

JAGDISH CHAND & CO.

CHARTERED ACCOUNTANTS

H-20, LGF, GREEN PARK (MAIN) NEW DELHI-110016, INDIA
Phones : 26511953, 26533626, 41759467 Fax : 41759467 email : mail@jcandco.org

INDEPENDENT AUDITOR'S REPORT

To the Trustees of Swiss Emmaus Leprosy Relief Work India

Opinion

We have audited the financial statements of Swiss Emmaus Leprosy Relief Work India (the Trust), which comprise the balance sheet as at 31st March 2022, and the Income & Expenditure Account, and the Receipt & Payment Account for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (together hereinafter referred to as 'Financial Statements').

In our opinion and to the best of our information and according to the explanations given to us the accompanying financial statements give a true and fair view of the Financial Position of the entity as at 31st March, 2022, and of its Financial Performance and its Receipts & Payments 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 Standards on Auditing (SAs). 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 ethical requirements that are relevant to our audit of the Financial Statements, and we have fulfilled our other responsibilities in accordance with these requirements. We believe that



BRANCHES AT NOIDA, BHIWADI (RAJASTHAN)

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

Emphasis of Matter

We draw attention to Note 17 to the accompanying Financial Statements, which describe non-compliances by the Trust in respect of certain applicable rules and regulations under the Foreign Contribution (Regulation) Act, 2010 as amended ('Act') in the earlier years. The Trust has made a provision of estimated liability towards envisaged compounding of non-compliances in the Financial Statements, however, not yet filed necessary applications with appropriate authorities for condonation of such non-compliances.

Our opinion is not modified in respect of this matter.

Other Matter

The Financial Statements for the year ended 31st March 2021 were audited by the predecessor auditor, Walker Chandiook & Co LLP, who have expressed qualified opinion on those Foreign Contribution Financial Statements vide their audit report dated 29th December 2021.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the aforesaid Accounting Standards, 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.

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

Auditor's 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, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- 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 entity to cease to continue as a going concern.

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.



Restriction on distribution or use

The accompanying financial statements have been prepared solely for information and use of management only in accordance with the Trust Deed and for the purpose of submission with Form No. 10B of the Income Tax Rules, 1962 and accordingly may not be suitable for any other purpose. This report is issued solely for the 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 case for any other purpose or to any other person to whom this report is shown for into whose hands it may come without our prior consent in writing.

For JAGDISH CHAND & CO.

Firm Registration Number: 000129N

Chartered Accountants

Pawan Kumar

(Pawan Kumar)

Partner

Membership Number: 511057

UDIN: 22511057AWLFDU8976



Place of signature: New Delhi

Date: 29th September 2022

Swiss Emmaus Leprosy Relief Work India
Balance Sheet as at 31 March 2022
(All amounts are in ₹, unless otherwise stated)

	Note	As at 31 March 2022	As at 31 March 2021
Sources of funds			
Funds			
Restricted funds	3	1,67,65,780	2,05,65,630
General fund	4	28,43,100	20,22,803
		<u>1,96,08,880</u>	<u>2,25,88,433</u>
Non-current liabilities			
Long-term provisions	5	-	57,316
Current liabilities			
Trade payables		-	57,316
Total outstanding dues of micro enterprises and small enterprises	6	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		56,980	1,97,805
Other current liabilities			
Short-term provisions	7	39,53,639	64,27,294
		2,98,139	4,74,263
		<u>43,08,758</u>	<u>70,99,362</u>
		<u>2,39,17,638</u>	<u>2,97,45,111</u>
Applications of funds			
Non-current assets			
Property, plant and equipment	8	32,95,541	28,00,293
Intangible assets	8	4,018	6,697
Long-term loans and advances	9	12,55,630	12,55,630
		<u>45,55,189</u>	<u>40,62,620</u>
Current assets			
Cash and bank balances	10	1,88,32,380	2,34,01,251
Short-term loans and advances	9	3,03,483	22,58,489
Other current assets	11	2,26,586	22,751
		<u>1,93,62,449</u>	<u>2,56,82,491</u>
		<u>2,39,17,638</u>	<u>2,97,45,111</u>

