	for the year ending 31st March 2019	for the year ending 31st March 2018
Revenue			
Revenue from operations	16	142,556,966	134,987,924
Other income	17	6,557,049	6,632,012
Interest from LIIF corpus fund		9,756,039	10,045,780
		158,870,054	151,665,716
Expenses			
Programme expenses	18	80,377,813	79,526,260
Expenses made out of LIIF Corpus fund		6,849,618	5,968,924
Employee benefit expenses	19	57,052,082	43,663,033
Finance costs	20	1,121,796	1,348,589
Depreciation and amortisation	21	1,456,702	704,585
Other expenses	22	14,446,862	14,658,557
		161,304,873	145,869,948
Surplus before exceptional and extraordinary items and tax		(2,434,820)	5,795,768
Exceptional items			
Surplus before extraordinary items and tax		(2,434,820)	5,795,768
Extraordinary items			
Surplus before tax		(2,434,820)	5,795,768
Tax expenses			
Provision for tax	[See Note 30]	-	-
Deferred tax		-	-
Excess of income over expenditure for the year		(2,434,820)	5,795,768
Basic/diluted earning per share	[See Note 24]	(60,870.49)	144,894.21
Significant Accounting Policies			
Notes forming part of the financial statements	1 1 to 33		

As per our report of even date attached.

For SCM Associates

Chartered Accountants

Firm Registration Number : 314173E



Prakhar Banthiya

Partner

Membership Number : 088526

UDIN: 19088526 AAAA-B57469

Place : New Delhi

Date : 18/09/2019



For and on behalf of the Board of Directors



Vipin Sharma

CEO

DIN: 02565320



Arvind Mayaram

Chairperson

DIN: 00080262

Place : New Delhi

Date : 18/09/2019

Place : New Delhi

Date : 18/09/2019



Access Development Services
Cash flow statement for the year ending 31st March 2019

	All amount in Indian Rupees	
	for the year ending 31st March 2019	for the year ending 31st March 2018
Cash flow from operating activities		
Surplus during the year	(5,341,241)	1,718,912
Surplus from LIIF Corpus fund	2,906,421	4,076,856
Amount charged to Capital Asset fund	772,917	(157,818)
Net surplus for the year	<u>(1,661,903)</u>	<u>5,637,951</u>
<i>Adjustments for:</i>		
Depreciation and amortisation during the year (including depreciation charged to capital asset fund)	2,015,122	1,447,781
Finance costs	1,121,796	1,348,589
(Profit)/ Loss on sale of fixed assets		
(After adjusting asset written off form capital asset fund)	(14,761)	-
Unrealised Foreign currency (Gain)/ Loss	-	4,083
Provision for compensated absences	332,881	237,224
Provision for Gratuity	1,361,275	841,747
Provision for bad and doubtful receivables	-	(638,368)
Provision for sick leave	874,038	(836,500)
Operating profit before working capital changes	<u>4,028,448</u>	<u>8,042,506</u>
Changes in working capital		
Decrease/ (increase) in long term loans and advances	(2,406,810)	2,010
(Decrease)/ increase in short term provision		231,669
Decrease/ (increase) in short term loans and advances	416,009	352,463
Decrease/ (increase) in other current assets	(15,146,938)	(594,701)
(Decrease)/ increase trade receivables	(241,238)	-
(Decrease)/ increase in long term provisions	-	10,802
(Decrease)/ increase trade payables	3,435,123	(5,387,340)
(Decrease)/ increase in other current liabilities	34,737,431	20,537,380
Cash generated from operations	<u>24,822,025</u>	<u>23,194,789</u>
Income tax paid (net of refund)	(4,542,767)	2,932,263
Net cash (used in)/generated from operating activities (A)	<u>20,279,258</u>	<u>26,127,052</u>
Cash flow from investing activities		
Amount paid for acquisition of fixed assets	(1,574,460)	(2,943,270)
Net cash used in investing activities (B)	<u>(1,574,460)</u>	<u>(2,943,270)</u>
Cash flow from financing activities		
Proceeds from issue of equity shares		
Receipt/ (payment) of short-term borrowings	25,138	293,356
Proceeds/(Payment) from/of long-term borrowings	(318,494)	1,134,692
Finance cost	(1,121,796)	(1,348,589)
Net cash flow generated from / (used in) financing activities (C)	<u>(1,415,152)</u>	<u>79,459</u>
Net decrease in Cash and Cash equivalents (A+B+C)	17,289,646	23,263,241
Cash and cash equivalents at the beginning of the year	206,581,142	183,317,900
Cash and cash equivalents at the end of the year	<u>223,870,788</u>	<u>206,581,142</u>
Cash and cash equivalents comprise of:		
Cash in hand	6,847	10,869



