



**INDEPENDENT AUDITOR'S REPORT**

To,

**Board of Trustee**

**M/s. Snehadhara Foundation**

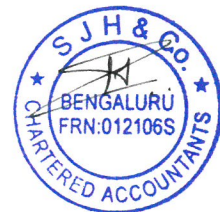
**Opinion**

We have audited the financial statements of **M/s. Snehadhara Foundation-Consolidated** having its registered office at S-14, Meenakshi Residency, Arekere Bannerghatta Road, Bengaluru-560076, which comprise the Balance sheet as at March 31, 2023, and the Income and Expenditure Account for the year then ended, and notes to the financial statements, including a summary of significant accounting policies. In our opinion, the accompanying financial statements of the entity are prepared, in all material respects, in accordance with applicable Financial Reporting Framework issued by ICAI.

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

- i. In case of in the case of the balance sheet, of the state of affairs of the above-named Trust as at 31st March 2023 and
- ii. In case of the income and expenditure account, of the excess of income over expenditure of its accounting year ending on 31st March 2023.

In our opinion and to the best of our information and according to the information and explanations given to us, the attached financial statements give a true and fair view.



## **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 of our report. We are independent of the entity in accordance with the Code 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 the financial statements in accordance with applicable Financial Reporting Framework issued by the ICAI and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the entity'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 entity or to cease operations, or has no realistic alternative but to do so.

That Board of Trustees are responsible for overseeing the Trusts financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

- a. 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.

- b. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of the audit
- c. In our opinion proper books of account have been kept by the above-named trust so far as appears from our examination of the books.
- d. The Balance Sheet, Income and Expenditure Account, dealt with by this Report are in agreement with the books of account

For **SJH & Co**

Chartered Accountants

FRN: 012106S



**CA. Herambha Hegde**

Partner

M.No 226805

UDIN: 23226805BGSVUX3457

Date: 17<sup>th</sup> July 2023

Place: Bengaluru

## Snehadhara Foundation

S-14, Meenakshi Residency, Arekere Bannerghatta Road, Bengaluru-560076

Balance sheet as at 31st March 2023

(Amount in Rs.)

Particulars	Note	31 March 2023	31 March 2022
<b>I EQUITY AND LIABILITIES</b>			
<b>1 Owners' Funds</b>			
(a) Owners' Capital Account	3	4,75,02,924	4,75,32,165
(b) Reserves and surplus		-	-
		<b>4,75,02,924</b>	<b>4,75,32,165</b>
<b>2 Non-current liabilities</b>			
(a) Long-term borrowings		-	-
(b) Deferred tax liabilities (Net)		-	-
(c) Other long-term liabilities		-	-
(d) Long-term provisions		-	-
		-	-
<b>3 Current liabilities</b>			
(a) Short-term borrowings		-	-
(b) Trade payables		-	-
(i) Total outstanding dues of micro, small and medium enterprises	4	36,000	31,500
(ii) Total outstanding dues of creditors other than micro, small and medium enterprises		11,050	73,392
(c) Other current liabilities	5	2,79,284	7,01,167
(d) Short-term provisions		-	-
		<b>3,26,334</b>	<b>8,06,059</b>
<b>Total</b>		<b>4,78,29,258</b>	<b>4,83,38,224</b>
<b>II ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, Plant and Equipment and Intangible assets			
(i) Property, Plant and Equipment	6	2,68,53,284	2,98,60,241
(b) Non-current investments		-	-
(c) Long Term Loans and Advances		-	-
(d) Other non-current assets	7	2,77,592	2,77,592
		<b>2,71,30,876</b>	<b>3,01,37,833</b>
<b>2 Current assets</b>			
(a) Current investments		-	-
(b) Inventories		-	-
(c) Trade receivables	8	65,422	85,958
(d) Cash and bank balances	9	2,04,16,317	1,77,43,772
(e) Short Term Loans and Advances	10	96,454	2,58,472
(f) Other current assets	11	1,20,189	1,12,189
		<b>2,06,98,382</b>	<b>1,82,00,391</b>
<b>Total</b>		<b>4,78,29,258</b>	<b>4,83,38,224</b>
Summary of significant accounting policies	1&2		
The accompanying notes are an integral part of the financial statements			