Significant Accounting Policies	1-2
Notes forming part of the Financial Statements	17-24
As per our report of even date attached For Jagdish Chand & Co. Chartered Accountants Firm's Registration No.: 000129N	
<i>Pawan Kumar</i> Pawan Kumar Partner Membership No.: 511057	
Place: New Delhi Date: 29/09/2022	
	For and on behalf of Swiss Emmaus Leprosy Relief Work India
<i>J. Bharath Kumar</i> Bharath Kumar (Trustee)	<i>Samuel Ashok Kumar</i> Samuel Ashok Kumar (Trustee)
Place: <i>Bera</i> Date: 27/9/22	Place: <i>Chennai</i> Date: 17/09/22
	<i>John Kurian George</i> John Kurian George Chief Executive Officer
	Place: <i>Curgaan</i> Date: 17/09/2022



Swiss Emmaus Leprosy Relief Work India
Income and Expenditure Account for the year ended 31 March 2022
(All amounts are in ₹, unless otherwise stated)

	Note	Year ended 31 March 2022	Year ended 31 March 2021
Income			
Grant income	12	6,06,48,929	5,54,45,598
Other income	13	3,26,536	2,84,472
		6,09,75,465	5,57,30,070
Expenditure			
Project expenditure	14	3,16,40,044	4,72,73,799
Employee benefits expense	15	1,87,01,436	1,33,00,977
Depreciation and amortisation expense	8	5,85,500	5,13,384
Other expenses	16	92,28,188	1,07,35,815
		6,01,55,168	7,18,23,975
Surplus/(Deficit) for the year transferred to general fund		8,20,297	(1,60,93,905)

Significant Accounting Policies
Notes forming part of the Financial Statements

As per our report of even date attached

For Jagdish Chand & Co.
Chartered Accountants
Firm's Registration No.: 000129N

Pawan Kumar
Pawan Kumar
 Partner
 Membership No.: 511057



Place: New Delhi
Date: 29/09/2022

For and on behalf of
Swiss Emmaus Leprosy Relief Work India

Bharath Kumar
Bharath Kumar
 (Trustee)

Sandeep Ashok Kumar
Sandeep Ashok Kumar
 (Trustee)

John Kurian George
John Kurian George
 Chief Executive Officer

Place: Ben
Date: 27/9/22

Place: Chennai
Date: 17/09/22

Place: Gurgaon
Date: 19/09/2022



Swiss Emmaus Leprosy Relief Work India
 Receipts & Payments Account for the year ended 31 March 2022
 (All amounts are in ₹, unless otherwise stated)

	Year ended 31 March 2022	Year ended 31 March 2021
Opening balance (refer note 10)		
Cash in hand	33,561	36,120
Cash at bank	2,14,03,055	34,11,398
Fixed deposits	19,64,635	1,36,36,868
	2,34,01,251	1,70,84,386
Receipts		
Grants and donations received		
- Grant and donations		
Interest income on deposits	5,68,49,079	7,60,11,228
Interest income on saving bank	2,63,114	1,59,125
Refund of security deposit	19,441	36,546
Miscellaneous income	2,50,000	47,000
	3,000	220
	5,73,84,634	7,62,54,119
Payments		
Project expenditure		
Employee Benefit Expenses	3,05,71,135	4,62,36,436
Other expenses	1,95,41,532	1,33,00,977
Advances Paid	1,02,01,288	80,64,142
Assets purchased during the year	1,98,000.00	16,67,500
Contribution to gratuity fund	10,78,069	1,18,869
	3,63,481	5,49,330
	6,19,53,505	6,99,37,254
Closing balance (refer note 10)		
Cash in hand	36,621	33,561
Cash at bank	1,68,63,420	2,14,03,055
Fixed deposits	19,32,339	19,64,635
	1,88,32,380	2,34,01,251

Significant Accounting Policies 1-2
Notes forming part of the Financial Statements 17-24

As per our report of even date attached
 For Jagdish Chand & Co.
 Chartered Accountants
 Firm's Registration No.: 000129N

