

Independent Auditor's Report

To,
The Members of the Governing Body of Room to Read India Trust

Report on the Foreign Contribution Financial Statements

1. This Report is issued in accordance with the terms of our engagement letter dated 01 July 2020 with Room to Read India Trust (the 'Trust').
2. We have audited the accompanying special purpose financial statements of the Trust which comprise the Balance Sheet as at 31 March 2020, the Statement of Income and Expenditure, Statement of Receipts and Payment for the year ended 31 March 2020, and the significant accounting policies and notes to the financial statements (hereinafter together referred to as 'Foreign Contribution Financial Statements') with respect to Foreign Contribution in accordance with the basis of accounting as described in note 13 to the Foreign Contribution Financial Statements, prepared by the Governing body of the Trust pursuant to the requirement of section 19 of the Foreign Contribution (Regulation) Act, 2010 ('Act') read with rule 17 of the Foreign Contribution (Regulation) Rules, 2011 (as amended) ('Rules').

Governing body's Responsibility for the Foreign Contribution Financial Statements

3. The Governing body of the Trust is responsible for preparation and presentation of the Foreign Contribution Financial Statements in accordance with the basis of accounting described in note 13 including preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Foreign Contribution Financial Statements and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The Governing body of the Trust is also responsible for ensuring that the Trust complies with the requirements of the Act read with relevant Rules and providing all required information to the Ministry of Home Affairs.

Auditor's Responsibility

5. Our responsibility is to express an opinion on these Foreign Contribution Financial Statements based on our audit.
6. 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 Foreign Contribution Financial Statements are free from material misstatement due to fraud or error.



Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurugram, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

Walker Chandiook & Co LLP is registered with limited liability with identification number AAC-2085 and its registered office at L-41 Connaught Circus, New Delhi, 110001, India

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7. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Foreign Contribution Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Foreign Contribution Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Trust's preparation of the Foreign Contribution Financial Statements, in all material respects, in accordance with the basis of accounting described in note 13 to these Foreign Contribution Financial Statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Governing body of the Trust, as well as evaluating the overall presentation of the Foreign Contribution Financial Statements.
8. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Foreign Contribution Financial Statements.

Opinion

9. In our opinion, the accompanying Foreign Contribution Financial Statements for the year ended 31 March 2020 are prepared, in all material respects, in accordance with the basis of accounting described in note 13 to these Foreign Contribution Financial Statements.

Report on Other Legal and Regulatory Requirements

10. As required under Rule 17(5) of the Rules and basis the Foreign Contribution Financial Statements for the year ended 31 March 2020, we report that:
 - (i) The brought forward foreign contribution at the beginning of the year ended 31 March 2020 was ₹62,524,528;
 - (ii) Foreign contribution of ₹488,096,650 was received by the Trust during the year ended 31 March 2020;
 - (iii) Interest accrued on foreign contribution and other income derived from foreign contribution or interest thereon of ₹4,320,958 was received by the Trust during the year ended 31 March 2020;
 - (iv) The balance of unutilised foreign contribution with the Trust as at 31 March 2020 is ₹83,296,963;
 - (v) The Trust has maintained the accounts of foreign contribution and records relating thereto in the manner specified in Section 19 of the Act read with Rule 17 of the Rules;
 - (vi) The information in the enclosed Balance Sheet and Receipts and Payments Account is correct as checked by us; and
 - (vii) The Trust has utilised the foreign contribution received for the purpose(s) it is registered/granted prior permission under the Act.

Basis of accounting and restriction on distribution or use

11. Our work was performed solely to assist you in meeting your responsibilities in relation to submission of accompanying Foreign Contribution Financial Statements with the Ministry of Home Affairs. The Governing body of the Trust has also prepared complete set of financial statements for Trust for the purpose of submission with Form 10B of the Income Tax Rules, 1962.
12. Without modifying our opinion, we draw attention to note 13 to the Foreign Contribution Financial Statements, which describes the basis of accounting used by the governing body of the Trust for the preparation of the said Foreign Contribution Financial Statements. These Foreign Contribution Financial Statements are prepared solely for the purpose of enabling the governing body of the Trust to comply with the requirements of Rule 17(5) of the Rules, which requires them to submit the report with the accompanying Foreign Contribution Financial Statements to the Ministry of Home Affairs and therefore, these Foreign Contribution Financial Statements may not be suitable for another purpose.