As Per Our report as on even date

For SNEHADHARA FOUNDATION

For SNEHADHARA FOUNDATION

MANAGING TRUSTEE / CHAIRMAN / SECRETARY  
TREASURER / AUTHORISED SIGNATORYMANAGING TRUSTEE / CHAIRMAN / SECRETARY  
TREASURER / AUTHORISED SIGNATORYSarangan Soundararajan  
Managing TrusteeSumathi Ramjee  
Joint Managing TrusteeFor S J H & Co.,  
Chartered Accountants  
Firm Regn No : 012106SCA Herambha Hegde  
Partner  
Membership No : 226805

Date : 17.07.2023

Place : BANGALORE



**Snehadhara Foundation**

**S-14, Meenakshi Residency, Arekere Bannerghatta Road, Bengaluru-560076**

**Statement of Profit and Loss for the period ended 31st March 2023**

(Amount in Rs.)

Particulars	Note	31 March 2023	31 March 2022
I Revenue from operations	12	1,77,48,704	1,91,84,897
II Other Income	13	9,76,164	7,04,862
<b>III Total Income (I+II)</b>		<b>1,87,24,868</b>	<b>1,98,89,759</b>
<b>IV Expenses:</b>			
(a) Cost of goods sold		-	-
(b) Employee benefits expense	14	1,02,36,138	1,12,78,135
(c) Finance costs	15	760	1,193
(d) Depreciation and amortization expense	16	30,06,949	33,71,699
(e) Other expenses	17	59,10,261	39,29,343
<b>Total expenses</b>		<b>1,91,54,108</b>	<b>1,85,80,370</b>
<b>V Profit/(loss) before exceptional and extraordinary items and tax (III- IV)</b>		<b>-4,29,240</b>	<b>13,09,389</b>
VI Exceptional items (specify nature & provide note/delete if none)		-	-
<b>VII Profit/(loss) before extraordinary items and tax (V-VI)</b>		<b>-4,29,240</b>	<b>13,09,389</b>
VIII Extraordinary Items (specify nature & provide note/delete if none)		-	-
<b>IX Profit before tax (VII-VIII)</b>		<b>-4,29,240</b>	<b>13,09,389</b>
X Tax expense:			
(a) Current tax		-	-
(b) Excess/ Short provision of tax relating to earlier years		-	-
(c) Deferred tax charge/ (benefit)		-	-
<b>XI Profit/(Loss) for the period from continuing operations (IX-X)</b>		<b>-4,29,240</b>	<b>13,09,389</b>
XII Profit/(loss) from discontinuing operations		-	-
XIII Tax expense of discontinuing operations		-	-
<b>XIV Profit/(loss) from discontinuing operations (after tax) (XII-XIII)</b>		<b>-</b>	<b>-</b>
<b>XV Profit/(Loss) for the year (XI+XIV)</b>		<b>-4,29,240</b>	<b>13,09,389</b>
The accompanying notes are an integral part of the financial statements			

#REF!

As Per Our report as on even date

For Snehadhara Foundation

For SJH & Co.,

Chartered Accountants

Firm Regn No : 012106S

**For SNEHADHARA FOUNDATION For SNEHADHARA FOUNDATION**

*Sarangan*

*Sumathi*

MANAGING TRUSTEE / CHAIRMAN / SECRETARY  
TREASURER / AUTHORISED SIGNATORY

MANAGING TRUSTEE / CHAIRMAN / SECRETARY  
TREASURER / AUTHORISED SIGNATORY

**Sarangan Soundararajan**

**Sumathi Ramjee**

Managing Trustee

Joint Managing Trustee



**CA. Herambha Hegde**

Partner

Membership No : 226805

Date : 17.07.2023

Place BANGALORE

**Note -1 Entity Information**

Snehadhara Foundation(SF) is a registered non-profit organisation based in Bangalore. They are the first centre in India that uses Art - Based Therapy as the primary methodology to work with children and adults with disabilities. The twin goals of the Foundation are Art Based Therapy and Education for Inclusion.

