



V.NAGARAJAN & CO.,

Chartered Accountants

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
Institute of Livelihood Research and Training (Formerly The Livelihood School)
(A Society registered under Andhra Pradesh Societies Registration Act, 2001)

Report on the financial statements

We have audited the accompanying financial statements of 'Institute of Livelihood Research and Training (Formerly The Livelihood School)' (hereinafter referred as "the Society") which comprise the Balance Sheet as at March 31, 2020 and the Income and Expenditure account for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Society in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of 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.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the standards on auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Society's preparation and fair presentation of the 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, and to the best of our information and according to the explanations given to us, the financial statements give a true and a fair view in conformity with the accounting principles generally accepted in India:

- In the case of the Balance Sheet, of the state of the affairs of the above Society as at 31st March 2020 end;
- In the case of the Income and Expenditure statement, excess of income over expenditure for the year ended on that date.





V. NAGARAJAN & CO.,

Chartered Accountants

Report on other legal and regulatory requirements

On the basis of our audit, we report that:

- We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- In our opinion, proper books of accounts as required by the law have been kept by the Society, so far as appears from our examination of the books maintained at the Head office and all the regional Centres of the Society;
- The Balance Sheet and the Income and Expenditure account dealt with by this report are in agreement with the books of account;
- In our opinion, the Balance Sheet and the Income and Expenditure account comply with the accounting standards issued by the Institute of Chartered Accountants of India;

Place: Hyderabad
Date: June 01, 2020

for V. Nagarajan & Co.,
Chartered Accountants
ICAI Firm Regd. No.:
04879N

A.G. Sitaraman

A.G. Sitaraman
Partner

M. No.: 017799



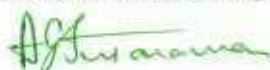
UDIN: 20017799AAAAEG2934

Institute of Livelihood Research and Training

(All amounts in Rs. except otherwise stated)

BALANCE SHEET AS AT		31-Mar-20	31-Mar-19
		Sch	
SOURCES OF FUNDS			
Committed project based grant			
Livelihood education and research	1	33,69,975	16,31,485
Reserves and surplus			
General reserve	2 (A)	114,79,166	115,87,645
Assets acquisition fund	2 (B)	23,40,984	43,49,908
Total		171,90,125	175,69,038
APPLICATION OF FUNDS			
Fixed assets (at cost)	3	23,40,984	43,49,908
Current assets, loans and advances			
Cash and bank balances	4	145,49,696	149,49,794
Advances and other recoverables	5	30,00,692	50,29,198
		175,50,388	199,78,992
Less: Current liabilities and provisions	6	27,01,247	67,59,862
Net current assets		148,49,141	132,19,130
Total		171,90,125	175,69,038
Consolidated receipts and payments account	12		
Notes on accounts and accounting policies	13		

As per our report of even date
for V. NAGARAJAN & CO.,
Chartered Accountants



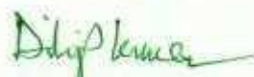
(A.G. Sitaraman)

Partner

ICAI Firm Reg. No.: 04879N | M. No.: 017799



for Institute of Livelihood Research and Training



(Dilip Kumar)

Chairman



(D. Sattaiah)

Director

Place: Hyderabad

Date: June 01, 2020

Institute of Livelihood Research and Training

(All amounts in Rs. except otherwise stated)

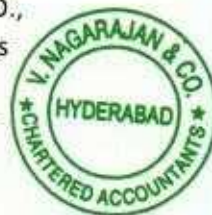
INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED ON		31-Mar-20	31-Mar-19
	Sch		
INCOME			
Grants, program service support and fees for livelihood education and research	7	77,77,220	131,88,639
Fees from seminars and conferences on livelihood education	8	65,300	1,36,388
Interest income from bank		4,66,156	1,75,790
Interest on refund of tax		88,175	-
	Total	83,96,851	135,00,817
EXPENDITURE			
Personnel cost	9	48,73,447	84,15,102
Professional charges		9,17,950	7,81,402
Travelling expenses	10	15,52,787	15,52,276
Program support charges		600	15,26,584
Other administrative expenses	11	11,49,558	8,98,494
	Total	84,94,342	131,73,858
Surplus/(deficit) for the year		(97,491)	3,26,959
Less: Transferred to assets acquisition fund		10,988	49,428
Transferred to Reserve and Surplus		(1,08,479)	2,77,531
Consolidated receipts and payments account	12		
Notes on accounts and accounting policies	13		