Walker Chandiok & Co LLP

This report is issued solely for aforementioned purpose and accordingly, should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Further, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No.: 001076N/N500013

Tarun

Tarun Gupta

Partner

Membership No.: 507892

UDIN: 20507892AAAACX5633



Place: Gurugram

Date : 12 November 2020

Room to Read India Trust
Foreign Contribution Account
Balance Sheet as at 31 March 2020
(All amounts in ₹, unless otherwise stated)

	Schedule	As at 31 March 2020	As at 31 March 2019
Sources of funds			
Funds			
Restricted funds	1	83,610,200	71,248,479
Unrestricted fund	2	1,210,912	354,922
		<u>84,821,112</u>	<u>71,603,401</u>
Liabilities and provisions			
Current liabilities	3	14,613,900	12,160,043
Provisions	4	19,628,336	12,996,947
		<u>34,242,236</u>	<u>25,156,990</u>
		<u>119,063,348</u>	<u>96,760,391</u>
Applications of funds			
Property, plant and equipment			
Tangible assets	5	10,781,835	7,982,153
Current assets, loans and advances			
Cash and bank balances	6	83,296,963	65,453,749
Loans and advances	7	9,364,431	9,439,197
Other current assets	8	15,620,119	13,885,292
		<u>108,281,513</u>	<u>88,778,238</u>
Significant accounting policies and notes to the financial statements	13-14	<u>119,063,348</u>	<u>96,760,391</u>

The schedules referred to above form an integral part of the financial statements.

For Walker ChandioK & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Tarun

Tarun Gupta
Partner
Membership No.: 507892



For and on behalf of
Room to Read India Trust

Sourav Banerjee
Sourav Banerjee
Chief Functionary

A. Majumdar
Apala Majumdar
Trustee

Place: Gurugram
Date: 12 November 2020

Place: New Delhi
Date: 12 November 2020

Place: New Delhi
Date: 12 November 2020



Room to Read India Trust
Foreign Contribution Account
Income and Expenditure Account for the year ended 31 March 2020
(All amounts in ₹, unless otherwise stated)

	Schedule	Year ended 31 March 2020	Year ended 31 March 2019
Income			
Grants and donations	9	485,350,830	459,040,844
Other income	9A	4,320,958	3,940,779
		<u>489,671,788</u>	<u>462,981,623</u>
Expenditure			
Program expenses	10	338,793,696	350,822,309
Personnel expenses	11	100,249,746	77,256,006
Depreciation	5	6,127,489	3,325,841
General and administrative expenses	12	40,210,317	38,119,483
		<u>485,381,248</u>	<u>469,523,639</u>
Surplus/(deficit) for the year after depreciation		4,290,540	(6,542,016)
Add:- Depreciation for the year transferred to Capital Assets Fund		6,127,489	3,325,841
Surplus/(deficit) for the year		<u>10,418,029</u>	<u>(3,216,175)</u>
Less:- Surplus for the year transferred to Project Fund		(9,562,039)	(10,044,771)
Surplus/(deficit) for the year transferred to General fund		<u>855,990</u>	<u>(13,260,946)</u>

Significant accounting policies and notes to the financial statements 13-14

The schedules referred to above form an integral part of the financial statements.

For Walker Chandio & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

For and on behalf of
Room to Read India Trust

Tarun

Tarun Gupta
Partner
Membership No.: 507892



Sourav Banerjee
Sourav Banerjee
Chief Functionary

A. Majumdar
Apala Majumdar
Trustee

Place: Gurugram
Date: 12 November 2020

Place: New Delhi
Date: 12 November 2020

Place: New Delhi
Date: 12 November 2020



Room To Read India Trust
Foreign Contribution Account
Receipts and Payments Account for the year ended 31 March 2020
(All amounts in ₹, unless otherwise stated)

	Year ended 31 March 2020	Year ended 31 March 2019
Opening balance		
Cash in hand	20,453	32,591
Cash at bank	51,747,547	24,446,741
Fixed deposits	10,756,528	34,646,262
	<u>62,524,528</u>	<u>59,125,594</u>
Receipts		
Foreign grants	488,096,650	465,825,214
Bank interest*	4,320,958	1,011,557
	<u>492,417,608</u>	<u>466,836,771</u>
Payments		
Program expenses	329,866,525	336,253,098
General and administrative expenses	140,460,066	115,375,489
Tangible assets purchased during the year	8,927,171	3,024,556
Other current liabilities (net)	(7,608,589)	8,784,694
	<u>471,645,173</u>	<u>463,437,837</u>
Closing balance		
Cash in hand	20,413	20,453
Cash at bank	83,276,550	51,747,547
Fixed deposits*	-	10,756,528
	<u>83,296,963</u>	<u>62,524,528</u>