Pawan Kumar
 Partner
 Membership No.: 511057
 Place: New Delhi
 Date: 29/09/2022

JAGDISH CHAND & CO. CHARTERED ACCOUNTANTS
 NEW DELHI

For and on behalf of
 Swiss Emmaus Leprosy Relief Work India

Bharath Kumar (Trustee)
 Place: Bera
 Date: 27/9/22

Samuel Ashok Kumar (Trustee)
 Place: Chennai
 Date: 17/09/22

John Kurian George
 Chief Executive Officer
 Place: Coimbatore
 Date: 19/09/2022

Swiss Emmaus Leprosy Relief Work India

Swiss Emmaus Leprosy Relief Work India
Significant accounting policies and other explanatory information as at 31 March 2022
(All amounts are in ₹, unless otherwise stated)

	As at 31 March 2022	As at 31 March 2021		
3 Restricted funds				
Project fund				
Balance at the beginning of the year	2,05,65,630	-		
Add: Unutilised funds of previous year (refer note 12a)	-	1,42,64,151		
Add: Grant received during the year	2,27,57,275	5,21,59,423		
Less: Expenditure incurred during the year	(2,65,57,125)	(4,58,57,944)		
Less: Utilised during the year towards shortfall of funds (refer note 12)	(37,99,850)	-		
Add: Transfer from general fund	-	-		
Balance at the end of the year (A)	<u>1,67,65,780</u>	<u>2,05,65,630</u>		
<i>*Represents closing balance of Project fund as on 31 March 2020 not carried forward in previous year.</i>				
Property, plant and equipment fund				
Balance at the beginning of the year	-	31,38,819		
Add: Property, plant and equipment purchased during the year	-	-		
Less: Property, plant and equipment disposed during the year	-	-		
Less: Depreciation/Amortisation met out of property, plant and equipment fund	-	-		
Less: Transfer to general fund	-	-		
Balance at the end of the year (B)	<u>-</u>	<u>(31,38,819)</u>		
Total restricted funds (A) + (B)	<u>1,67,65,780</u>	<u>2,05,65,630</u>		
4 General fund				
Balance at the beginning of the year	20,22,803	1,49,77,889		
Add: Surplus during the year transferred from Income and Expenditure Account	8,20,297	(1,60,93,905)		
Add : Transfer from property, plant and equipment fund	-	31,38,819		
Balance at the end of the year	<u>28,43,100</u>	<u>20,22,803</u>		
	Long-term	Short-term		
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
5 Provisions				
Provision for gratuity	24,12,176	21,37,497	4,74,263	4,74,263
Less : Contribution to gratuity fund	(24,12,176)	(20,80,181)	(1,76,124)	-
	<u>-</u>	<u>57,316</u>	<u>2,98,139</u>	<u>4,74,263</u>
6 Trade payables				
Total outstanding dues of micro enterprises and small enterprises			-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises			56,980	1,97,805
			<u>56,980</u>	<u>1,97,805</u>
7 Other current liabilities				
Statutory dues			4,72,191	15,51,769
Employee related payables			16,90,224	21,85,841
Expenses payable			17,91,224	26,89,684
			<u>39,53,639</u>	<u>64,27,294</u>

(This space has been intentionally left blank)



Swiss Emmaus Leprosy Relief Work India
 Significant accounting policies and other explanatory information as at 31 March 2022
 (All amounts are in ₹, unless otherwise stated)