As per our report of even date
for V. NAGARAJAN & CO.,
Chartered Accountants

A.G. Sitaraman

(A.G. Sitaraman)

Partner



ICAI Firm Reg. No.: 04879N | M. No.: 017799

for Institute of Livelihood Research and Training

Dilip Kumar

(Dilip Kumar)

Chairman

D. Sattaiah

(D. Sattaiah)

Director

Place: Hyderabad

Date: June 01, 2020

Institute of Livelihood Research and Training

(All amounts in Rs . except otherwise stated)

SCHEDULES TO BALANCE SHEET AS AT

31-Mar-20

31-Mar-19

Schedule 1: Committed Project Based Grant

Livelihood education/research programs:

Opening balance	16,31,485	105,48,172
Add: Receipts during the period/year (Refer Schedule:12)		
(i) Grant and Donations	207,76,725	294,10,702
(ii) Interest	1,34,521	2,83,295
(iii) Other Income	-	2,00,000
Total receipts during the year	209,11,246	298,93,997
Sub-Total (A)	225,42,731	404,42,169
Less: Utilisation during the period/year(Refer Schedule:12)		
(i) Grants utilization	191,72,756	380,27,577
(ii) Unspent grant refunded	-	1,85,562
(iii) Transfer to assets acquisition fund (purchase of fixed assets)	-	5,97,545
Sub-Total (B)	191,72,756	388,10,684

TOTAL C= (A-B)

33,69,975

16,31,485

Schedule 2: Reserve And Surplus

A: General Reserve (Uncommitted fund)

Opening balance	115,87,645	113,10,114
Transferred from Income and Expenditure Account	(97,491)	3,26,959
Less: Transfer to assets acquisition fund (purchase of fixed assets)	10,988	49,428
Sub-Total (A)	114,79,166	115,87,645

B: Assets Acquisition Fund (Uncommitted)

Opening balance	43,49,908	37,02,935
Transferred from:		
Less - Disposal of assets during the year	20,19,912	-
Add- Purchase under project fund (committed)	-	5,97,545
General reserve (uncommitted)	10,988	49,428
Sub-Total (B)	23,40,984	43,49,908

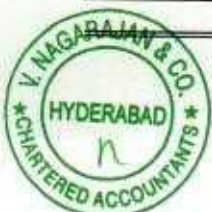
TOTAL C=(A+B)

138,20,150

159,37,553

Schedule 3: Fixed Assets

Assets	As on April 01, 2019	Additions during the year	Deletions	As on March 31, 2020
Furniture And Fixtures	6,23,713	-	2,37,141	3,86,572
Computer and Accessories - 40%	26,29,464	-	15,25,639	11,03,825
Professional Equipment -(Others) 15%	1,54,032	-	1,03,382	50,650
Office Equipment	9,42,699	10,988	1,53,750	7,99,937
TOTAL	43,49,908	10,988	20,19,912	23,40,984
Previous year	37,02,935	6,46,973	-	43,49,908



Audited financial statements for the year ended March 31, 2020

Institute of Livelihood Research and Training

(All amounts in Rs. except otherwise stated)

SCHEDULES TO BALANCE SHEET AS AT

31-Mar-20

31-Mar-19

Schedule 4: Cash And Bank Balances

Balance with scheduled banks		
- in Savings accounts	56,77,965	29,03,271
- in Current account	59,463	4,25,460
- in Term deposits [unencumbered]	88,12,268	116,13,988
Cash in Hand	-	7,075
TOTAL	145,49,696	149,49,794

Schedule 5: Advances And other recoverable

Sundry debtors - (Considered Good)		
- Less than six months	7,79,626	25,27,324
- More than six months	59,059	3,11,206
TDS recoverable	14,86,253	13,96,956
Deposits	88,000	86,000
Prepaid expenses	41,006	87,782
Accrued interest	29,610	7,711
Unbilled services	4,82,020	4,82,020
Other recoverable	35,118	1,17,626
Input Tax Credit - GST	-	12,573
TOTAL	30,00,692	50,29,198

Schedule 6: Current liabilities And provisions

Salary payable	14,79,468	16,98,785
Expenses payable	7,15,155	19,91,992
Statutory dues	5,06,624	21,52,211
Program service support received in advance	-	9,16,874
TOTAL	27,01,247	67,59,862