* excluding accrued interest amounting to ₹ 2,929,222 during the year ended 31 March 2019

For Walker Chandio & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Tarun

Tarun Gupta
Partner
Membership No.: 507892

Place: Gurugram
Date: 12 November 2020



For and on behalf of
Room to Read India Trust

Sourav Banerjee
Sourav Banerjee
Chief Functionary

Place: New Delhi
Date: 12 November 2020

A. Majumdar
Apala Majumdar
Trustee

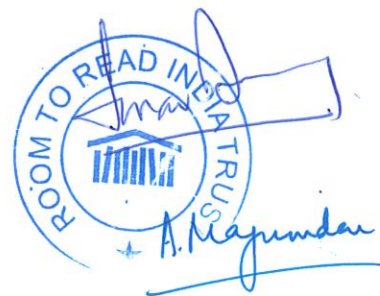
Place: New Delhi
Date: 12 November 2020



Room to Read India Trust
Foreign Contribution Account
Schedules forming part of the financial statements as at 31 March 2020
(All amounts in ₹, unless otherwise stated)

	As at 31 March 2020	As at 31 March 2019
Schedule 1 - Restricted funds		
a) Capital assets fund		
Balance at the beginning of the year	7,982,151	8,283,436
Add : Addition to tangible assets	8,927,171	3,024,556
Less : Depreciation met out of capital assets fund	<u>(6,127,489)</u>	<u>(3,325,841)</u>
Balance at the end of the year	<u><u>10,781,833</u></u>	<u><u>7,982,151</u></u>
b) Project fund		
Balance at the beginning of the year	63,266,328	53,221,557
Add : Amounts received during the year	<u>483,743,053</u>	<u>456,417,499</u>
	547,009,381	509,639,056
Less : Expenditure incurred during the year	<u>(474,181,014)</u>	<u>(446,372,728)</u>
Balance at the end of the year	<u><u>72,828,367</u></u>	<u><u>63,266,328</u></u>
Total (a)+(b)	<u><u>83,610,200</u></u>	<u><u>71,248,479</u></u>
Schedule 2 - Unrestricted fund		
General fund		
Balance at the beginning of the year	354,922	13,615,868
Add : Amounts received during the year	5,928,735	6,564,124
Less : Expenditure incurred during the year	<u>(5,072,745)</u>	<u>(19,825,070)</u>
Balance at the end of the year	<u><u>1,210,912</u></u>	<u><u>354,922</u></u>
Schedule 3 - Current liabilities		
Salary and bonus payable	7,733,834	6,046,061
Statutory dues	4,818,130	4,503,741
Sundry creditors	937,720	104,653
Unspent grants		
- TATA USAID	-	139,758
Other current liabilities	<u>1,124,216</u>	<u>1,365,830</u>
	<u><u>14,613,900</u></u>	<u><u>12,160,043</u></u>
Schedule 4 - Provisions		
Compensated absences	17,972,763	11,689,363
Gratuity	<u>1,655,573</u>	<u>1,307,584</u>
	<u><u>19,628,336</u></u>	<u><u>12,996,947</u></u>

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Room to Read India Trust
Foreign Contribution Account
Schedules forming part of the financial statements as at 31 March 2020
(All amounts in ₹, unless otherwise stated)

Schedule 5 - Tangible assets

Particulars	As at 1 April 2019	Additions/ (Deletions)/ (Adjustments)	As at 31 March 2020	Depreciation for the year	Net block as at 31 March 2020
Furniture and fixtures	1,688,005	74,344	1,762,349	(172,518)	1,589,831
Office equipments	3,475,803	436,729	3,912,532	(569,081)	3,343,451
Computers	2,818,345	8,416,098	11,234,443	(5,385,890)	5,848,553
	<u>7,982,153</u>	<u>8,927,171</u>	<u>16,909,324</u>	<u>(6,127,489)</u>	<u>10,781,835</u>