Note 8 : Property, plant and equipment

Particulars	W.D.V as at 01 April 2021	Additions during the year			Adjustment/ Deletions during the year	Total	Rate of depreciation	Depreciation during the year	W.D.V as at 31 March 2022
		Additions for more than 180 days	Additions for less than 180 days	Total Additions					
Tangible assets									
Office Equipments	20,67,286	-	7,27,099	7,27,099	-	27,94,385	15%	3,65,100	24,29,285
Vehicles*	1,85,879	-	-	-	-	1,85,879	15%	27,882	1,57,997
Computers	1,29,875	1,97,427	41,990	2,39,417	-	3,69,292	40%	1,40,535	2,28,757
Furniture & Fixtures	4,17,253	40,000	71,553	1,11,553	-	5,28,806	10%	49,304	4,79,502
Total	28,00,293	2,37,427	8,40,642	10,78,069	-	38,78,362		5,82,821	32,95,541
Intangible assets									
Softwares	6,697	-	-	-	-	6,697	40%	2,679	4,018
Total	6,697	-	-	-	-	6,697		2,679	4,018
Grand total	28,06,990	2,37,427	8,40,642	10,78,069	-	38,85,059		5,85,500	32,99,559

Particulars	W.D.V as at 01 April 2020	Additions during the year			Adjustment/ Deletions during the year	Total	Rate of depreciation	Depreciation during the year	W.D.V as at 31 March 2021
		Additions for more than 180 days	Additions for less than 180 days	Total Additions					
Tangible assets									
Office equipments	23,76,001	17,600	35,379	52,979	-	24,28,980	15%	3,61,694	20,67,286
Vehicles*	1,55,995	-	-	-	(62,686)	2,18,681	15%	32,802	1,85,879
Computers	1,45,125	-	53,500	53,500	-	1,98,625	40%	68,750	1,29,875
Furniture and fixtures	4,50,536	-	12,390	12,390	-	4,62,926	10%	45,673	4,17,253
Total	31,27,657	17,600	1,01,269	1,18,869	(62,686)	33,09,212		5,08,919	28,00,293
Intangible assets									
Softwares	11,162	-	-	-	-	11,162	40%	4,465	6,697
Total	11,162	-	-	-	-	11,162		4,465	6,697
Grand total	31,38,819	17,600	1,01,269	1,18,869	(62,686)	33,20,374		5,13,384	28,06,990



(This space has been intentionally left blank)

[Handwritten signature]

[Handwritten signature]

Swiss Emmaus Leprosy Relief Work India

Significant accounting policies and other explanatory information as at 31 March 2022

(All amounts are in ₹, unless otherwise stated)

	Long-term		Short-term	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
9 Loans and advances (Unsecured, considered good)				
Advances recoverable in cash or in kind or for value to be received		-	830	16,70,002
Security deposits	8,27,041	8,27,041	-	2,50,000
Prepaid expenses	-	-	2,28,091	2,84,774
Advances to staff	-	-	48,917	53,713
Income-tax receivable	4,28,589	4,28,589	25,645	-
	<u>12,55,630</u>	<u>12,55,630</u>	<u>3,03,483</u>	<u>22,58,489</u>
10 Cash and bank balances				
Balances with banks				
- saving and current accounts				
- deposit account (with maturity upto 3 months)			1,68,63,420	2,14,03,055
- fixed deposits (with maturity more than 3 months but less than twelve months)			-	12,00,000
Cash on hand			19,32,339	7,64,635
			36,621	33,561
			<u>1,88,32,380</u>	<u>2,34,01,251</u>
11 Other current assets				
Other Advances to Suppliers			1,98,000	-
Interest accrued but not due on fixed deposits			28,586	22,751
			<u>2,26,586</u>	<u>22,751</u>

(This space has been intentionally left blank)

(Handwritten signatures)



Swiss Emmaus Leprosy Relief Work India

Significant accounting policies and other explanatory information for the year ended 31 March 2022

(All amounts are in ₹, unless otherwise stated)

