



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNITED CARE DEVELOPMENT SERVICES

1. Report on the financial statements

We have audited the accompanying financial statements of **UNITED CARE DEVELOPMENT SERVICES** (the 'Company'), which comprise the Balance Sheet as at March 31, 2016, the Statement of Income and Expenditure, the Cash Flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

2. 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 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 maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of 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.

3. Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Act. 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 the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's directors, 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 on the financial statements.





V. NAGARAJAN & CO.,

Chartered Accountants

4. Opinion

In our opinion, and to the best of our information and according to the explanations given to us, the aforesaid 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, of the state of affairs of the company as at March 31, 2016 and its loss and its cash flows for the year ended on that date.

5. Report on other legal and regulatory requirements

- i. As the Company is licensed to operate under Sec 8 of the Companies Act, 2013, the provision of Companies (Auditors Report) Order, 2016 is not applicable.
- ii. 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 accounts as required by the law have been kept by the Company, so far as it appears from our examination of those books.
 - c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow statement dealt with by this report are in agreement with the books of accounts;
 - 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 the written representations received from the directors as on March 31, 2016 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of sub-section (2) of section 164 of the Companies Act, 2013;
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure A" ; and
 - 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:
 - I. The company does not have any pending litigations which would impact its financial position.
 - II. There were no amounts which were required to be transferred to the Investor Education and Protection fund by the Company.

Date: June 21, 2016
Place: Hyderabad



for V. Nagarajan & Co.,
Chartered Accountants

A.G Sitaraman
Partner

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

UNITED CARE DEVELOPMENT SERVICES*(All amounts in ₹ except otherwise stated)*

BALANCE SHEET AS AT	Note No.	31-Mar-16	31-Mar-15
I. EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share capital	2.1	1,00,000	1,00,000
(b) Reserves and surplus	2.2	7,69,822	22,48,553
		8,69,822	23,48,553
Current liabilities			
(b) Other current liabilities	2.3	11,500	46,633
		11,500	46,633
	Total	8,81,322	23,95,186
II. ASSETS			
Non-current assets			
(a) Fixed assets	2.4		
Tangible assets		46,657	94,651
		46,657	94,651
Current assets			
(a) Cash and cash equivalents	2.5	8,09,141	22,05,339
(b) Other current assets	2.6	25,524	95,196
		8,34,665	23,00,535
	Total	8,81,322	23,95,186
Significant accounting policies and notes on accounts	1 & 2		

The accompanying notes are an integral part of these financial statements

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

for **UNITED CARE DEVELOPMENT SERVICES**

A. G. Sitaraman

A. G. Sitaraman
Partner

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

G. Satish Raju

G. Satish Raju
Director

P. S. Gunaranjan

P. S. Gunaranjan
Director



Place: Hyderabad

Date: June 21st 2016

UNITED CARE DEVELOPMENT SERVICES*(All amounts in ₹ except otherwise stated)***STATEMENT OF INCOME AND EXPENDITURE FOR
THE YEAR ENDED**

	Note No.	31-Mar-16	31-Mar-15
Revenue from operations	2.7	58,13,343	34,41,163
Other income	2.8	58,298	7,905
Total Revenue		58,71,641	34,49,068
Expenses			
Grants and Direct programme expenses	2.9	65,80,675	12,26,095
Employee benefits expense	2.10	3,46,957	3,15,340
Depreciation		47,994	1,57,631
Other operating expenses	2.11	3,74,746	3,65,872
Total expenses		73,50,372	20,64,938
Surplus/(deficit) for the year		(14,78,731)	13,84,130
<hr/>			
Significant accounting policies and notes on accounts	1 & 2		

The accompanying notes are an integral part of these financial statements

As per our report of even date
for **V. NAGARAJAN & CO.,**
Chartered Accountants
A. G. Sitaraman
Partner

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

Place: Hyderabad
Date: June 21st 2016for **UNITED CARE DEVELOPMENT SERVICES**
G. Satish Raju
Director
P. S. Gunaranjan
Director

UNITED CARE DEVELOPMENT SERVICES*(All amounts in ₹ except otherwise stated)*

Cash flow statement for the year ended	31-Mar-16	31-Mar-15
A. Cash flows from operating activities		
Surplus/(deficit) for the year	(14,78,731)	13,84,130
Adjustments for non-cash expenditure		
Depreciation	47,994	1,57,631
<i>Operating profit before working capital changes</i>	(14,30,737)	15,41,761
Adjustments for:		
Decrease / (Increase) in operating assets	69,672	22,958
(Decrease) / Increase in current liabilities	(35,132)	35,398
Net cash flow from operating activities [A]	(13,96,197)	16,00,117
B. Cash flows from investing activities		
Purchase of fixed assets	-	-
Net cash flow from investment activities [B]	-	-
C. Cash flows from financing activities		
Increase/(Decrease) in share capital	-	-
Net cash flow from financing activities [C]	-	-
Net change in cash and cash equivalents during the year (A+B+C)	(13,96,197)	16,00,117
Cash and cash equivalents at the beginning of the year	22,05,339	6,05,222
Cash and cash equivalents at the end of the year	8,09,142	22,05,339

This is the cash flow statement referred to in our report of even date.