Previous year

Particulars	As at 1 April 2018	Additions/ (Deletions)/ (Adjustments)	As at 31 March 2019	Depreciation for the year	Net block as at 31 March 2019
Furniture and fixtures	1,669,148	195,549	1,864,697	(176,692)	1,688,005
Office equipments	3,513,348	541,907	4,055,255	(579,452)	3,475,803
Computers	3,100,942	2,287,100	5,388,042	(2,569,697)	2,818,345
	<u>8,283,438</u>	<u>3,024,556</u>	<u>11,307,994</u>	<u>(3,325,841)</u>	<u>7,982,153</u>

Schedule 6 - Cash and bank balances

	As at 31 March 2020	As at 31 March 2019
Cash in hand	20,413	20,453
Balances with bank		
- in savings accounts	1,079,484	47,405,061
- in current accounts	82,197,066	4,342,486
- in fixed deposits	-	13,685,749
	<u>83,296,963</u>	<u>65,453,749</u>

Schedule 7 - Loans and advances

	As at 31 March 2020	As at 31 March 2019
(Unsecured, considered good)		
Advances recoverable in cash or in kind or for value to be received	1,396,005	1,695,471
Security deposits	2,549,695	2,473,195
Income-tax receivables	748,691	628,279
Prepaid expenses	4,670,040	4,642,252
	<u>9,364,431</u>	<u>9,439,197</u>

Schedule 8 - Other current assets

	As at 31 March 2020	As at 31 March 2019
Grant receivable		
- USAID	7,904,483	10,926,935
- TATA USAID	136,874	-
Books held for distribution	7,578,762	2,958,357
	<u>15,620,119</u>	<u>13,885,292</u>

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Room to Read India Trust
Foreign Contribution Account
Schedules forming part of the financial statements for the year ended 31 March 2020
(All amounts in ₹, unless otherwise stated)

	Year ended 31 March 2020	Year ended 31 March 2019
Schedule 9 - Grants and donations		
Grants	483,743,053	456,417,499
Donations	1,607,777	2,623,345
	<u>485,350,830</u>	<u>459,040,844</u>
Schedule 9A - Other income		
Interest income from banks	4,320,958	3,940,779
	<u>4,320,958</u>	<u>3,940,779</u>
Schedule 10 - Program expenses		
Literacy instruction and library program	127,532,381	159,868,416
Girls education program	120,467,765	93,292,745
Book publishing program	9,619,209	14,784,780
Accelerator program	72,247,170	79,851,812
Tangible assets purchased during the year	8,927,171	3,024,556
	<u>338,793,696</u>	<u>350,822,309</u>
Schedule 11 - Personnel expenses		
Salaries and other benefits	91,151,988	70,832,031
Contribution to provident and other funds	5,313,543	4,102,331
Staff welfare	3,784,215	2,321,644
	<u>100,249,746</u>	<u>77,256,006</u>
Schedule 12 - General and administrative expenses		
Repairs and maintenance	824,655	1,388,347
Conference and workshops	577,040	932,284
Communication	2,507,829	2,413,738
Marketing and design	1,134,207	3,084,980
Travel and conveyance	8,732,636	6,290,396
Insurance	125,833	206,637
Consultancy and professional	5,326,719	3,961,588
Printing and stationery	212,293	191,929
Postage	256,094	241,152
Electricity and water	1,130,193	775,476
Rent	14,231,185	13,093,341
Office expenses	2,186,916	1,661,799
Office supplies	1,281,991	1,036,192
Recruitment	1,491,708	1,705,452
Bank charges	90,954	40,995
Foreign exchange fluctuation	1,766	1,045,249
Miscellaneous expenses	98,298	49,928
	<u>40,210,317</u>	<u>38,119,483</u>

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**Room to Read India Trust
Foreign Contribution Account**

**Significant accounting policies and notes to the financial statements for the year ended
31 March 2020**

Schedule 13: Significant accounting policies

I) Background

Room to Read India Trust is a Public Trust registered under Indian Registration Act, 1908 vide no. 6896 dated 5 March 2004 in the State of Delhi and is also registered under Section 12A of the Income-tax Act, 1961.

The main objective of the Trust are as follows:

- To engage in the promotion of any and all activities in India, which are in the field of assisting the poor communities towards self-sufficiency by providing basic educational aids and resource, including books, materials for school construction and Scholarships.
- To publish books, conduct training for teachers, research and development and hold workshops on children's educational and literacy issues.