	Year ended 31 March 2022	Year ended 31 March 2021
12 Grant income*		
Grant and donation income	5,68,49,079	7,60,11,228
Less: Unutilised restricted grants/donations carried forward (refer note 12a)	<u>37,99,850</u>	<u>(2,05,65,630)</u>
	<u>6,06,48,929</u>	<u>5,54,45,598</u>
12a Recognition of revenue for restricted grant on the basis of utilization of funds for specified projects: Rs. NIL (Previous year Rs. 142,64,151)		
13 Other income	Year ended 31 March 2022	Year ended 31 March 2021
Interest income on		
- deposits	2,94,593	1,85,020
- savings bank accounts	19,441	36,546
Gain on disposal of property, plant and equipment	-	62,686
Miscellaneous income	12,502	220
	<u>3,26,536</u>	<u>2,84,472</u>
14 Project expenditure	Year ended 31 March 2022	Year ended 31 March 2021
Sub grant to project partners	93,63,871	2,23,25,409
Migration project expenses	14,54,329	5,35,425
Employee benefits expense for Project staff (refer note 14a)	<u>2,08,21,844</u>	<u>2,44,12,965</u>
	<u>3,16,40,044</u>	<u>4,72,73,799</u>
14a Employee benefits expense for Project staff		
Salaries, wages and bonus	2,06,90,937	2,43,25,770
Staff welfare expenses	<u>1,30,907</u>	<u>87,195</u>
	<u>2,08,21,844</u>	<u>2,44,12,965</u>
15 Employee benefits expense		
Salaries, wages and bonus	1,64,41,764	1,02,05,411
Contribution to provident and other funds* (refer note 22)	18,94,212	23,29,929
Staff welfare expenses	2,35,418	1,83,590
Gratuity expense	<u>1,30,042</u>	<u>5,82,047</u>
	<u>1,87,01,436</u>	<u>1,33,00,977</u>
* includes prior period expenses of Rs. NIL (Previous year Rs. 1,54,611)		
16 Other expenses	Year ended 31 March 2022	Year ended 31 March 2021
Communication	8,15,448	10,39,792
Printing and stationery	4,27,742	6,25,391
Travelling	10,94,794	9,89,294
Rent (refer note 19)	23,78,957	27,71,398
Audit Fee (refer Note 16a)	5,01,500	10,62,000
Legal and professional*	16,28,972	14,61,279
Business promotion	-	3,41,528
Office expenses	4,56,174	2,41,352
Repair and maintenance	6,74,587	8,82,209
Rates and taxes** (refer note 17)	6,23,371	7,99,071
Water and electricity charges	2,87,752	2,36,502
Security charges	1,83,962	1,58,431
Bank charges	89,195	71,160
Insurance	65,734	32,763
Balance written off	-	23,645
	<u>92,28,188</u>	<u>1,07,35,815</u>
* includes prior period expenses of Rs. NIL (Previous year Rs. 1,62,360)		
** includes prior period expenses of Rs. NIL (Previous year Rs. 56,290)		
16a Payment to auditors (including goods and services tax)		
- Statutory audit	<u>5,01,500</u>	<u>10,62,000</u>
	<u>5,01,500</u>	<u>10,62,000</u>



17 Non-compliances with laws and regulations

The Trust has noted certain non-compliances with applicable provisions of Foreign Contribution (Regulation) Act, 2010 as amended ("Act"), which are summarized as below:

- (i) The Trust had given loan amounting to ₹ 1,300,000 to one of its implementing partners from its designated FCRA bank account in financial year 2011-2012, which was received back by the Trust in its local contribution bank account in financial year 2019-2020.
- (ii) Trust has given a sub-grant amounting to ₹ 1,800,000 on 05 October 2020 from its designated FCRA bank account which is in contravention to FCRA, Amendment Act, 2020 dated 28 September 2020.
- (iii) Trust has given a subgrant amounting to ₹ 1,838,279 during financial year 2020-2021 from its local contribution bank for which corresponding amounts were received from its donors in FCRA bank account during financial year 2019-2020 which is in contravention to Rule 11 of The Foreign Contribution (Regulation) Rules, 2011.
- (iv) There were payments made from FCRA bank account but the corresponding expenses booked in Non-FCRA books and vice-versa amounting to ₹ 981,625 during the FY 2016-2017 to FY 2019-2020 which is in contravention to Rule 11 of The Foreign Contribution (Regulation) Rules, 2011.
- (v) The Trust has made a provision of estimated liability of Rs. 5,63,828/- in FY 2020-2021 towards envisaged compounding of non-compliances in the Foreign Contribution Financial Statements, however, not yet filed necessary applications with appropriate authorities for condonation of such non-compliances.

