

*INDIAN ASSOCIATION OF
INVESTMENT PROFESSIONALS*



FCRA AUDIT

MARCH 31, 2019

SAMPAT & MEHTA (Regd.)
chartered accountants

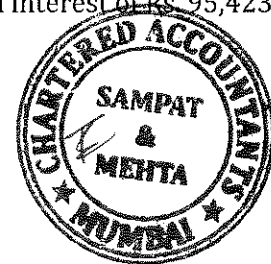
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URL : www.sampatmehta.com

To,
**The Board of Directors,
Indian Association of Investment Professionals**

Address:

702, 7th Floor,
A Wing, One BKC Tower,
G Block, BKC, Bandra (E),
Mumbai - 400 051.

1. We have audited the attached Balance Sheet as at 31st March 2019, Income & Expenditure Account and Statement of Receipt and Payment for the year ended on that date and a summary of significant accounting policies and other explanatory information annexed thereto of **Indian Association of Investment Professionals** ("the Association") having FCRA Registration No. 083781521 dated 9th August 2016 in so far as those pertain to its Foreign Contribution Regulation Account (FCRA).
2. The financial statements, prepared by the Association, with the books and records of the Association as produced to us for our examination. Preparing of financial statements in accordance with Foreign Contribution (Regulation) Act, 2010 (the 'Act') is the responsibility of the Association. Our responsibility is to verify these financial statements in accordance with the said Act.
3. Our examination was carried out in accordance with the Auditing Standards generally accepted in India and the Guidance Note on Audit Reports and Certificates for Special Purposes issued by the Institute of Chartered Accountants of India (ICAI).
4. Based on our examination as mentioned in paragraph 3 above and as per the information & explanations given to us, we certify that:
 - The brought forward balance of foreign contributions with the Association at the beginning of the financial year 2018-19, in FCRA Account No. 1012702043 with Kotak Mahindra Bank Rs. 1,106,373/- and Rs. 15,238,168/- (excluding accrued interest of Rs. 10,461/-) in Deposits with Kotak Mahindra Bank.
 - Foreign contribution amounting to Rs. 74,112,583/- was received during the year ended 31 March 2019, in FCRA Account No.1012702043 with Kotak Mahindra Bank.
 - Interest income of Rs. 2,018,688/- (excluding net accrued interest of Rs. 84,962/-) on foreign contribution received to the Association during the financial year ending 31st March, 2019.
 - The balance of unutilized foreign contribution with the Association as at financial year ending March 31, 2019 was Rs. 12,249,055/- in Bank Account No. 1012702043 with Kotak Mahindra Bank & Rs. 42,779,654/- (excluding accrued interest of Rs. 95,423/-) in Deposits with Kotak Mahindra Bank.



- The Association has maintained the accounts of foreign contribution and records relating thereto in the manner specified in Section 19 of Foreign Contribution (Regulation) Act, 2010 read with rule 17 of the Foreign Contribution (Regulation) Rules, 2011.
 - The information contained in the Balance Sheet and Statement of Receipt and Payment is correct to the best of our knowledge and belief.
 - The Association has utilized the foreign contribution received for the purpose(s) it is registered under Foreign Contribution (Regulation) Act, 2010.
5. This certificate has been issued at the request of the Association in the context of its obligation to submit Form FC 4 for the year ended 31st March 2019 to the Ministry of Home Affairs of India, and should not be used for any other purpose, without obtaining our prior written consent.

For Sampat & Mehta
Firm Registration No. 109031W
Chartered Accountants

Place: Mumbai
Date: December 13, 2019
UDIN: 19148777AAAAIC5127



Trushit Shah
Partner
Membership No: 148777

Indian Association of Investment Professionals - FCRA
Balance Sheet as at March 31, 2019

				Amount in ₹
		Note	As at March 31, 2019	As at March 31, 2018
I. SOURCES OF FUNDS				
1 <u>Members' Fund:</u>				
Corpus			2,17,79,654	1,52,38,168
Reserves & Surplus		3	3,43,25,855	4,77,589
			5,61,05,509	1,57,15,757
2 <u>Current Liabilities :</u>				
(a) Trade payables				
- Micro & Small Enterprises			-	-
- Others		4	3,90,876	9,17,229
(b) Other current liabilities		5	2,22,025	-
			6,12,901	9,17,229
			5,67,18,410	1,66,32,986
II. ASSETS :				
1 <u>Non Current Assets</u>				
(a) Property, plant & equipments		6	2,01,420	1,11,317
(b) Other non-current assets		7	1,35,41,486	1,52,38,168
			1,37,42,906	1,53,49,485
2 <u>Current Assets</u>				
(a) Cash and bank balances		8	4,14,87,222	11,06,373
(b) Short-term loans and advances		9	14,88,281	1,77,128
			4,29,75,503	12,83,501
			5,67,18,410	1,66,32,986
Significant Accounting Policies		2		

The notes form an integral part of the financial statements

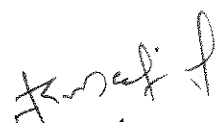
As per our report of even date

For Sampat & Mehta
Chartered Accountants

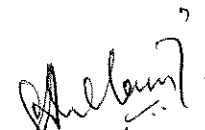
For and on behalf of Board of Directors
Indian Association of Investment Professionals - FCRA