Handwritten signature



Access Development Services
Cash flow statement for the year ending 31st March 2019

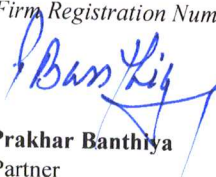
	All amount in Indian Rupees	
	for the year ending 31st March 2019	for the year ending 31st March 2018
Balances with banks:		
- in current accounts	10,160,274	16,805,007
- in deposit accounts including accrued interest	219,092,175	193,037,242
Overdraft Account :		
Bank overdraft	(5,388,508)	(3,271,976)
	<u>223,870,788</u>	<u>206,581,142</u>

As per our report of even date attached.

For SCM Associates

Chartered Accountants

Firm Registration Number : 314173E


Prakhar Banthiya
Partner

Membership Number : 088526

UDIN: 19088526 AAAA BS 7469

Place : New Delhi

Date : 18/09/2019



For and on behalf of the Board of Directors

 
Vipin Sharma **Arvind Mayaram**
CEO Chairperson
DIN: 02565320 DIN: 00080262

Place : New Delhi

Date : 18/09/2019

Place : New Delhi

Date : 18/09/2019



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.

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.



Handwritten signature



Note 1: Significant accounting policies**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.

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 as per actuarial valuation as at the Balance Sheet date.



Handwritten signature



Note 1: Significant accounting policies**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 Prior period items

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



Notes forming part of the financial statements

(All amount in Indian Rupees)

	As at 31st March 2019	As at 31st March 2018
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 2019		As at 31st March 2018	
Name	Number of shares held	Percentage	Number of shares held	Percentage
ACCESS Holding Venture India Pvt. Ltd.	20	50%	20	50%
Assist Employee Welfare Trust, through Ms.Radhika Agashe Mathur	20	50%	20	50%

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

	As at 31st March 2019		As at 31st March 2018	
Name	Number of shares held	Percentage	Number of shares held	Percentage
ACCESS Holding Venture India Pvt. Ltd.	20	50%	20	50%
Assist Employee Welfare Trust, through its Executive Director Ms. Radhika Agashe	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
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 2019	As at 31st March 2018
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)	9,800,000	9,800,000
LIIF Corpus fund		
Balance at the beginning of the year	135,671,597	133,225,483
Add: Addition during the year	-	-
Add : Interest earned on term deposits made of LIIF	9,756,039	10,045,780
Less: Expenses incurred related with LIIF	6,849,618	5,968,924
Surplus before provisioning	2,906,421	4,076,856
Less : Reserve fund for contingent liability @15%	435,963	611,528
Less : Reserve fund for promotional activities @25%	726,605	1,019,214
(b)	137,415,450	135,671,597
Contingent liability fund (LIIF)		
Balance at the beginning of the year	5,792,899	5,181,371
Add: Transfer during the year from LIIF Corpus fund	435,963	611,528
Less: Utilised during the year	-	-
(c)	6,228,862	5,792,899
Promotional activities fund (LIIF)		
Balance at the beginning of the year	9,654,832	8,635,618
Add: Transfer during the year from LIIF Corpus fund	726,605	1,019,214
Less: Utilised during the year	-	-
(d)	10,381,437	9,654,832
Total Corpus fund	(a+b+c+d) 163,825,750	160,919,329