18 Micro and small enterprises

The disclosures as required to be furnished as per section 22 of the Micro and Small Enterprises Development (MSMED) Act, 2006 for the year ended 31 March

Particulars	As at	As at
	31 March 2022	31 March 2021
i) Principal amount and interest due thereon remaining unpaid to any supplier covered under		
Principal		
Interest	-	-
ii) The amount of interest paid by the buyer in terms of section 16, of the MSMED Act, 2006	-	-
iii) The amount of interest due and payable for the period of delay in making payment (which	-	-
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
v) The amount of further interest remaining due and payable even in the succeeding years,	-	-

- 19 The Trust's significant leasing arrangements in terms of Accounting Standard on "Leases" (AS 19) are in respect of operating leases for premises. These leasing arrangements, which are cancellable in nature, are for a period of upto one year and are renewable by mutual consent. Lease payment recognised in the Income and Expenditure Account during the year ended 31 March 2022 is ₹ 23,78,957 (Previous year : ₹ 27,71,398).
- 20 The Trust is registered under Section 12A read with Section 12AA of the Income Tax Act, 1961 in India vide Unique Registration Number AACTS1292GE19926 ("Approval Letter") valid upto AY 2026-27 and accordingly, is exempt from paying income taxes on excess of revenue over expenses subject to compliance with the conditions as stipulated in aforesaid Approval Letter. The Trust is also registered under section 80G of the Income Tax Act, 1961 vide Unique Registration Number AACTS1292GF19924 valid upto AY 2026-27.

	As at	As at
	31 March 2022	31 March 2021
21 Contingent liabilities		
Income tax demand pending for appeal/ rectification by the Trust	97,84,954	14,86,480

22 Employee benefits**Defined contribution plan - Provident fund**

The Trust makes contribution to statutory provident fund in accordance with the Employees Provident Fund and Miscellaneous Provision Act, 1952. Contribution made by the Trust during the year is ₹ 18,94,212 (previous year ₹ 2,329,929).

Pursuant to the judgement by the Hon'ble Supreme Court of India dated 28 February 2019, it was held that basic wages, for the purpose of provident fund, should include certain allowances which are common for all employees. There is uncertainty with respect to the retrospective applicability of the judgement and period from which the same applies and accordingly, the Trust has not provided for any liability on account of this for the periods ended on 28 February 2019 in the financial statements. The Trust has provided for aggregate amount of ₹ 864,963 (excluding interest and damages) being employers contribution towards provident fund for the period 01 March 2019 to 31 March 2021.

Defined benefit plan - Gratuity (Funded)

The Trust offers the employee benefit scheme of gratuity to its employees as per Gratuity Act, 1972. Benefits payable to eligible employees of the Trust with respect to gratuity, a defined benefit plan is accounted for on the basis of an actuarial valuation as at the balance sheet date. The vesting period is 5 years from an eligible employee's date of joining.

The Trust has determined the liability for compensated absences and gratuity in accordance with the Accounting Standard (AS) 15 – Employee Benefits (Revised). The following table sets out the status of the gratuity plan as required under AS- 15 and the reconciliation of opening and closing balances of the present value of the defined benefit obligation.



	As at 31 March 2022	As at 31 March 2021
A. The amount to be recognised in the Balance Sheet:		
Present value of obligation	28,86,439	26,11,760
Fair value of plan assets at the end of the period	(25,88,298)	(20,80,181)
Net liability recognised in balance sheet	2,98,141	5,31,579
Funded status (Surplus)/ Deficit	2,98,141	5,31,579
B. Expense recognised in the Income and Expenditure Account:		
1. Current service cost	4,28,834	4,43,293
2. Past service cost	-	-
3. Interest cost	-	-
4. Expected return on plan asset	1,56,706	1,15,708
5. Net Actuarial (gain)/loss recognized in the period	(1,24,811)	(85,776)
Present value of obligation at the end of the year	(3,30,686)	1,08,823
Return on plan asset	28,86,439	26,11,760
Present value of obligation at the beginning of the year	(1,44,636)	(1,01,249)
Expenses to be recognised in the Income and Expenditure Account (refer note 15)	1,30,043	5,82,048
C. Table showing changes in the fair value of planned assets		
Fair value of planned assets at the beginning of the year	20,80,181	14,29,602
Actual return on plan assets	1,44,636	1,01,249
Contribution	3,63,481	5,49,330
Benefits paid	-	-
Actuarial gain/(loss) on planed assets	-	-
Fair value of planned assets at the end of the year*	25,88,298	20,80,181
*100% of fund is managed by company		
D. Liability:		
Current liability (refer note 5)	-	4,74,263
Non-current liability (refer note 5)	2,98,139	57,316
Total liability	2,98,139	5,31,579
D. Actuarial assumptions		
Discount rate (per annum)	6%	6%
Salary growth rate (per annum)	5%	5%
Mortality	IALM (2012-14)	IALM (2012-14)
Withdrawal rate (per annum)	20%	20%