As per our report of even date
for V. NAGARAJAN & CO.,
Chartered Accountants


(A.G. Sitaraman)
Partner



ICAI Firm Reg. No.: 04879N | M. No.: 017799

Place: Hyderabad

Date: June 01, 2020

for Institute of Livelihood Research and Training


(Dilip Kumar)
Chairman


(D. Sattaiah)
Director

Institute of Livelihood Research and Training

(All amounts in Rs., except otherwise stated)

SCHEDULES TO INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED ON

31-Mar-20 31-Mar-19

Schedule 7: Grants, Program Service Support and Fees for Livelihood Education And Research

Course fees- livelihood promotion for practitioners	-	35,05,423
Capacity building for Micro Entrepreneurs	28,14,441	148,12,342
Surveys, action research and process documentation	45,62,779	39,40,038
Donation	4,00,000	4,00,000
Unbilled Services for Capacity building for Micro Entrepreneurs	-	4,82,020
Reversal of Unbilled services for capacity building for Micro Entrepreneurs	-	(99,51,184)
TOTAL	77,77,220	131,88,639

Schedule 8: Fees from Seminars and conference on Livelihood Education

Seminar and conferences	59,300	10,388
Contribution of resource material	-	1,20,000
Membership contribution	6,000	6,000
TOTAL	65,300	1,36,388

Schedule 9: Personnel Cost

Salary and other benefits	43,55,381	77,93,370
Contribution to provident fund & ESIC	5,18,066	6,21,732
TOTAL	48,73,447	84,15,102

Schedule 10: Travelling, conveyance and other incidental expenses

Directors	2,27,848	2,11,199
Faculty and project staff - field visits	6,56,300	10,37,478
Others (extended faculty group, consultants and trainees)	3,81,939	2,23,695
Vehicle hire charges (including for exposure visits for trainees)	2,86,700	79,904
TOTAL	15,52,787	15,52,276

SCHEDULE 11: Other Administrative/Program Overheads

Office rent	4,52,273	3,96,819
Meeting expenses	86,283	21,434
Printing & stationery	74,954	1,56,271
Postage and telephone	75,075	90,944
Miscellaneous expenses	40,777	29,103
Audit fee/expenses	62,756	29,923
Office maintenance	3,23,519	1,53,060
Repairs and maintenance	30,066	16,910
Rates & taxes	3,855	4,030
TOTAL	11,49,558	8,98,494

As per our report of even date
for V. NAGARAJAN & CO.,
Chartered Accountants



(A.G. Sitaraman)
Partner



ICAI Firm Reg. No.: 04879N | M. No.: 017799

for Institute of Livelihood Research and Training


(Dilip Kumar)
Chairman


(D. Sattaiah)
Director

Place: Hyderabad
Date: June 01, 2020

Institute of Livelihood Research and Training
 SCHEDULE 12: CONSOLIDATED PROJECT BASED RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2020