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	915,923	1,073,740
Add: Fixed assets acquired out of grants during the year	1,331,336	276,818
Less: Cost of fixed asset written off (net of accumulated depreciation)	-	259,438
Less: Depreciation (transferred from income and expenditure account)	558,419	730,312
Add : Fixed assets charged to programme	-	555,114
	1,688,839	915,923
Reserve and surplus		
Balance at the beginning of the year	18,743,988	17,025,076
Add: Excess of income of general fund over expenditure during the year	(5,341,241)	1,718,912
	13,402,747	18,743,988
	178,917,337	180,579,239



[Handwritten signature]



Notes forming part of the financial statements

(All amount in Indian Rupees)

	As at 31st March 2019	As at 31st March 2018
Note 4: Long-term borrowings		
Secured		
Vehicle Loan	816,198	1,134,692
	816,198	1,134,692
Note 5: Long term provisions		
Employee benefits		
Provision for compensated absences	[See Note 28] 1,822,036	1,658,813
Provision for gratuity	[See Note 28] 3,879,791	3,075,864
Provision for sick leave	[See Note 28] 1,890,189	1,020,149
	7,592,016	5,754,826
Note 6: Short term borrowings		
Secured		
Bank overdraft*	5,388,508	3,271,976
Current Maturity of long term debt	318,494	293,356
	5,707,002	3,565,332
* 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. 2.31 Crores (Previous Year Rs. 2.31 Crores).		
Note 7: Trade payables		
Sundry creditors	4,401,459	698,429
Other payables	229,006	496,913
	4,630,465	1,195,341
Note 8: Other current liabilities		
Duties and taxes	2,630,216	1,239,021
ESI & EPF Payable	561,990	730,570
Festival allowance payable	268,944	297,180
Interest due but not paid on borrowings	2,573	6,968
Income received in advance	74,054,082	38,914,547
Advance from customers	147,332	581,831
Other reimbursable expenses	-	877,922
Reimbursable expenses to staff	411,278	675,069
Other liabilities	-	15,875
	78,076,414	43,338,983
Note 9: Short-term provisions		
Employee benefits		
Provision for compensated absences	[See Note 28] 1,183,586	1,013,928
Provision for gratuity	[See Note 28] 2,632,181	2,074,833
Provision for sick leave	[See Note 28] 29,280	25,282
	3,845,047	3,114,043



Notes forming part of the financial statements

Note 10 : Property, Plant and Equipments

Particulars	Gross Block				Depreciation			Net Block	
	As at 1st April 2018	Additions during the year	Deletion during the year	As at 31st March 2019	As at 1st April 2018	Additions during the year	Charged to Reserve & Surplus	As at 31st March 2019	As at 31st March 2018
Tangible assets									
Furniture and fixtures	2,541,314	40,477	-	2,581,791	2,230,054	72,885	-	2,302,938	311,261
Vehicles	3,911,025	309,073	-	4,220,098	1,702,220	589,079	-	1,928,799	2,208,805
Office equipments	3,423,717	326,504	110,225	3,639,996	3,050,164	201,282	-	3,151,260	373,553
Leaschold improvements	1,819,814	-	-	1,819,814	370,200	687,282	-	1,057,482	1,449,614
Computer hardwares	6,030,282	801,422	-	6,831,704	5,459,361	411,999	-	5,871,361	570,921
Subtotal (a)	17,726,152	1,477,476	110,225	19,093,403	12,811,999	1,962,527	-	14,674,340	4,914,153
Intangible assets									
Computer software	299,440	121,784	-	421,224	274,818	52,594	-	327,412	24,622
Subtotal (b)	299,440	121,784	-	421,224	274,818	52,594	-	327,412	24,622
Total	18,025,592	1,599,260	110,225	19,514,627	13,086,817	2,015,122	-	15,001,753	4,938,775
Previous year	16,494,876	2,943,270	1,412,554	18,025,592	12,805,036	1,434,897	-	13,086,817	3,689,840