23 Related party transactions

Related party disclosures, as required by Accounting Standard 18 - Related party disclosures are given below:

(i) Names of key management personnel are given below -

Name	Relationship
Karpagam Iyer	Trustee
Samuel Ashok Kumar	Trustee
Bharath Kumar	Trustee
Rolf Blazer	Trustee
John Kurian George	Chief Executive Officer

(ii) Transactions undertaken with related parties:

Particulars	As at 31 March 2022	As at 31 March 2021
Mr. John Kurian George		
Remuneration*	45,86,844	45,68,250
Travel advance	-	22,779

*Does not include provisional gratuity valued by an actuary for the Trust as a whole, as separate figures are not available.

(iii) Balances outstanding with related parties:

Particulars	As at 31 March 2022	As at 31 March 2021
Advances to staff	9,741.00	22,266

24 Previous year's figures have been regrouped/ reclassified to conform to the current year's presentation.

For Jagdish Chand & Co.
Chartered Accountants
Firm's Registration No.: 000129N

Pawan Kumar
Pawan Kumar
Partner
Membership No.: 511057

Place: *New Delhi*
Date: *29/09/2022*

For and on behalf of
Swiss Emmaus Leprosy Relief Work India

Bharath Kumar
Bharath Kumar
(Trustee)

Place: *Bera*
Date: *27/9/22*

Samuel Ashok Kumar
Samuel Ashok Kumar
(Trustee)

Place: *Chennai*
Date: *17/09/22*

John Kurian George
John Kurian George
Chief Executive Officer

Place: *Cuvvaan*
Date: *19/09/2022*



Swiss Emmaus Leprosy Work Relief India

Significant accounting policies and other explanatory information for the year ended 31 March 2022

1. Background

Swiss Emmaus Leprosy Work Relief India is a Public Trust incorporated on 12 February 1992 in Chennai, Tamilnadu. The Trust works with a mandate of 'health for the poorest' and to eliminate leprosy as a public health problem.

The Trust has following registrations under various acts-

- a) The Trust has renewed the registration under section 12A of the Income-tax Act, 1961, vide Unique Registration Number AACTS1292GE19926 ("Approval Letter") valid upto Financial Year ended 31st March 2026 (AY 2026-27).
- b) The Trust has renewed the exemption u/s 80G(5)(vi) of the Income-tax Act, 1961 vide Unique Registration Number AACTS1292GF19924 valid upto Financial Year ended 31st March 2026 (AY 2026-27).
- c) The Trust has renewed the registration under the Foreign Contribution (Regulation) Act, 2010/ Foreign Contribution (Regulation) Rules, 2011, for carrying out activities of health & educational nature with registration number 075900321 dated 30 July 2016 for the period from 1 November 2016 to 31 December 2021. Trust has applied for renewal of registration with FCRA, the same is extended upto 30th September 2022.

Further the Trust works to eliminate leprosy, abolish the stigma, educate the affected persons, their families and general communities around them and to support the medical care and social rehabilitation of people affected by leprosy, tuberculosis and other poverty-related diseases.