Particulars	Foreign Funds										Indian Funds										Total of the based fund/ business development/ general
	ILRT	Converga India Services Private Ltd		Rajiv Gandhi Foundation		Rajiv Gandhi Foundation		Hindustan Unilever Limited		UNICEF		Aalso Nobel India Limited		BC India Foundation		Bhagwati Memorial Foundation		Dr. Lal Pathlabs Welfare Trust		Total grant based fund	
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r		
Project starting date		1-Jan-18	20-Apr-19	27-Mar-19	15-Dec-19	1-Feb-19	1-Sep-19	1-Oct-19	1-Feb-18	1-Aug-18	1-Jul-18	1-Mar-20	10-Jul-18	1-Oct-19	1-Dec-19						
Project ending date		31-Dec-18	20-Oct-19	26-Sep-19	14-Mar-20	30-Jun-20	30-Nov-19	30-Jun-20	30-Jun-18	30-Apr-18	31-Jul-19	28-Feb-21	30-Sep-19	30-Sep-20	30-Nov-20						
Project Value of Execution		73,63,500	24,95,000	8,54,000	3,00,000	56,39,510	3,52,000	20,96,500	59,22,680	5,99,725	40,90,416	54,35,832	53,12,052	55,83,672	60,49,795						
Funds received till March 31, 2019																					
Grant Support		18,90,000		3,00,000		12,68,890			36,57,940	3,94,105	20,45,208		49,83,252		145,39,395						
Interest/other income		3,98,176							2,35,149						6,41,166						
Sub Total		3,98,176	18,97,841	3,00,000		12,68,890			38,93,089	3,94,105	20,45,208		49,83,253		151,80,561						
Less: Utilization till March 31, 2019			21,06,148			7,24,506			50,11,915	2,70,332	22,16,947		32,19,228		135,49,076						
Opening Balance		3,98,176	(2,08,307)			5,44,384			(11,18,826)	1,23,773	(1,71,739)		17,64,024		16,31,485						
Receipts																					
Contribution From Foreign/Indian Agency			4,02,447	20,00,000	5,54,000	35,24,694	1,76,000	20,66,500	30,87,240		20,45,208		3,28,800		27,91,836	35,00,000					
Interest on Fixed Deposit/Bank Interest		44,573							88,948												
Membership fee																					
Donation																					
Grants, program service support and fees for livelihood education and research																					
Other Income																					
Total Receipt		44,573	4,02,447	20,00,000	5,54,000	35,24,694	1,76,000	20,66,500	31,77,188		20,45,208		3,28,800		27,91,836	35,00,000					
Cumulative total		4,42,749	1,94,140	20,00,000	8,54,000	40,69,078	1,76,000	20,66,500	20,58,362	1,23,773	18,73,469		20,92,824		27,91,836	35,00,000					
Expenditure																					
Salaries and Staff Benefits			24,98,983	5,60,983	1,67,900	13,35,591	2,83,021	7,99,610	6,36,136	1,23,773	13,17,121	73,736	9,77,499	16,33,134	6,03,952	1,00,10,449					
Travel and Conveyance			3,17,998	32,951	32,100	2,45,239	67,984	2,21,249	88,500		31,557		1,21,530	1,56,549	89,376	14,07,033					
Auditors Remuneration & Expenses																					
Professional Services			4,71,935	43,000		2,75,000		90,000					3,000								
Rent			42,246			15,612	995	2,591	1,988		1,515		817	3,479	898	42,632					
Other Administrative Expenses		71	15,266			19,97,636					5,21,276	7,350	9,89,978	7,68,131	6,60,156	67,87,461					
Program support charges			1,94,140																		
Fixed assets																					
Total Expenditure		71	1,94,140	23,46,428	8,54,000	38,69,878	3,52,000	11,13,450	20,58,362	1,23,773	18,73,469	81,086	20,92,824	25,59,693	13,54,382	191,72,756					
Closing Balance		4,42,678	(0)	(3,46,428)		2,00,000	(1,76,000)	9,53,050				(81,086)			2,32,143	33,69,975					
Grand Total																					

for Institute of Livelihood Research and Training
 (Philip Kumar)
 Chairman

As per our report of even date
 for V. NAGARAJAN & CO.,
 Chartered Accountants
 (K.G. Sivaraman)
 Partner



Institute of Livelihood Research and Training

SCHEDULE 13: ACCOUNTING POLICIES & NOTES ON ACCOUNTS FORMING PART OF ACCOUNTS FOR THE PERIOD ENDED MARCH 31, 2020

A) ACCOUNTING POLICIES:

1) BASIS OF ACCOUNTING:

The Financial statements are drawn up based on historical costs and mercantile basis of accounting has been followed, except grant and contribution, which are accounted for on cash basis.

2) REVENUE RECOGNITION:

- i) In respect of course/programme fee, the income is recognized on the "Proportionate Completion of Course/programme" or completion of deliverable as may have been specified in the course/programme structure.
- ii) In respect of program service revenue, the income is recognized on the "Proportionate Completion of work" or completion of deliverable as may have been specified in the agreement.

3) ACCOUNTING POLICY AND METHOD OF ACCOUNTING:

- i) **COMMITTED PROJECT BASED GRANT:** In respect of grants received from funding institutions/agencies towards specific project is accounted under '**COMMITTED PROJECT BASED GRANT**' in Balance Sheet. All expenditure (recurring and non-recurring) incurred from grant is accounted under same in head Balance Sheet.
- ii) **UNCOMMITTED FUND:** In respect of program service revenue and associated expenses are accounted in income and expenditure account. The resultant surplus/deficit is transferred to uncommitted fund in the Balance Sheet.
- iii) **ASSETS ACQUISITION FUND:** The assets purchased (net of sale proceeds) are shown in the Balance Sheet at cost under the head "Fixed Assets", the corresponding amount is accounted under assets acquisition fund to reflect the assets being utilized by the Society.