Notes forming part of the financial statements

Note 10.1: Property, Plant and Equipments acquired out of grant funds

Particulars	Gross Block				Depreciation				(All amount in Indian Rupees)	
	As at 1st April 2018	Additions during the year	Deletion during the year	As at 31st March 2019	As at 1st April 2018	Additions during the year	Charged to Reserve & Surplus	Deletion during the year	As at 31st March 2019	As at 31st March 2018
Tangible assets										
Furniture and fixtures	1,243,021	40,477	-	1,283,498	1,069,502	43,739	-	-	1,113,241	173,519
Vehicles	1,587,041	309,073	-	1,896,114	1,461,298	48,312	-	-	1,509,611	125,743
Office equipments	1,741,468	139,764	-	1,881,232	1,541,706	100,632	-	-	1,642,337	199,762
Computer hardwares	4,092,377	801,422	-	4,893,799	3,678,982	357,154	-	-	4,036,136	413,395
Subtotal (a)	8,663,907	1,290,736	-	9,954,643	7,751,488	549,836	-	-	8,301,324	912,419
Intangible assets										
Computer software	21,210	40,600	-	61,810	17,706	8,583	-	-	26,289	3,504
Subtotal (b)	21,210	40,600	-	61,810	17,706	8,583	-	-	26,289	3,504
Total	8,685,117	1,331,336	-	10,016,453	7,769,194	558,419	-	-	8,327,614	915,923
Previous year	9,820,853	276,818	1,412,554	8,685,117	8,337,127	585,183	-	1,153,116	7,769,194	1,483,726

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



Notes forming part of the financial statements

(All amount in Indian Rupees)

	As at 31st March 2019	As at 31st March 2018
Note 11: Long term loans and advances		
Planned asset against gratuity obligation	[See Note 28] 2,500,000	-
Security deposits	824,800	917,990
Income tax refund receivable	14,435,191	9,892,424
	17,759,991	10,810,414
Note 12: Accounts receivable		
(Unsecured, considered good by management)		
Outstanding for a period exceeding six months from the date they were due for payment	-	-
Others	241,238	-
	241,238	-
Note 13: Cash and cash equivalents		
Cash in hand	6,847	10,869
Balances with banks		
-Savings bank accounts *	10,160,274	16,805,007
-Term deposit accounts #	212,840,569	191,740,569
-Interest accrued on term deposit accounts	6,251,606	1,296,673
	229,259,296	209,853,118
* Savings account includes Rs. 32,92,875 (Previous year Rs. 27,09,905) lying in designated FCRA bank accounts)		
# Term deposits created out of FCRA funds are Rs. 19.53 Crores, which includes fixed deposits on account of Corpus Fund - Rs. 13.92 Crores (Previous Year Rs. 13.92 Crores).		
Out of total deposits, fixed deposits amounting to Rs. 2.31 Crores (Previous Year Rs. 2.31 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 14: Short term loans and advances		
Security deposits	302,950	510,000
Loans and advances	706,999	1,194,220
Prepaid expenses	674,481	664,186
Advances to Staff	284,667	16,700
	1,969,097	2,385,106
Note 15: Other current assets		
Grants receivable	14,961,133	1,510,999
Receivables from other development organisations	10,864,737	8,686,821
Contractually reimbursable expenses	8,515	82,149
Other receivables	7,998	415,476
	25,842,383	10,695,445




Access Development Services

Notes forming part of the financial statements

	(All amount in Indian Rupees)	
	for the year ending 31st March 2019	for the year ending 31st March 2018
Note 16: Revenue from operations		
Grant income	123,366,330	116,818,864
Conference receipts	2,992,331	4,451,953
Consultancy income	16,198,305	13,717,107
	142,556,966	134,987,924
Note 17: Other income		
Interest from term deposits	6,142,685	4,973,630
Interest on income tax refund	-	1,086,618
Liabilities / provisions no longer required written back	-	197,351
Profit on sale of fixed assets	14,761	-
Proceeds from sale of fixed assest received as grant	146,500	4,083
Net gain on foreign currency transactions and translation	2,478	-
Miscellaneous income	250,625	370,330
	6,557,049	6,632,012
Note 18: Programme expenses		
Project activity expenses	30,669,593	34,191,989
Consultancy	39,543,551	37,790,356
Travelling expenses	8,031,342	6,711,982
Fixed assets given to beneficiaries	801,991	-
Fixed assets charged to programme	1,331,336	831,932
	80,377,813	79,526,260
Note 19: Employee benefit expenses		
Salary and allowances	48,840,580	39,613,854
Contribution to employee's provident fund	3,794,992	2,554,873
Gratuity	[See Note 28] 1,421,401	690,310
Compensated absences	[See Note 28] 643,920	584,266
Sick Leave	[See Note 28] 874,038	(836,500)
Other employee related costs	1,477,151	1,056,230
	57,052,082	43,663,033
Note 20: Finance costs		
Interest paid on borrowings	1,121,796	1,348,589
	1,121,796	1,348,589
Note 21: Depreciation and amortisation		
Depreciation on fixed tangible assets	1,962,527	1,389,793
Amortisation of intangible assets	52,594	45,103
	2,015,122	1,434,897
Less: Depreciation charged to capital asset fund	558,419	730,312
	1,456,702	704,585