2. Significant accounting policies

a) Basis of preparation

The 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") including the Accounting Standards issued by the Institute of Chartered Accountants of India ('ICAI') to the extent considered necessary for the purpose of intended users of the financial position of the Trust. The accounting policies adopted in the preparation of financial statements have been consistently applied by the Trust and are consistent with those used in the previous year.

b) 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.

c) Income recognition

i. Grants and donations

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

Restricted grants

Restricted grants received for which there are stipulations as to use are recognized in the Income and Expenditure Account as income in the year of utilization and the unutilized amount is shown as 'Restricted grants' as on balance sheet date. Restricted grants are subject to certain restrictions as set out by the donor and agreed to by the Trust when accepting the grant. If income generated from assets pertaining to restricted grants is also subject to the same restrictions as the grant, then the same is also credited to restricted grants and is recognized in the Income and Expenditure Account as income in the year of utilization.

Donations

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

ii. Interest income

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



Handwritten initials 'JB' and a signature.

Swiss Emmaus Leprosy Work Relief India
Significant accounting policies and other explanatory information for the year ended 31 March 2022

iii. Corpus donation

Corpus donations (if any) are recognised as revenue in the year of receipt and charged to the Income and Expenditure Account.

d) Property, plant and equipment and depreciation

Property, plant and equipment 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 assets is provided as per the rates and in the manner prescribed under Income -tax Act, 1961. which is on the Written Down Value (WDV) method, at the following rates:

Particulars	Rate of depreciation (%) as per Income-tax Act, 1961
Office equipment	15
Computers	40
Furniture and fixtures	10
Vehicles	15
Software	40

e) Employee benefits

Defined contribution plan

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. The Trust also makes contribution to employees' state insurance in accordance with Employees State Insurance Act, 1948. The contribution paid or payable are recognized as an expense in the period in which services are rendered by the employee. Further, the Trust also deducts and pays professional tax where applicable and tax deducted at source on salaries of the employees.

Defined benefit plan – Gratuity (Funded)

The Trust provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The vesting period is 5 years from an eligible employee's date of joining. The Trust's liability is actuarially determined (using the Projected Unit Credit method) at the end of each period. Actuarial losses/ gains are recognized in the Income and Expenditure Account in the period in which they arise. The Trust funds its gratuity with the insurer and difference between plan assets and present value of obligations as at balance sheet date is recognized in financial statement.

Defined benefit plan – Compensated absences

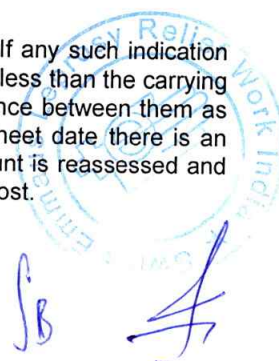
The Trust's leave policy does not have a provision for encashment and accumulated leaves that are expected to be availed in the short term. The leaves that are expected to be availed in the short term are provided on accrual basis.

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.

f) Impairment of assets

The Trust on an annual basis assesses 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 is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.



Swiss Emmaus Leprosy Work Relief India
Significant accounting policies and other explanatory information for the year ended 31 March 2022

g) Expenditure

The Trust implements its programs for 'Health for the poorest' and elimination of Leprosy as a public health problem through social and medical rehabilitation. Expenditure is recognized on accrual basis and sub-grants to implementing partners is recognized at time of disbursements.

h) 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.

Where there is a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

i) Leases

Leases in which a significant portion of life and rewards of ownership are not transferred to the Trust are classified as operating leases. Payment made under operating leases are charged to Income and Expenditure Account over the period of lease on a straight-line basis.

j) Income tax

The Trust is registered under Section 12A read with Section 12AA of the Income Tax Act, 1961 in India vide Unique Registration Number AACTS1292GE19926 ("Approval Letter") valid upto AY 2026-27 and accordingly, is exempt from paying income taxes on excess of revenue over expenses subject to compliance with the conditions as stipulated in aforesaid Approval Letter. The Trust is also registered under section 80G of the Income Tax Act, 1961 vide Unique Registration Number AACTS1292GF19924 valid upto AY 2026-27.

(Handwritten signatures)