The Trust has following registrations under various acts, these are given below-

- a) The Trust has been granted an exemption under section 12A of the Income-tax Act, 1961, vide letter number DIT (E)/2004-2005/R-585/04/91, 15 April 2004. The Trust has also obtained exemption u/s 80G(5)(vi) of the Income-tax Act, 1961 vide order number DIT(E)2007-2008/R-585/04/025, 8th August 2007 for the period from 1st April 2007 to 31st March 2010. The above exemption under section 80G(5)(vi) of the Income-tax Act, 1961 has been extended from the period from April 2010 till it is rescinded vide order number DIT (E) 2010-2011/R-585/77, 16 April 2010.
- b) The Trust has renewed the registration under the Foreign Contribution (Regulation) Act, 2010/ Foreign Contribution (Regulation) Rules, 2011, for carrying out activities of educational nature with registration number 231660864 dated 4 August 2016 for the period from 1 November 2016 to 31 October 2021.

II) Significant accounting policies

1) Basis of preparation

The special purpose foreign contribution financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ("Indian GAAP"). The accounting policies adopted in the preparation of special purpose financial statements have been consistently applied by the Trust and are consistent with those used in the previous year.

These special purpose financial statements have been prepared for submission to the Ministry of Home Affairs pursuant to the requirement of Section 19 of the Foreign Contribution (Regulation) Act, 2010 read with rule 17 of the Foreign Contribution (Regulation) Rules, 2011 (as amended).

2) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the Trust to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of liabilities at the date of financial statements and the reported amount of revenues and expenses during the period reported. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.



**Room to Read India Trust
Foreign Contribution Account**

**Significant accounting policies and notes to the financial statements for the year ended
31 March 2020**

3) Income recognition

a) Grants and donations

Grants and donations is recognized to the extent that it is probable that the economic benefits will flow to the Trust and these can be reliably measured.

The Trust has dual source of funding i.e. from foreign sources and local sources. Receipts from these sources are further classified into two types –Grants and Donations.

i. Grants

Grants are restricted in nature and comprise of receipts from the corporates and foundations. Revenue in these cases are also recognized on receipt basis except in respect of the donors- USAID, UNICEF and TATA Trust where the revenue is recognized on accrual basis and only when there is reasonable assurance that the conditions attached to them will be complied and the grants will be received.

ii. Donations

Donations are unrestricted in nature and comprise of receipts from Individual and other donors. Revenue in such cases is recognized on receipt basis.

b) Interest Income

Interest income is recognized using time proportion method, based on the rate implicit in the transaction.

4) Balance in Grants receivables/Unspent grants

The overspent/underspent balances in respect of the donors - USAID, UNICEF and TATA Trust at the year-end are being recorded under the head "Grants receivables/Unspent grants".

5) Property, plant and equipment and depreciation

Tangible assets

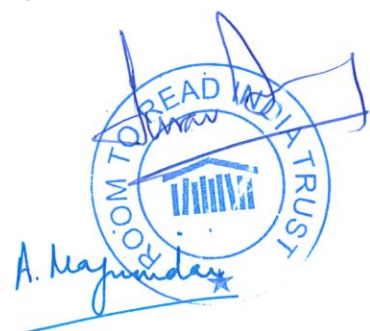
Tangible assets are stated at cost less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Depreciation

Depreciation of tangible assets is provided as per the rates and in the manner prescribed under Income -tax Act, 1961.

Depreciation on tangible assets is charged on the Written Down Value (WDV) method, at the following rates:

Particulars	Rate of depreciation (%) as per Income-tax Act, 1961
Office equipments	15
Computers	60
Furniture and fixtures	10



**Room to Read India Trust
Foreign Contribution Account**

**Significant accounting policies and notes to the financial statements for the year ended
31 March 2020**

6) Employee benefits

Provident fund

The Trust makes contribution to statutory provident fund in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952. This is a post-employment defined contribution plan and the contribution paid or payable is recognized as an expense in the period in which services are rendered by the employee.

Gratuity

Gratuity is a post-employment benefit and is in the nature of a defined benefit plan. The Trust funds its gratuity with LIC of India and premium is paid every year for the period 1 January to 31 December. The liability in respect of the balance period is recognized in the balance sheet on the basis of each completed year of service based on the salary last drawn as at the balance sheet date.

