

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF CUDDLES FOUNDATION

REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Cuddles Foundation (Registration No. E29537(M) (Bombay) ("the Trust") which comprises of the Balance Sheet as at March 31, 2022 and the Income and Expenditure Account for the year ended March 31, 2022, notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Trustees are responsible for the preparation of the financial statements that give a true and fair view of the financial position and financial performance of the Trust in accordance with the accounting principles generally accepted in India including applicable accounting standards. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Maharashtra Public Trusts Act ("The Act"), in order to safeguard the assets of the Trust, to prevent and detect frauds and other irregularities, selection and application of appropriate accounting policies, making judgements and estimates that are reasonable and prudent, and design, implement and maintain adequate internal financial controls. The Trustees are also responsible for ensuring the operating effectiveness and accuracy & completeness of the 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.

AUDITORS' RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objective is 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 the Standards on Auditing ("SA's") 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.

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 SA's. 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 judgment, 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 Trust'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 Trust's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Trustees' / Management, as well as evaluating the overall presentation of the financial statements.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, make it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

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.

OPINION

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

- a) in the case of the Balance Sheet, of the state of affairs of the Trust as at March 31, 2022; and
- b) in the case of the Income and Expenditure account, of the surplus of the Trust for the year ended on that date.



REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required under sub section (2) of Section 33 and 34 of the Maharashtra Public Trusts Act, we report as under:

(a) Whether the accounts are maintained regularly and in accordance with the provisions of the Act and the rules;	Yes
(b) Whether receipts and disbursements are properly and correctly shown in the accounts;	Yes
(c) Whether the cash balance and vouchers in the custody of the manager or trustee on the date of audit were in agreement with the accounts;	Yes
(d) Whether all books, deeds, accounts, vouchers or other documents or records required by the auditor were produced before him;	Yes
(e) Whether a register of movable and immovable properties is properly maintained, the changes therein are communicated from time to time to the regional office, and the defects and inaccuracies mentioned in the previous audit report have been duly complied with;	Yes
(f) Whether the manager or trustee or any other person required by the auditor to appear before him did so and furnished the necessary information required by him;	Yes
(g) Whether any property or funds of the Trust were applied for any object or purpose other than the object or purpose of the Trust;	No
(h) The amounts outstanding for more than one year and the amounts written off, if any;	Yes Excess balance of Rs. 13,727/- under tax deducted at source is no longer receivable and has been written off.
(i) Whether tenders were invited for repairs or construction involving expenditure exceeding Rs. 5000/-;	NA
(j) Whether any money of the public trust has been invested contrary to the provisions of Section 35;	No
(k) Alienations, if any, of the immovable property contrary to the provisions of Section 36 which have come to the notice of the auditor;	None



(l) All cases of irregular, illegal or improper expenditure, or failure or omission to recover monies or other property belonging to the public trust or of loss or waste of money or other property thereof, and whether such expenditure, failure, omission, less or waste was caused in consequence of breach of trust or misapplication or any other misconduct on the part of the trustees or any other person while in the management of the trust;	None
(m) Whether the budget has been filed in the form provided by rule 16A;	Yes
(n) Whether the maximum and minimum number of the trustees is maintained;	Yes
(o) Whether the meetings are held regularly as provided in such instrument;	Yes
(p) Whether the minute books of the proceedings of the meeting is maintained;	Yes
(q) Whether any of the trustees has any interest in the investment of the trust;	No
(r) Whether any of the trustees is a debtor or creditor of the trust;	No
(s) Whether the irregularities pointed out by the auditors in the accounts of the previous year have been duly complied with by the trustees during the period of audit;	Yes
(t) Any special matter, which the auditor may think fit or necessary to bring to the notice of the Deputy or Assistant Charity Commissioner.	No

Mumbai

Date 15th September 2022 .

UDIN: 22039454AS1BW1523.