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



A. G. Sitaraman

A. G. Sitaraman
Partner

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

for **UNITED CARE DEVELOPMENT SERVICES**

G. Satish Raju

G. Satish Raju
Director

P. S. Gunaranjan

P. S. Gunaranjan
Director



Place: Hyderabad

Date: June 21st 2016

Company overview:

"United Care Development Services" (herein after referred as 'UCDS' or the 'Company') is licensed to operate under Section 8 of the Companies Act, 2013 (earlier Sec 25 of Companies Act, 1956)and also registered as a charitable organisation u/s 12A of the Income Tax act, 1961.

The objective of UCDS is to bring a result-based approach to development finance in the areas of Education, Health and Energy & Environmental services for the poor. UCDS aims to attract development funding for projects undertaken by it, by seeking grant contributions from both individuals and institutions based on demonstrable results achieved. By emphasizing on results and thereby reducing the risk of opportunity cost for social returns, the result based funding model aims to attract more individual and institutional donors and funders, to create a larger and efficient market for philanthropy and development finance.

1 Significant accounting policies

1.1 Basis of preparation of financial statements

The financial statements are prepared under the historical cost convention and comply in all material aspects with the applicable accounting principles in India, including accounting Standards specified under Section 133 of the Companies Act, 2013 (the "Act"), read with Rule 7 of the Companies (Accounts) Rules, 2014.

1.2 Use of estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of the operations during the reporting year end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Any revisions to the accounting estimates are recognised prospectively in the current and future years.

1.3 Fixed assets and Depreciation

Fixed assets are stated at cost inclusive of all incidental expenses incurred for acquisition of such assets.

Depreciation is calculated on the written down value method on prorata basis from the day the asset is put to use at the rates determined by the management. These rates are not lower than the rate prescribed in sch II of the Companies Act,2013.

The estimated useful life and rate assumed for calculating the depreciation under Written down value method is as follows:

Class of Fixed Assets	Useful Life	Rate of Depreciation
Computers	3 Years	63.16%
Office equipment	3 Years	45.07%

1.4 Investments

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

1.5 Income tax

The Company is registered under section-12A of the Income Tax Act, 1961 as a tax exempt entity and has fulfilled all the conditions laid down therein and hence no tax liability is expected.



2 Notes on accounts

2.1 Share capital

	31-Mar-16	31-Mar-15
Authorized		
1,000 (31 March 2016: 1,000) equity shares of Rs. 100 each	1,00,000	1,00,000
Issued, subscribed and fully paid-up		
Equity shares:		
1,000 (31 March 2016: 1,000) equity shares of Rs. 100 each fully paid-up.	1,00,000	1,00,000
Total	1,00,000	1,00,000

(a) The details of Equity shareholders holding more than 5% shares is set out below

SI No.	Name	No. of fully paid up shares held	% of total	31-Mar-16	31-Mar-15
1	Gunaranjan.P	505	50.5%	50,500	50,500
2	Ramana .N.V	99	9.9%	9,900	9,900
3	Satish Raju .G	99	9.9%	9,900	9,900
4	Rai P.D	99	9.9%	9,900	9,900
5	Sushil Ramola	99	9.9%	9,900	9,900
6	Vijay Mahajan	99	9.9%	9,900	9,900
	Total	1000	100%	1,00,000	1,00,000

(b) Reconciliation of the number of Equity Shares:

Number of equity shares outstanding at the beginning of the year	1,000
Number of equity shares outstanding at the end of the year	1,000

There was no issue / buy of shares during the year and in the previous year.

(c) The company has issued only one class of Equity shares of the par value of Rs. 100 each, with voting right of one vote per share.