Notes forming part of the financial statements

	(All amount in Indian Rupees)	
	for the year ending 31st March 2019	for the year ending 31st March 2018
Note 22: Other expenses		
Administrative costs		
Board meeting expenses	24,341	24,000
Directors sitting fees	100,000	50,000
Other meeting expenses	310,510	183,911
Electricity expenses	759,037	687,254
Communication expenses	1,565,888	1,859,180
Legal and professional expenses	458,236	464,432
Printing and stationary expenses	757,785	1,554,727
Insurance expenses	113,312	83,486
Rent	4,355,423	4,392,474
Office expenses	595,232	1,693,713
Repair and maintenance expenses	1,177,236	459,139
Vehicle running and maintenance expenses	464,334	331,909
Travelling and conveyance	2,968,874	2,698,984
Bank charges	141,793	65,364
Net loss on foreign currency transactions and translation	-	51,123
Other expenses	20,324	58,861
Unrecoverable debts written off	583,433	-
Miscellaneous expense	49,325	-
Rates and taxes	1,780	-
	14,446,862	14,658,557



Access Development Services

Notes forming part of the financial statements

(All amount in Indian Rupees)

Note 23 : 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 2019	for the year ending 31st March 2018
Salary and allowances	7,624,428	7,062,925
Employer's contribution to benefit funds	484,914	449,208
	8,109,342	7,512,133

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 2019	for the year ending 31st March 2018
Access Assist		
Consultancy services received from Access Assist	-	350,000
Allocation of administrative expenses	-	73,205
Unsecured loans provided during the year	-	2,150,000
Unsecured loans received back during the year	-	2,269,053
Consultancy services provided to Access Assist	3,157,412	225,000
	3,157,412	5,067,258
Ode to Earth Enterprises Private Limited		
Payment for consultancy services received	290,254	-
Payment for programme related expenses	190,851	442,900
Purchase of programme related materials	-	719,280
	481,105	1,162,180
ACCESS Holding Venture India Private Limited		
Consultancy provided	-	64,505
Consultancy services received (including GST)	1,475,000	-
	1,475,000	64,505

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 2019	As at 31st March 2018
Receivables		
Access Assist	2,784,468	-
Ode to Earth Enterprises Private Limited	159,655	87,280
	2,944,123	87,280



[Handwritten signature]



Payables

ACCESS Holding Venture India Pvt. Ltd.

Expenses reimbursable to Key Management Personnel

1,046,047

46,856

Note 24 : 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 2019	for the year ending 31st March 2018
Net profit after tax attributable to equity shareholders (A)	(2,434,820)	5,795,768
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)	(60,870)	144,894

Note 25 : Receipt in foreign currency

	for the year ending 31st March 2019	for the year ending 31st March 2018
Conference receipts	259,682	225,569
Reimbursement	32,944	73,867
Grant income	42,745,571	39,475,284
	43,038,198	39,774,720

Note 26 : Expenditure in foreign currency (on payment basis)

	for the year ending 31st March 2019	for the year ending 31st March 2018
Travelling & lodging expenses	507,318	410,079
Training/Course Fee	737,064	-
	1,244,382	410,079

Note 27 : Auditor's remuneration

	for the year ending 31st March 2019	for the year ending 31st March 2018
Statutory audit fees (including GST)	265,500	265,500
Expenses reimbursed	26,550	26,550
	292,050	292,050