For Devesh K Shah & Co

Chartered Accountants,

Firm registration no. 112005W

CA Devesh K Shah,

Proprietor

M. No. 039454



FUNDS & LIABILITIES	Notes	As at March 31, 2022		As at March 31, 2021	
		Rs.	Rs.	Rs.	Rs.
Trusts Funds or Corpus :-					
Balance as per last Balance Sheet		2,00,000	2,00,000		
Adjustment during the year (give details)		37,81,300			
Other earmarked Funds :-					
(Created under the provisions of the trust deed or scheme or out of the income)					
Depreciation Fund					
Sinking Fund					
Reserve Fund					
Any Other Fund	1	3,04,09,857	5,31,10,122		
Loans (Secured or Unsecured) :-					
From Trustees					
From Others					
Liabilities :-					
For Expenses	5	3,14,066	5,24,881		
For Advances					
For Rent & Other Deposits					
For Sundry Credit Balances		49,25,840	71,12,612		
Income and Expenditure Account :-					
Balance as per last Balance Sheet		4,05,83,036	3,28,99,002		
Less : Appropriation, if any			(1,35,91,572)		
Add : Surplus as per Income and expenditure account					
Less : Deficit as per Income and expenditure account		63,18,496	2,12,73,385		
Total Rs		7,38,95,603	10,15,28,400		
PROPERTY & ASSETS					
Immovable Properties :- (At Cost)					
Balance as per last Balance Sheet		2,00,000	2,00,000		
Additions during the year					
Less : Sales during the year					
Depreciation up to date		5,31,10,122			
Investments :-					
Note : The market value of the above investment is Rs. Nil.					
Furniture & Fixtures :-					
Balance as per last Balance Sheet					
Additions during the year					
Less : Deduction/Sales during the year					
Depreciation up to date					
Loans (Secured or Unsecured) : Good/doubtful					
Loans Scholarships					
Other Loans					
Advances :-					
To Trustees					
To Employees					
To Contractors					
To Lawyers					
To Others					
Income Outstanding :-					
Rent					
Interest					
Other Income					
Cash and Bank Balances :-					
(a) In Current Account with -					
Domestic bank account					
FCRA bank account					
(b) In Fixed Deposit Account					
(c) With the Trustee					
(d) With the Manager					
Income and Expenditure Account :-					
Balance as per Balance Sheet					
Less : Appropriation, if any					
Add : Deficit as per Income and Expenditure Account					
Less : Surplus Expenditure Account					
Total Rs		7,38,95,603	10,15,28,400		

The above Balance Sheet to the best of my/our belief contains a true account of the Funds and Liabilities and of the Property and Assets of the Trust As per our report of even date,
For Devesh K Shah & Co
Chartered Accountants
FRNO:112005W
Devesh K Shah
Proprietor
M. No. 039454



Place : Mumbai
Dated : 15 Sep 22
UDIN : 22039454MSLRW1523

[Handwritten Signature]
Shrutika Bahl
Trustee



[Handwritten Signature]
Neeraj Agarwala
Trustee

For Cuddles Foundation

Name of the Public Trust : CUDDLES FOUNDATION
 Income & Expenditure Account for the year ending : March 31, 2022

SCHEDULE - IX
 [vide Rule 17(1)]
 Registration No. : E29537(M)