2.2 Reserves and surplus

	31-Mar-16	31-Mar-15
Capital reserve		
Opening balance	8,18,997	8,18,997
Additions during the year	-	-
Deductions during the year	-	-
Closing Balance	8,18,997	8,18,997
Surplus in income and expenditure account		
Opening balance	14,29,556	1,02,647
Additions during the year	(14,78,731)	13,84,130
Deductions during the year	-	57,221
	(49,175)	14,29,556
Total	7,69,822	22,48,552



2.3 Other current liabilities		31-Mar-16	31-Mar-15
Other payables		11,500	46,633
Total		11,500	46,633
2.5 Cash and cash equivalents		31-Mar-16	31-Mar-15
Balances with banks			
<i>in current accounts</i>		8,09,141	22,05,339
Total		8,09,141	22,05,339
2.6 Other current assets		31-Mar-16	31-Mar-15
Rent deposit		32,000	32,000
Advances to others		(6,478)	-
Other receivables		-	63,196
Total		25,522	95,196
2.7 Revenue from operations		31-Mar-16	31-Mar-15
Donations			
<i>from individuals</i>		7,80,228	5,91,163
<i>from institutions</i>			
<i>Gandhi Global Alumni Association (GMCGA)</i>		27,74,235	-
<i>Tata Social Welfare Trust</i>		-	22,00,000
<i>United Way of Hyderabad</i>		7,00,000	3,50,000
<i>Pragathi Welfare Association</i>		15,58,880	3,00,000
		50,33,115	28,50,000
Total		58,13,343	34,41,163
2.8 Other income		31-Mar-16	31-Mar-15
Interest on term deposits		58,298	6,046
Interest on Income Tax Refund		-	1,728
Misc Income		-	131
Total		58,298	7,905



Emy

2.9	Grant and direct programme expenditure	31-Mar-16	31-Mar-15
	Grant to		
	Ashray Akruiti	-	47,442
	Area hospital Kondapur	4,54,200	-
	Burgula project	6,11,762	-
	Code 4 Community Project	68,572	-
	Nirman Organisation	-	1,50,000
	Hearing Screening Project	21,93,808	-
		33,28,342	1,97,442
	Direct Project implementation at		
	Seva Mela Project	7,11,076	3,87,470
	Seva Bharthi- Gandhi Hospiital	95,678	-
	Bedupalli Zilla Parishad High School - Library	-	3,38,000
	"Don't Waste, Donate Waste"	-	4,650
	Gandhi Hospital	24,10,380	1,38,108
	Other Project Expenses	35,199	1,60,425
		32,52,333	10,28,653
	Total	65,80,675	12,26,095

2.10	Employee benefit expense	31-Mar-16	31-Mar-15
	Salaries	2,86,000	2,12,000
	Staff & Volunteers Welfare	60,957	1,03,340
	Total	3,46,957	3,15,340

2.11	Other operating expenses	31-Mar-16	31-Mar-15
	Rent	2,04,000	1,94,000
	Travelling & Conveyance	57,004	53,990
	Telephone & Internet Charges	26,703	31,895
	Professional & Consultancy fee	5,200	-
	Audit Fee	11,500	11,400
	IT Solutions (Domain Main)	13,169	10,715
	Printing & Stationery	1,080	1,000
	Office Maintenance	37,831	49,761
	Bank Charges	18,259	13,111
	Total	3,74,746	3,65,872

3 Other information required under Para 5(viii) of part II of revised schedule III of the companies Act 2013 - Nil

4 **Prior year comparatives**

The previous year figures are regrouped /rearranged to conform to current year presentation.

5 Based on information available with the Company, there are no suppliers who are registered as micro and small enterprises under "The Micro, Small and Medium Enterprises Development Act, 2006.

As per our report of even date

for **V. NAGARAJAN & CO.,**

Chartered Accountants

A. G. Sitaraman

A. G. Sitaraman

Partner

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

for **UNITED CARE DEVELOPMENT SERVICES**

G. Satish Raju

G. Satish Raju

Director

P. S. Gunaranjan

P. S. Gunaranjan

Director



Place: Hyderabad

Date: June 21st 2016

UNITED CARE DEVELOPMENT SERVICES

Notes to the Financial Statements

2.5 Fixed assets										
Particulars	Gross block			Depreciation			Net block			
	As at 01-Apr-15	Additions	Deletions/Adjustments	As at 31-Mar-16	Up to 31-Mar-15	for the year	Deletions/Adjustments	As at 31-Mar-16	As at 31-Mar-15	
Tangible assets										
Computers	2,84,490	-	-	2,84,490	2,55,001	18,625	-	2,73,626	10,864	29,489
Office equipment	2,87,281	-	-	2,87,281	2,22,119	29,369	-	2,51,488	35,793	65,162
Total	5,71,771	-	-	5,71,771	4,77,120	47,994	-	5,25,114	46,657	94,651
Previous year	5,71,771	-	-	5,71,771	2,62,268	2,14,852	-	4,77,120	94,651	1,58,028