**Note - 2 Significant Accounting Policies**

**a Basis of Preparation**

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP').

**b Use of estimates**

The preparation of financial statements requires the management of the entity to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expense during the year. Examples of such estimates include provisions for doubtful receivables, provision for income taxes, the useful lives of depreciable fixed assets and provision for impairment. Future results could differ due to changes in these estimates and the difference between the actual result and the estimates are recognised in the period in which the results are known / materialise.

**c Property, Plant and Equipment**

Property, Plant and Equipment are stated at cost, less accumulated depreciation / amortisation. Costs include all expenses incurred to bring the asset to its present location and condition.

Property, Plant and Equipment exclude computers and other assets individually costing Rs. 5000 or less which are not capitalised except when they are part of a larger capital investment programme.

**d Depreciation / amortisation**

In respect of Property, Plant and Equipment (other than freehold land and capital work-in-progress) acquired during the year, depreciation/amortisation is charged on a Written Down Value basis so as to write-off the cost of the assets over the useful lives.

**e Revenue recognition**

Government grants available to the enterprise are considered for inclusion in accounts:

(i) where there is reasonable assurance that the enterprise will comply with the conditions attached to them; and

(ii) where such benefits have been earned by the enterprise and it is reasonably certain that the ultimate collection will be made.

Mere receipt of a grant is not necessarily a conclusive evidence that conditions attaching to the grant have been or will be fulfilled.

**f Taxation**

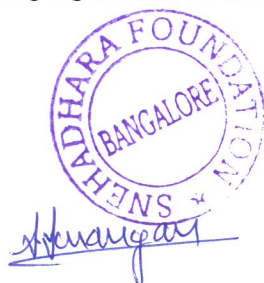
Current income tax expense comprises taxes on income from operations in India and in foreign jurisdictions. Income taxpayable in India is determined in accordance with the provisions of the Income Tax Act, 1961. Tax expense relating to foreign operations is determined in accordance with tax laws applicable in countries where such operations are domiciled.

**g Provisions, Contingent liabilities and Contingent assets**

A provision is recognised when the Entity has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

**h Cash and cash equivalents**

The Entity considers all highly liquid financial instruments, which are readily convertible into known amount of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.



Notes forming part of the Financial Statements for the period ended 31st March, 2023

(Amount in Rs.)

Particulars	31 March 2023	31 March 2022
Opening Balance	4,75,32,165	4,53,51,176
Capital Brought in during the year	4,00,000	8,71,600
Profit for the period		13,09,389
Less:		
Loss for the period	4,29,240	
<b>Total</b>	<b>4,75,02,924</b>	<b>4,75,32,165</b>

(Amount in Rs.)

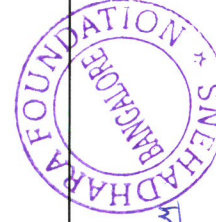
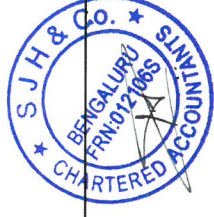
Trade payables	31 March 2023	31 March 2022
(a) Total outstanding dues of micro, small and medium enterprises	36,000	31,500
(b) Total outstanding dues of creditors other than micro, small and medium enterprises	11,050	73,392
<b>Total Trade payables</b>	<b>47,050</b>	<b>1,04,892</b>

Disclosure relating to suppliers registered under MSMED Act based on the information available with the entity Company:

Particulars	31 March 2023	31 March 2022
(a) Amount remaining unpaid to any supplier at the end of each accounting year:		
Principal	36,000	31,500
Interest	-	-
<b>Total</b>		
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small	-	-