EXPENDITURE	Notes	As at March 31, 2022		As at March 31, 2021		INCOME	Notes	As at March 31, 2022		As at March 31, 2021	
		Rs.	Rs.	Rs.	Rs.			Rs.	Rs.	Rs.	Rs.
To Expenditure in respect of properties :- Rates, Taxes, Cesses Repairs & Maintenance Salaries Insurance Depreciation Other Expenses	7	9,123,801 1,486,542 13,802,077	24,412,420	7,523,839 963,941 8,386,432	16,874,212	By Rent By Interest On Securities On Loans On Bank Account	9	2,863,649	2,863,649	3,267,875	3,267,875
To Establishment Expenses To Remuneration to Trustees		2,475,000	2,475,000	2,175,000	2,175,000	By Dividend					
To Remuneration (in the case of a math) to the head of the math, including his household expenditure, if any						By Donations in Cash or Kind	10	67,392,160	67,392,160	63,684,565	63,684,565
To Legal Fees						By Grants	11	82,977,469	82,977,469	53,740,039	53,740,039
To Audit Fees						By Income from other sources (in details as far as possible)	12	81,257	81,257	648,056	648,056
To Amount written off :- (a) Bad Debts (b) Loan Scholarship (c) Irrecoverable Rents (d) Other Items						By Transfer from Reserve					
To Miscellaneous Expenses						By Deficit carried over to Balance Sheet					
To Depreciation											
To Amount transferred to Reserve or Specific Funds											
To Expenditure on Objects of the Trust (a) Religious (b) Educational (c) Medical Relief (d) Relief of Poverty (e) Other Charitable Objects	8	132,745,611	132,745,611	81,017,928	81,017,928						
To Surplus carried over to Balance Sheet			159,633,031		121,340,535			6,318,496	159,633,031		121,340,535

As per our report of even date,
 For Devesh K. Shah & Co
 Chartered Accountants
 FRNo. 112005W
 Devesh K. Shah
 Proprietor
 M. No. 039454



Place : Mumbai
 Dated : 15 September 2022
 UDIN : 22039454ASLBW1523

For Cuddles Foundation
 Purnata Esh
 Trustee

Neeraj Agarwal
 Trustee

Place : Mumbai
 Dated : 15 Sep 22

Place : Mumbai
 Dated : 15 Sep 22



CUDDLES FOUNDATION

Registration No. - E29537(M)

Notes to Accounts for the year ended March 31,2022

1 **Other Earmarked Funds :-**
Any Other Fund

Particulars	As at March 31, 2022	As at March 31, 2021
Specific Purpose Grant	30,409,857	53,110,122
Total	30,409,857	53,110,122

3 **Advances :-**

Particulars	As at March 31, 2022	As at March 31, 2021
Advance to Vendors	37,345	77,999
Rent Deposit Delhi	8,000	8,000
Rent Deposit Lucknow	4,000	4,000
Rent Deposit Mumbai	260,000	260,000
Internet Charges	-	3,009
Interest Receivable	166,244	414,290
Hotel Expenses for annual training	320,000	320,000
Tax Deducted at Source	563,738	398,572
TCS receivable	186	-
Prepaid expense	867,642	483,805
Advance to Employees	49,000	-
Total	2,276,155	1,969,675

4 **Income Outstanding :-**
Other Income

Particulars	As at March 31, 2022	As at March 31, 2021
Sundry Debtors	1,681,458	962,626
Total	1,681,458	962,626



5 **Current Liabilities***Amount in Rs*

Particulars	Amount in Rs	
	As at March 31, 2022	As at March 31, 2021
Duties & Taxes	3,14,066	5,24,881
Provisions	30,72,316	29,11,923
Sundry Creditors	18,53,524	42,00,689
Total	52,39,906	76,37,494

6 **Cash and Cash Equivalents***Amount in Rs*

Particulars	Amount in Rs	
	As at March 31, 2022	As at March 31, 2021
Cash in Hand	11,316	11,316
Cash at Bank		
-Domestic Bank account	41,76,864	66,79,148
-FCRA Bank account	2,36,36,607	2,30,59,349
Fixed Deposit	3,72,70,726	6,55,19,612
Total	6,50,95,513	9,52,69,425



CUDDLES FOUNDATION

Registration No. - E29537(M)

