



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
DEVELOPMENT FOCUS**

Opinion

We have audited the accompanying financial statements of **DEVELOPMENT FOCUS** (the Trust), which comprise the Balance Sheet as at 31st March, 2020, the Statement of Income and Expenditure for the year then ended and notes to the financial statements, including summary of the significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Trust as at 31st March, 2020 and of its financial performance for the year then ended in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI).

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by ICAI. 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 Trust in accordance with the *Codes of Ethics* issued by ICAI and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the state of affairs, results of operations of the Trust in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control 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 Trust'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 Trust or to cease operations, or has no realistic alternative but to do so.



Those charged with governance are responsible for overseeing the Trusts's financial reporting process.

Auditors' 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 of 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.

As part of an audit in accordance with SAs, we exercise professional judgment 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, intentional 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.
- 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 Trust'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 Trust 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.



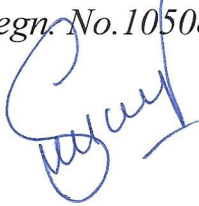
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.

For R.K. KHANNA & ASSOCIATES

Chartered Accountants

(Firm Regn. No.105082W)



UDIN:20027444AAAAFT3571

(S. MANJU GEORGE)

Partner

(Membership No.027444)

Place: Bangalore

Date: 23/12/2020

DEVELOPMENT FOCUS
BALANCE SHEET AS AT 31ST MARCH 2020

(all Amounts in Rupees)

	31st March 2020	31st March 2019
SOURCES OF FUNDS:		
GENERAL FUND		
As per Last Balance Sheet..	(22,17,388.73)	2,09,70,131.08
Excess of Expenditure over Income after appropriation, transferred from Income & Expenditure Account...	(7,05,644.47)	(2,31,87,519.81)
	(29,23,033.20)	(2,31,87,519.81)
CORPUS FUND		
Sustainability Fund...	29,05,513.00	29,05,513.00
ENDOWMENT FUND		
As per Last Balance Sheet...	29,322.00	64,322.00
Deductions during the year...	29,322.00	(35,000.00)
	-	(35,000.00)
DEPRECIATION FUND		
As per Last Balance Sheet...	25,45,471.17	24,79,825.93
Additions during the year...	65,491.57	65,645.24
	26,10,962.74	65,645.24
LOAN FROM TRUSTEE		
	5,12,000.00	2,55,000.00
	31,05,442.55	35,17,917.44
APPLICATION OF FUNDS:		
FIXED ASSETS		
Per Schedule "A"	3,06,380.12	3,04,378.90
INVESTMENTS		
In Fixed deposits with Bank		
Depreciation Fund...	51,027.00	1,70,430.00
Sustainability Fund ...	3,60,320.00	11,37,575.00
Project Fund...	96,382.00	93,074.00
In units of Mutual fund		
Endowment Fund...	1,95,889.93	2,12,883.23
	7,03,618.93	2,12,883.23
CURRENT ASSETS		
Deposits...	2,03,989.00	2,03,000.00
Advance towards Projects...	6,35,212.99	9,51,702.60
Other Loans and Advances...	3,76,543.00	3,90,137.00
Interbranch transfers...	-	-
Cash and bank Balances...	10,51,078.46	4,26,846.67
CURRENT LIABILITIES		
Current Liabilities...	(1,71,379.95)	(3,72,109.96)
NET CURRENT ASSETS		
	20,95,443.50	15,99,576.31
	31,05,442.54	35,17,917.44

ACCOUNTING POLICY AND NOTES TO ACCOUNTS...SCHEDULE 'B'

Schedules A and B form part of this Balance Sheet...

Per our report of even date attached...

For R.K.KHANNA & ASSOCIATES

Chartered Accountants
(Firm Regn. No.10508287)

UDIN: 20027444AAAAFT3571

(S. MANJU GEORGE)

Partner

(Membership No.027444)

Place : Bangalore

Date : 23/12/2020



For DEVELOPMENT FOCUS

Thomas Paul

(THOMAS PAUL)

Managing Trustee

Dr. D. Gladys Sumithra

(DR. D. GLADYS SUMITHRA)

Trustee

DEVELOPMENT FOCUS
INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2020

(All Amounts in Rupees)

	31st March 2020	31st March 2019
INCOME:		
Donation received :		
Towards Computer Based Functional Adult Literacy...	88,10,000.00	66,24,000.00
Towards Promoting Rural Entrepreneurship...	51,39,000.00	41,73,000.00
Towards Anti Trafficking ...	8,17,350.72	1,47,66,350.72
General Donation...	6,88,260.00	3,36,865.00
Income from Fund Raising Activity...	6,78,879.63	9,33,497.34
Interest on Fixed Deposits...	57,970.00	74,472.44
Interest from Savings Bank Account...	38,596.30	66,801.00
Other Income...	45,620.09	25,424.25
	1,62,75,676.74	1,22,34,060.03
EXPENDITURE :		
Projects and Programs		
Computer Based Functional Adult Literacy...	78,12,895.17	2,58,96,674.70
Promoting Rural Entrepreneurship...	45,92,518.00	75,77,432.80
Anti Trafficking ...	20,51,970.00	1,19,048.00
Less: Overhead contribution transferred to General Reserve...	(20,15,834.00)	(10,02,052.00)
Scholarship paid out of Endowment Funds...	5,678.00	1,24,47,227.17
Administration Cost...	44,11,730.89	27,10,662.86
Depreciation...	56,871.57	54,168.24
	1,69,15,829.63	3,53,55,934.60
Excess of Expenditure over Income...	(6,40,152.89)	(2,31,21,874.57)
Appropriation to Depreciation Fund...	65,491.57	65,645.24
Balance transferred to General Fund...	(7,05,644.47)	(2,31,87,519.81)