**5 Other current liabilities**

(a) Current maturities of finance lease obligations	-	-
(b) Interest accrued but not due on borrowings	-	-
(c) Interest accrued and due on borrowings	-	-
(d) Income received in advance	140	140
(e) Unearned revenue	-	-
(f) Goods and Service tax payable	-	2,700
(g) TDS payable	1,39,223	1,27,321
(h) Provident Fund Payable	49,736	38,292
(i) ESIC Payable	3,517	4,665
(j) Professional Tax Payable	2,000	2,200
(h) Advance contribution	50,000	-
(i) Advance Renukamma	34,668	-
(j) Retention Deposit	-	5,25,849
<b>Total Other current liabilities</b>	<b>2,79,284</b>	<b>7,01,167</b>



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**Snehadhara Foundation**

**Notes forming part of the Financial Statements for the period ended 31st March, 2023**

**6 Property, Plant and Equipment and Intangible Assets (owned assets)**

Sl No	Asset	Rate	Opening Balance	Addition		Deletion		Depreciation	Closing Balance
				Up to 03-Oct-2022	After 03-Oct-2022	Up to 03-Oct-2022	After 03-Oct-2022		
1	Building	10%	2,70,58,184	-	-	-	-	27,05,818	2,43,52,365
2	Bathla Ladder	15%	1,003					150	852
3	Car	10%	75,730					7,573	68,157
4	Children Play Area	15%	42,505					6,376	36,129
5	CCTV Equipments	15%	49,676					7,451	42,225
6	Computer Accessories	40%	20,570					8,228	12,342
7	Computers	40%	98,561					39,424	59,137
8	Electrical Installation	10%	2,70,640					27,064	2,43,576
9	Furniture & Fixtures	10%	10,94,268					1,09,427	9,84,842
10	Generator	15%	2,94,585					44,188	2,50,397
11	Kitchen Utensils	15%	85,385					12,808	72,577
12	Laptop	40%	76,685					30,674	46,011
13	Mobile Phone	15%	24,056					3,608	20,448
14	Modem	40%	6					3	4
15	Printer	15%	2,221					333	1,888
16	UPS	15%	14,404	-	-	-	-	2,161	12,243
17	Water Purifier	15%	11,083	-	-	-	-	1,662	9,421
18	Land	0%	6,40,671					-	6,40,671
	<b>Current Year</b>		<b>2,98,60,233</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>30,06,949</b>	<b>2,68,53,284</b>
	<b>Previous Year</b>		<b>3,26,62,637</b>					<b>33,14,355</b>	<b>2,98,60,241</b>



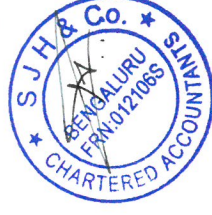
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**Snehadhara Foundation**

**Notes forming part of the Financial Statements for the period ended 31st March, 2023**

		(Amount in Rs.)	
		31 March 2023	31 March 2022
<b>7 Other non-current assets</b>			
(a) Security Deposits		2,77,592	2,77,592
(b) Prepaid expenses		-	-
(c) Others (Specify nature)		-	-
<b>Total other non-current other assets</b>		<b>2,77,592</b>	<b>2,77,592</b>
<b>8 Trade receivables</b>			
Outstanding for a period less than 6 months from the date they are due for receipt			
(a) Secured Considered good		-	-
(b) Unsecured Considered good		65,422	23,625
(c) Doubtful		-	-
Less: Provision for doubtful receivables		-	-
		65,422	23,625
Outstanding for a period exceeding 6 months from the date they are due for receipt			
(a) Secured Considered good		-	-
(b) Unsecured Considered good		-	62,333
(c) Doubtful		-	-
Less: Provision for doubtful receivables		-	-
Unbilled receivables		-	-
<b>Total</b>		<b>65,422</b>	<b>85,958</b>
<b>9 Cash and Bank Balances</b>			
<b>A Cash and cash equivalents</b>			
(a) On current accounts			
(b) Cash credit account (Debit balance)		4,59,033	13,59,251
(c) <b>Fixed Deposits</b>		-	-
Deposits with original maturity of less than three months		-	-
(d) Cheques, drafts on hand		-	-
(e) Cash on hand		7,687	1,286
<b>Total</b>		<b>4,66,720</b>	<b>13,60,537</b>
	<b>(I)</b>		