Note 28 : 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 2019	for the year ending 31st March 2018
Employer's contribution to employee provident fund	3,794,992	2,554,873
	3,794,992	2,554,873

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 2019	for the year ending 31st March 2018
Reconciliation of present value of the defined benefits obligation :		
Obligation at beginning of year	5,150,697	4,308,950
Interest Cost	392,998	324,895
Service Cost	946,418	851,254
Benefits paid	60,125	-
Actuarial gain/(loss) on obligation	81,984	(334,402)
Obligation at end of year	6,511,972	5,150,697

The major categories of planned assets

Funds managed by insurer

2,500,000	-
2,500,000	-

Current / Non Current

Current liability

2,632,181

2,074,833

Non current liability

3,879,791

3,075,864

6,511,972**5,150,697**


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

Current service cost	946,418	851,254
Interest cost	392,998	324,895
Actual return on plan assets	-	-
Net actuarial gain/(loss) recognized in the period	81,984	(334,402)
Expenses to be recognized in the income and expenditure account	1,421,400	841,747

Reconciliation of gratuity expenses recognised in the income and expenditure account

Expenses recognised under employee benefit expenses	1,421,400	690,310
Amount charged under expenses related to LIIF Corpus fund	-	151,437
	1,421,400	841,747

Compensated absences

	for the year ending 31st March 2019	for the year ending 31st March 2018
Reconciliation of present value of the defined benefits obligation :		
Obligation at beginning of year	2,672,741	2,435,517
Interest Cost	203,930	183,638
Service Cost	446,173	496,462
Benefits paid	311,041	384,636
Actuarial gain/(loss) on obligation	(6,181)	(58,240)
Obligation at end of year	3,005,622	2,672,741
Current / Non Current		
Current liability	1,183,586	1,013,928
Non current liability	1,822,036	1,658,813
	3,005,622	2,672,741

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

Current service cost	446,173	496,462
Interest cost	203,930	183,638
Actual return on plan assets	-	-
Net actuarial (gain)/ loss recognized in the period	(6,181)	(58,240)
Expenses to be recognized in the income and expenditure account	643,922	621,860

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

Expenses recognised under Employee benefit expenses	643,922	584,266
Amount charged under expenses related to LIIF Corpus fund	-	37,594
	643,922	621,860

Sick Leave

	for the year ending 31st March 2019	for the year ending 31st March 2018
Reconciliation of present value of the defined benefits obligation :		
Obligation at beginning of year	1,045,431	1,881,931
Interest Cost	79,766	145,097
Service Cost	243,317	172,181
Benefits paid	-	-
Actuarial (gain)/loss on obligation	550,955	(1,153,778)
Obligation at end of year	1,919,469	1,045,431
Current / Non Current		
Current liability	29,280	25,282
Non current liability	1,890,189	1,020,149
	1,919,469	1,045,431

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

Current service cost	243,317	172,181
Interest cost	79,766	145,097
Actual return on plan assets	-	-
Net actuarial (gain)/ loss recognized in the period	550,955	(1,153,778)
Expenses to be recognized in the income and expenditure account	874,038	(836,500)



Handwritten signature



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

Expenses recognised under employee benefit expenses	874,038	(836,500)
Amount charged under expenses related to LIIF Corpus fund	-	-
Amount charged under expenses related Access Assist	-	-
Amount charged under expenses related Access Holding Venture	-	-
	<u>874,038</u>	<u>(836,500)</u>

Actuarial assumptions

Mortality Table	IALM 2006-08	IALM 2006-08
Discount Rate (per annum)	7.63%	7.71%
Expected Rate of increase in compensation levels (per annum)	6.00%	6.00%
Expected Average remaining working lives of employees (years)	20.91	22.12

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.

Note 29 : 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, 2019.

Note 30 : 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 31 : 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. Nil) 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 32 : 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 33 : 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

UDIN: 19088526 AAAA-B57989

Place : New Delhi

Date : 18/09/2019

**For and on behalf of the Board of Directors**

Vipin Sharma

CEO

DIN: 02565320

Place : New Delhi

Date : 18/09/2019

Arvind Mayaram

Chairperson

DIN: 00080262

Place : New Delhi

Date : 18/09/2019