Compensated absences

Liability in respect of compensated absences becoming due and expected to be availed or encashed is recognized on the basis of value of estimated amount required to be paid or estimated value of benefits expected to be availed by the employees.

Other short term benefits

Expense in respect of other short term benefits is recognized on the basis of amount accrued for the period during which services are rendered by the employees.

7) Funds

Project fund

Project fund comprises of restricted funds including those from USAID, Tata Trust and UNICEF. Surplus of income over expenditure is transferred to this fund from Income and Expenditure Account to be carried forward under this fund for use in future periods. Deficit, if any during the year, is first adjusted against the Project fund and thereafter against the general fund, if required.

Capital assets fund

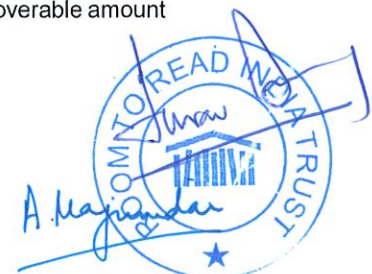
Capital assets fund represents capital assets purchased out of specified/ restricted funds and is represented by the net book value of such funded fixed assets.

General fund

General fund comprises unrestricted funds and interest income, which is transferred to this fund from Income and Expenditure Account to be carried forward under this fund for use in future periods. Deficit, if any during the year, is first adjusted against the Project fund and thereafter against the general fund if required.

8) Impairment of assets

The Trust on an annual basis makes an assessment of any indicator that may lead to impairment of assets. If any such indication exists, the Trust estimates the recoverable amount of the assets. If such recoverable amount is less than the carrying amount, then the carrying amount is reduced to its recoverable amount by treating the difference between them as impairment loss and is charged to the Income and Expenditure Account. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount



**Room to Read India Trust
Foreign Contribution Account**

**Significant accounting policies and notes to the financial statements for the year ended
31 March 2020**

is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

9) Expenditure

The Trust implements its programs for literacy program, girls education program and book publication program through projects primarily conducted by itself and in a few cases by other partner organizations to which it disburses grants. Expenditure is recognized on accrual basis.

10) Provisions and contingent liabilities

The Trust makes a provision when there is a present obligation as a result of a past event where the outflow of economic resources is probable and a reliable estimate of the amount of the obligation can be made.

A disclosure is made for a liability when there is a:

- a) Possible obligation, the existence of which will be confirmed by the occurrence/non-occurrence of one or more uncertain events, not fully with-in the control of the Trust; or
- b) Present obligation, where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- c) Present obligation, where a reliable estimate cannot be made.

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**Room to Read India Trust
Foreign Contribution Account**

**Significant accounting policies and notes to the financial statements for the year ended
31 March 2020**

Schedule 14: Notes to the financial statements

- 1) The Trust is registered under section 12A read with Section 12AA(1)(b) of the Income Tax Act 1961 with effect from 15 April 2004, hence no provision for income tax and deferred tax is required to be made in the financial statements.
- 2) Spread of COVID-19 has affected the economic activity across the Globe, including India. Government of India has taken significant measures to curb the spread of the infection including imposing mandatory lockdowns and restrictions in activities. The governing body of the Trust believes that it has taken into account all the possible impacts of known events arising from the COVID-19 pandemic on the financial statements including its assessment of the Trust's liquidity and recoverable value of its assets. However, given the uncertainties in the economic environment, the management's impact assessment is subject to significant estimation uncertainties, and accordingly, the actual results in future may be different from those estimated as at the date of approval of these financial statements. The Trust will continue to monitor any material changes to the future economic conditions and consequential impact on its functions.

3) Previous year figures

Previous year's figures have been regrouped/reclassified wherever necessary, to confirm to current year's classification. The balance as at 31 March 2019 as per the audited financial statements, regrouped and/or reclassified wherever necessary, have been considered as opening balances for the purpose of these financial statements.

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013



Tarun Gupta
Partner

Membership No.: 507892



Place: Gurugram
Date: 12 November 2020

For and on behalf of the **Room To Read India Trust**



Sourav Banerjee
Chief Functionary

Place : New Delhi
Date: 12 November 2020



Apala Majumdar
Trustee

Place: New Delhi
Date: 12 November 2020