Notes to Accounts for the year ended March 31,2022

7 **To Expenditure in respect of properties :-**

Other Expenses

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Staff Welfare Expenses	140,259	13,942
Professional fees	4,971,445	3,999,723
Legal Charges	8,371	3,700
Fund Raising Expenses	2,759,103	927,716
Bank Service charges	74,026	14,515
Transaction Charges	248,033	327,348
Stationery Expenses	146,306	51,266
Telephone Expenses	37,931	39,298
Travelling Expenses	344,130	55,468
Conveyance	134,826	102,725
Computer Expenses	131,847	148,260
Interest on TDS	10,884	1,891
Courier and Shipping Charges	100,318	-
New office charges	-	5,160
Other Expenses	4,666,166	2,688,157
Debit Balance written off	28,432	7,264
Total	13,802,077	8,386,432

8 **To Expenditure on Objects of the Trust**

Medical Relief

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries and Welfare	19,860,687	18,121,967
Nutritional Expenses	40,326,714	22,158,645
Rationing Expenses	43,780,069	27,573,469
Capacity Building	15,791,504	6,945,541
Courier Charges	1,406	-
Caregiver's Education	9,020,941	4,035,137
CICN expenses	723,304	594,439
Knowledge Building Expenses	(5,360)	499,025
Hygiene Cost	54,704	8,067
Conveyance Expenses	153,825	115,736
Program Administration expenses	124,322	130,144
Travelling Expenses	102,757	718
App development expenses	2,810,738	835,039
Total	132,745,611	81,017,928



9 **By Interest**
On Bank account

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest on Fixed Deposit	1,819,753	2,424,599
Interest on Savings Account(Domestic + FCRA)	1,043,896	843,276
Total	2,863,649	3,267,875

10 **By Donations in Cash or Kind**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<i>General Donation</i>		
-Domestic	50,725,818	55,968,909
-FCRA	16,666,342	7,715,656
Total	67,392,160	63,684,565

11 **By Grants**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
-Domestic	76,177,332	51,374,978
-FCRA	6,800,137	2,365,061
Total	82,977,469	53,740,039

12 **By Income from other sources**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Credit Balance Written Off	25,797	5,176
Interest on Income Tax refund	6,440	2,880
KBC Prize Money	-	640,000
Previous Period Income	49,020	-
Total	81,257	648,056



2 Fixed Assets

Amount in Rs

PARTICULARS	Rate (%)	W.D.V as at 1st April 2021	Additions (Rs)		Deductions (Rs)	Sub Total 31st March 2022	Depreciation For the Year	W.D.V as at 31st March 2022
			upto 02/10/2020	on or after				
TANGIBLE ASSETS								
Block I- Furniture & Fixtures								
Cupboard [Kolkota]	10%	8,590	-	-	-	8,590	859	7,731
Cupboard [Chandigarh]	10%	4,745	-	-	-	4,745	475	4,270
Cupboard [Lucknow]	10%	5,566	-	-	-	5,566	557	5,009
Frame	10%	3,847	-	-	-	3,847	385	3,462
Cupboard (Furniture & Fixture)	10%	28,186	-	-	-	28,186	2,819	25,367
Cupboard	10%	10,838	-	-	-	10,838	1,084	9,754
Cupboard	10%	9,579	-	-	-	9,579	958	8,621
Cupboard & accessories	10%	6,691	-	-	-	6,691	669	6,022
Cupboard	10%	15,293	-	-	-	15,293	1,529	13,764
Cupboard	10%	6,661	-	-	-	6,661	666	5,995
Furniture Expenses	10%	29,925	-	-	-	29,925	2,993	26,932
Office Equipment	10%	155,754	-	-	-	155,754	15,575	140,179
New Office Setup Charges	10%	424,047	-	-	-	424,047	42,405	381,642
Block II- Plant and Machinery								
Skin Fold Caliper (Equipment)	15%	28,137	-	-	-	28,137	4,220	23,917
Air conditioner	15%	-	-	73,961	-	73,961	5,547	68,414
Block III- Computer								
Computers & accessories	40%	270,564	242,520	160,230	-	673,314	237,279	436,035
Computers & accessories	40%	-	28,320	36,980	-	36,980	7,396	29,584
Computers & Accessories	40%	-	44,325	177,410	-	205,730	46,810	158,920
Tablets	40%	161,759	73,875	45,135	-	251,219	91,461	159,758
Tablets	40%	231,633	-	130,292	-	435,800	148,261	287,539
Tablets-Tab	40%	11,820	-	-	-	11,820	4,728	7,092
Block IV- New Tally Installed								
	25%	21,505	-	-	-	21,505	5,376	16,129
INTANGIBLE ASSETS								
Trademarks Charges	25%	81,000	-	-	-	81,000	20,250	60,750
Mobile App	25%	1,810,582	1,143,500	845,750	-	3,799,832	844,240	2,955,592
Total		3,326,721	1,532,540	1,469,758	-	6,325,020	1,486,542	4,842,478