## Notes forming part of the Financial Statements for the period ended 31st March, 2023



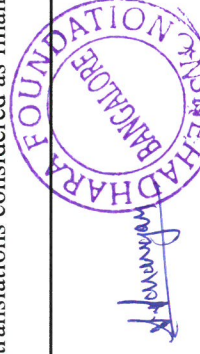
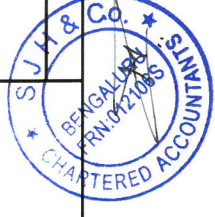
Swathi

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**Snehadhara Foundation**

**Notes forming part of the Financial Statements for the period ended 31st March, 2023**

		(Amount in Rs.)	
		31 March 2023	31 March 2022
<b>12 Revenue from operations</b>			
(a) Sale of products		-	-
(b) Sale of services		-	-
(c) Grants or donations received		1,77,48,704	1,91,84,897
(d) Other operating revenue		-	-
Revenue from operations (Gross)		1,77,48,704	1,91,84,897
Less: Excise duty		-	-
Revenue from operations (Net)		1,77,48,704	1,91,84,897
<b>13 Other income</b>			
(a) Interest income		9,76,164	7,04,862
(b) Dividend income		-	-
(c) Net gain on sale of investments		-	-
(d) Other non-operating income (Please specify)		-	-
<b>Total other income</b>		<b>9,76,163.97</b>	<b>7,04,861.58</b>
<b>14 Employee benefits expense</b>			
(Including contract labour)			
(a) Salaries, wages, bonus and other allowances		1,00,43,703	1,11,63,800
(b) Contribution to provident and other funds		-	-
(c) Gratuity expenses		-	-
(d) Staff welfare expenses		1,92,435	1,14,335
<b>Total Employee benefits expense</b>		<b>1,02,36,138</b>	<b>1,12,78,135</b>
<b>15 Finance cost</b>			
(a) Interest expense			
(i) On bank loan		-	-
(ii) On assets on finance lease		-	-
(b) Other borrowing costs		-	-
(c) Bank charges		760	1,193
(d) Loss on foreign exchange transactions and translations considered as finance cost (net)		-	-
<b>Total Finance cost</b>		<b>760</b>	<b>1,193</b>





		31 March 2023	31 March 2022
<b>16</b>	<b>Depreciation and amortization expense</b>		
(a)	on tangible assets	30,06,949	33,71,699
(b)	on intangible assets	-	-
	<b>Total Depreciation and amortization expense</b>	<b>30,06,949</b>	<b>33,71,699</b>
<b>17</b>	<b>Other Expenses</b>	<b>31 March 2023</b>	<b>31 March 2022</b>
(a)	Auditors' Remuneration	41,300	40,364
(b)	Administrative expenses	54,728	46,983
(c)	Bad debts	-	44,635
(d)	Food expenses	3,73,299	-
(e)	Insurance	-	11,833
(f)	Power and fuel	1,30,566	1,00,601
(g)	Professional fees	5,000	26,271
(h)	Rent	6,62,375	6,87,000
(i)	Repairs to machinery	30,401	55,018
(j)	Repairs others	63,427	1,24,504
(k)	Other Business Administrative Expenses	3,27,107	1,33,662
(l)	Travelling Expenses	11,29,111	5,53,022
(m)	Miscellaneous expenses	3,174	18,023
(n)	Internet Charges	1,59,306	1,02,068
(o)	Invigilators & Expert Fees	4,35,600	4,21,000
(p)	Transportation Cost for Children	8,14,046	4,44,242
(q)	Children Welfare Expenses	10,590	2,82,645
(r)	Rates and taxes	2,62,919	1,59,741
(s)	Hospitality	10,125	79,618
(t)	Postage and Courier	537	-
(u)	Programme Expenses	9,92,613	1,59,686
(v)	Therapy Material and equipment for the children	92,073	35,902
(w)	Training Expenses	1,81,121	1,06,959
(y)	Website and Cloud Space Expenses	1,30,844	2,95,568
	<b>Total</b>	<b>59,10,261</b>	<b>39,29,343</b>