4) FIXED ASSETS AND DEPRECIATION:

- i) Fixed Assets is stated in the books at the historical cost inclusive of all incidental expenses incurred for acquisition of such assets.
- ii) Individual assets acquired for Rs. 5,000/- or less are completely written off in the year of acquisitions. To maintain control on fixed assets, which were written off, has been retained/captured in the register on their nominal value for each individual asset.
- iii) The rate assumed for calculating the notional depreciation is as follows, except the assets, which have been completely written off during the year:

<i>Class of fixed assets</i>	<i>*Rate of Depreciation</i>
Furniture & Fixtures	10%
Office Equipment	15%
Professional Equipment (Others)	15%
Computer and Accessories	40%
Vehicles	15%

*Under written down value method

5) INVESTMENTS:

All current and long-term investments are valued at lower of cost or market value.

6) RETIREMENT BENEFITS:

The Society has schemes of retirement benefits of provident fund in respect of which the society's contribution to the funds are charged to committed fund and/or from income and expenditure account. The gratuity benefits of the society are administered by the trust formed for this purpose through the schemes of Life Insurance Corporation of India. Gratuity is being paid by the Society as per statutory norms.



[Handwritten signature]

Institute of Livelihood Research and Training

B) NOTES TO ACCOUNTS:

1) NOTE ON THE SOCIETY ACTIVITY:

The Livelihood School' is a Society, registered on April 10, 2007 under the Andhra Pradesh Society Registration Act, 2001 and the name has been changed to "Institute of Livelihood Research and Training" w.e.f. April 01, 2014. The Society is mainly engaged in following activities for the livelihood of the poor.

(a) Research for Knowledge Building:

Building of knowledge on issues related with livelihoods promotion through research, studies, documentation of good practices and action research. The knowledge is packaged into training modules; appropriate curriculum developed and disseminated to the livelihood practitioners through standardized courses.

(b) Research for Dissemination of Knowledge:

Institute of Livelihood Research and Training undertakes knowledge dissemination to enhance capacities of the people, whose work affect the livelihoods of the poor, such as staff of Government departments/ projects working for livelihood promotion, Development Organizations involved in livelihood promotion across the country. The programs in livelihood promotion are offered by the Society through standard modules designed and developed by it or through customized programs tailor made to the requirement of the livelihood promoting organization.

2) DEPRECIATION:

The value of fixed assets Rs. 23,40,984/- (cumulative as on March 31, 2020) shown in Balance sheet is at actual cost of acquisition and Rs. 20,19,912/- assets worth written-off from books. The notional depreciation as per the rates specified in note 4(iii) is Rs. 13,70,797/- as at March 31, 2020 (previous year Rs.27,87,365/-) which is not accounted in the books.

3) RECOGNITION SCIENTIFIC AND INDUSTRIAL RESEARCH ORGANISATION (SIRO)

Department of Scientific and Industrial Research (DSIR), Ministry of Science and Technology has accorded recognition to Society as Scientific and Industrial Research Organisation (SIRO).

4) GOVERNANCE EXPENSES:

Governance expenses have been accounted and break up of which is given below.

Particulars	March 31, 2020	March 31, 2019
Traveling and other incidental Expenses reimbursed	2,27,848	3,10,059
Total	2,27,848	3,10,059

5) REMUNERATION TO DEAN/EXECUTIVE DIRECTOR:

Particulars	March 31, 2020	March 31, 2019
Salary and Other Benefits	20,72,520	21,22,473
Total	20,72,520	21,22,473

6) DETAILS OF AUDITOR'S REMUNERATION:

Particulars	March 31, 2020	March 31, 2019
Audit & Certification Fees	60,000	1,57,000
GST on fee	10,800	28,260
Traveling expenses reimbursed	9,956	4,543
Total	80,756	1,89,803

7) MISCELLANEOUS:

- The Society has kept all the unutilized balance of fund in the form of bank balances and term deposits with scheduled banks, which are in conformity with section 11(5) of the Income Tax Act, 1961.
- In view of its tax exemption status u/s 12A of the Income Tax Act, 1961, and based on past assessment no tax liability is anticipated.
- Previous year's figures have been regrouped, wherever necessary.

As per our report of even date
for V. NAGARAJAN & CO,
Chartered Accountants

Place: Hyderabad
Date: June 01, 2020


(A.G. Sitaraman)
Partner



ICAI Firm Reg.No.:04879N /M. No.: 017799

for Institute of Livelihood Research and Training


(Dilip Kumar)
Chairman


(D. Sattaiah)
Director