ACCOUNTING POLICY AND NOTES TO ACCOUNTS...SCHEDULE 'B'

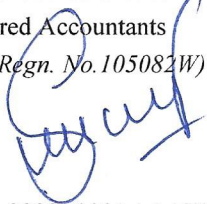
Schedules A and B form part of this Balance Sheet...

Per our report of even date attached...

For **R.K.KHANNA & ASSOCIATES**

Chartered Accountants

(Firm Regn. No.105082W)



UDIN: 20027444AAAFT3571

(S. MANJU GEORGE)

Partner

(Membership No.027444)

Place : Bangalore

Date : 23/12/2020




For **DEVELOPMENT FOCUS**



(THOMAS PAUL)

Managing Trustee



(DR. D. GLADYS SUMITHRA)

Trustee

SCHEDULES FORMING PART OF STATEMENT OF ACCOUNTS

SCHEDULE A :

(all Amounts in Rupees)

FIXED ASSETS

Description	Rate	WDV as on 01.04.2019	Additions During the period	Deletions During the period	Total	Depreciation for the period	WDV as on 31.03.2020
Skills Training							
Land		-	-	-	-	-	-
Furniture	10%	63,506.73	-	-	63,506.73	6,350.67	57,156.06
Office Equipments	15%	44,357.58	-	-	44,357.58	4,848.24	39,509.34
Computers	40%	9,507.44	-	9,506.53	0.91	0.37	0.54
AT Equipment	15%	9,270.62	-	-	9,270.62	1,390.59	7,880.03
		1,26,642.37	-	9,506.53	1,17,135.84	12,589.87	1,04,545.97
Administration							
Furniture & Fixtures	10%	19,778.95	3,900.00	-	23,678.95	2,172.87	21,506.08
Office Equipments	15%	1,55,433.42	14,015.00	12,551.19	1,56,897.23	24,288.86	1,32,608.37
Computers	40%	2,524.17	63,020.00	4.49	65,539.68	17,819.98	47,719.70
TOTAL....		1,77,736.54	80,935.00	12,555.68	2,46,115.86	44,281.71	2,01,834.15
GRAND TOTAL...		3,04,378.91	80,935.00	22,062.21	3,63,251.70	56,871.57	3,06,380.13

SCHEDULE B

ACCOUNTING POLICIES & NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2020

1. SIGNIFICANT ACCOUNTING POLICIES :

a) Background

Development Focus is a Trust registered on 1st March 2006 to promote education and training in skill formation among children and the poorer sections of society.

b) Method of Accounting

The Trust is maintaining accounts on the accrual basis and recognizes income and expenditure on accrual basis.

c) Investments

Investments are valued at cost.

d) Property, property and Equipment:

The Property, Plant and Equipment are stated at their cost of acquisition or construction less accumulated depreciation, including any cost attributable to bringing the assets to their working condition for their intended use. Subsequent expenditures relating to Property, Plant and Equipment are capitalized only when it is probable that future economic benefits associated with these will flow to the Trust and cost of the item can be measured reliably. Repairs & maintenance costs are recognized in the statement of Income and Expenditure when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the assets and resultant gains or losses are recognized in the statement of Income and Expenditure.

Depreciation on Property, Plant and Equipment is provided on the written down value method over the estimated useful life. The depreciation method the useful life and residual value are determined by the management at the time the asset is acquired and renewed periodically individually at the end of each financial year

e) Depreciation Fund

Depreciation fund is created for the future capital requirements of the Trust. Appropriations are made each year to the extent of depreciation provision for the year and interest on Depreciation Fund investment.

f) Impact of Covid Pandemic

The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic and other activities. The Trust has evaluated the impact of this pandemic on its operations and services, based on the internal and external information available till the date of approval of the financial results and the current indicators of future outlook. In terms of this evaluation, the Trust does not foresee any significant risk - medium or long term, to its ability to continue its operations and services.

2. NOTES TO ACCOUNTS:

a) Expenditure on Projects & Programmes include Rs. 94,37,440.61/-, in respect of Projects & Programmes carried out with Partner's organizations and the same has been accounted on the basis of certificate from Chartered Accountants on its utilization.

b) Mr. Thomas Paul, Managing Trustee is paid an honorarium of Rs. 3,44,441/- for services rendered.

Signatures to schedules 'A' and 'B'

For **R.K.KHANNA & ASSOCIATES**

Chartered Accountants
(Firm Regn. No.105082W)

UDIN: 20027444AAAAFT3571

(S. MANJU GEORGE)

Partner

(Membership No.027444)



For **DEVELOPMENT FOCUS**

Thomas Paul

(THOMAS PAUL)
Managing Trustee

Dr. D. Gladys Sumithra

(DR. D. GLADYS SUMITHRA)
Trustee

Place: Bangalore

Date: 23/12/2020