Trushit Shah
Partner
Membership No. 148777



Navneet Munot
Director
DIN: 05247228



Anil Ghelani
Director
DIN: 05173838

Place: Mumbai

Date: December 13, 2019

Indian Association of Investment Professionals - FCRA
Statement of Income and Expenditure for the year ended March 31, 2019

	Note	Amount in ₹	
		Year ended March 31, 2019	Year ended March 31, 2018
I. Revenue	10	6,75,71,097	1,44,22,319
II. Other income	11	21,03,650	7,96,424
III. Total revenue (I + II)		6,96,74,747	1,52,18,743
IV. Expenses:			
Other expenses	12	3,54,81,164	1,91,60,036
Depreciation and amortization expense	6	3,45,317	193
Total expenses		3,58,26,481	1,91,60,229
V. Surplus / (Deficit) before Tax		3,38,48,266	(39,41,485)
VI. Tax expense:			
Current Tax		-	-
VIII. Surplus / (Deficit) for the year		3,38,48,266	(39,41,485)

Significant Accounting Policies

2

The notes form an integral part of the financial statements

As per our certificate of even date

For Sampat & Mehta
Chartered Accountants

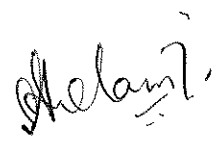
For and on behalf of Board of Directors
Indian Association of Investment Professionals - FCRA



Trushit Shah
Partner
Membership No. 148777



Navneet Munot
Director
DIN: 05247228



Anil Ghelani
Director
DIN: 05173838

Place: Mumbai

Date: December 13, 2019

Indian Association of Investment Professionals - FCRA
Statement of Receipt and Payment for the year ended March 31, 2019

<u>Receipts</u>	Year ended March 31, 2019	Year ended March 31, 2018
<u>To Opening Balance</u>		
Bank Balance	11,06,373	39,23,099
Fixed Deposit with Bank	1,52,38,168	1,53,10,952
To Donation received for Corpus	65,41,486	5,05,773
To Donation received for Grant	6,75,71,097	1,42,74,245
To Sponsorship Income	-	1,41,118
To Interest income on deposits and saving bank account (net)	20,18,688	7,85,963
	9,24,75,812	3,49,41,149
<u>Payments</u>		
<u>Direct program related expenses</u>		
By Events conferences & related expenses	2,69,93,084	1,47,76,227
<u>Administration expenses</u>		
By Administration expenses	1,04,54,019	38,20,381
<u>By Closing Balance</u>		
Bank Balance	1,22,49,055	11,06,373
Fixed Deposit with Bank	4,27,79,654	1,52,38,168
	9,24,75,812	3,49,41,149

Significant accounting policies

2

The notes above form an integral part of the financial statements

As per our certificate of even date

For Sampat & Mehta
Chartered Accountants

For and on behalf of Board of Directors
Indian Association of Investment Professionals



Trushit Shah
Partner
Membership No. 148777



Navneet Munot
Director
DIN: 05247228



Anil Ghelani
Director
DIN: 05173838

Place: Mumbai

Date: December 13, 2019

Indian Association of Investment Professionals - FCRA
Notes forming part of the financial statements

1. Corporate Information

Indian Association of Investment Professionals ("The Company") is incorporated to provide a forum to investment professional and holders of the Chartered Financial Analyst (CFA) designation in India to regularly meet and discuss matters of mutual interest and fulfill their professional aspirations, discuss matters of public interest relating to the field of finance.

The Company was incorporated on March 31, 2005 vide certificate of incorporation no. U 91990 MH 2005 GAP 152320 issued by the Registrar of Companies, Maharashtra.

The Company Limited by Guarantee and not having Share Capital.

The Association is registered under Foreign Contribution Regulation Act 2010 vide registration no 083781521 dated 9th August 2016 issued by the Ministry of Home Affairs of India.

2. Significant Accounting Policies

2.1 Basis of preparation of financial statements

The financial statements comprising the Balance Sheet and the Income and Expenditure account are prepared under the historical cost convention, on accrual basis of accounting. In the absence of any authoritatively established accounting principles for the specialized aspects related to the association which do not carry any commercial activity. These financial statement have been prepared in accordance with the significant accounting policies as described below.

2.2 Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as of the date of the financial statements and the reported amounts of revenue and expenses during the reported period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial statements. Actual results may differ from the estimates used in preparing the accompanying financial statements. Any revision to accounting estimates is recognized prospectively in current and future periods.

2.3 Revenue Recognition

Grants received by the Company are recognized as income in the year of receipt.

Conference/event fees is accounted when conference/event is held and when there is no uncertainty for ultimate collection of payment

Interest Income is recognize on time proportion basis taking in to account the amount outstanding and rate applicable.