CUDDLES FOUNDATION

Registration No. - E29537(M)

Notes to Accounts for the year ended March 31, 2022

11 Notes to Accounts

1 Significant accounting policies

a Basis of preparation of financial statements

Cuddles Foundation ('the Trust') is a charitable trust formed for the purpose of providing relief to the underprivileged in form of medical, educational and advancement of the objects of general utility. The trust deed was signed on 3rd October, 2012.

These financial statements have been prepared on accrual basis. These financial statements have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP) and the mandatory Accounting Standards (AS).

b Use of estimates

The preparation of financial statements in conformity with the generally accepted accounting principles ('GAAP') in India requires management to make estimates and assumptions that affect the reported amounts of income and expenses of the period, assets and liabilities and disclosures relating to contingent assets & contingent liabilities as of the date of the financial statements.

c Fixed Assets

Fixed assets are stated at the cost of acquisition including incidental costs related to acquisition and installation less accumulated depreciation. The actual cost capitalized includes material cost, freight, installation costs, duties and taxes, finance charges and other incidental expenses incurred during the construction / installation stage.

d Depreciation

Depreciation has been provided on Fixed Assets under Written Down Value method at the rates and in the manner prescribed under the Income Tax Act, 1961. Depreciation is provided in books on accrual basis.

e Recognition of Income/ Donation/ Grants

i) Donations are recognised on cash basis.

ii) Grants are recognised as receivable in accounts as and when it is reasonably assured that the grant will be received. Further, the grants recognised as income only when the grant is expended in accordance with terms associated with grant and the remaining balances of unexpended grant are reported under Unutilised grants as liability as per the Guidance Note issued by ICAI on 'Accounting for Not for profit organisation'.

iii) Interest income on fixed deposits is recognised on accrual basis.

f Income Tax

Income Tax and Deferred Tax asset / liability has not been recognised, due to the exemption available under Section 11 of the Income Tax Act, 1961.



Provisions and Contingencies

A provision is recognized when the Trust has a present obligation as a result of past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Trust or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. the Trust does not recognize a contingent liability but discloses its existence in the financial statements.

CUDDLES FOUNDATION

Registration No. - E29537(M)

Notes to Accounts for the year ended March 31, 2022

- 2 In the opinion of the board, current assets, Loans and Advances have a value on realisation in the ordinary course of the
- 3 The Current Year refers to the period April 01, 2021 to March 31, 2022 (Previous year refers to April 01, 2020 to March 31, 2021). The previous year figures have been regrouped, rearranged and reclassified wherever necessary to conform to this year's classification.

For Cuddles Foundation



Purnota Bahl
Trustee

Signed in Mumbai on




Neeraj Agarwala
Trustee

15th September 2022

For Devesh K Shah & Co
Chartered Accountants
FRNo.112005W



Devesh K Shah
Proprietor

M. No. 039454

Date: 15th September 2022

Place: Mumbai

UDIN: 22039454A SLBW1523