2.4 Foreign Currency Transaction

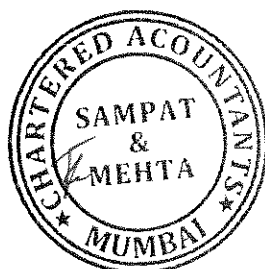
Transaction in foreign currencies are accounted at the exchange rate prevailing on the date of transaction. Gain and losses resulting from the settlement of such transactions and from the translation from monetary assets and liabilities denominated in foreign currencies are recognised in the income and expenditure account.

2.5 Property, Plant & Equipments

Property, Plant & Equipment's are stated at cost, less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any incidental cost of bringing the asset to its working condition for its intended use.

Depreciation is provided on a pro-rata basis on the written down value method over the estimated useful life of the assets. Useful life of the asset is taken, as specified in Schedule II of the Companies Act, 2013, as under.

Asset	Useful life
Computers (desktops, laptops)	3 years
Plant and Machinery	15 years



Indian Association of Investment Professionals - FCRA
Notes forming part of the financial statements

2.6 Impairment of Assets

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the asset no longer exists or has decreased. However, the increase in carrying amount of an asset due to reversal of an impairment loss is recognized to the extent it does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognized for the asset in prior years.

2.7 Leases

Lease transactions are accounted in accordance with Accounting Standard 19- Leases prescribed by Companies (Accounting Standards) Rules, 2006.

Leases where the lessor effectively retain substantially all the risk and benefits of the leased item are classified as operating leases. Operating lease payments/income are recognised as an expense/income on straight line basis in the statement of profit and loss

2.8 Current and deferred tax

Tax expenses for the period, comprising current tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws.

Current tax assets and liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Firm has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

Minimum alternate tax credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each balance sheet date and the carrying amount of the MAT credit is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

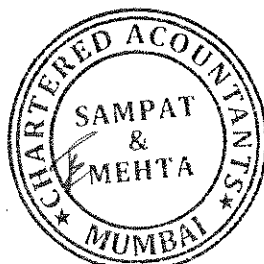
2.9 Provisions, Contingent Assets and Contingent Liabilities

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed. Provision is not discounted to its present value.

A disclosure for a contingent liability is made when there is a possible obligation arising from the past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

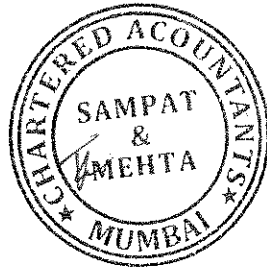
Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

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Indian Association of Investment Professionals - FCRA
Notes forming part of the financial statements

	As at March 31, 2019	Amount in ₹ As at March 31, 2018
3 <u>Reserves & Surplus</u>		
<u>Statement of Income & Expenditure</u>		
At the beginning of the year	4,77,589	44,19,074
Surplus / (Deficit) for the year	3,38,48,266	(39,41,485)
	3,43,25,855	4,77,589
4 <u>Trade payables</u>		
Payables for services received - Others	3,90,876	9,17,229
	3,90,876	9,17,229
<p>The Company has not received any intimation from its vendor regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, required under the said act has not been made.</p>		
5 <u>Other Current Liability</u>		
<u>Statutory dues</u>		
Tax deducted at sources	2,17,509	-
Goods and Service tax (net)	4,516	-
	2,22,025	-

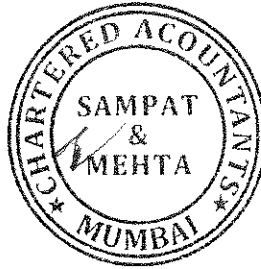


Indian Association of Investment Professionals - FCRA
Notes forming part of the financial statements

6 Property, plant & equipments

Amount in ₹

<u>Owned assets</u>	<u>Computers</u>	<u>TOTAL</u>
<u>Cost</u>		
At the beginning of the year as at April 1, 2018	1,11,510	1,11,510
Additions	4,35,420	4,35,420
Disposals	-	-
At the end of the year as at March 31, 2019	5,46,930	5,46,930
<u>Accumulated Depreciation</u>		
At the end of the year as at March 31, 2018	193	193
Charge for the year	3,45,317	3,45,317
Disposals	-	-
At the end of the year as at March 31, 2019	3,45,510	3,45,510
<u>Net block</u>		
As at 31 March 2019	2,01,420	2,01,420
As at 31 March 2018	1,11,317	1,11,317

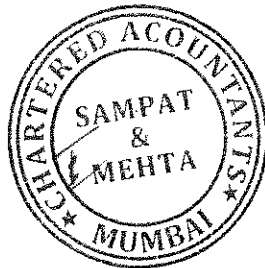


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Indian Association of Investment Professionals - FCRA
Notes forming part of the financial statements

	As at March 31, 2019	Amount in ₹ As at March 31, 2018
7 <u>Other non-current assets</u>		
Deposits with banks with maturity period of more than 12 months	1,35,41,486	1,52,38,168
	1,35,41,486	1,52,38,168
8 <u>Cash and bank balances</u>		
<u>Cash and cash equivalents</u>		
Balance with Banks	1,22,49,055	11,06,373
<u>Other balances with bank</u>		
Deposits with banks with original maturity period more than 3 months but maturity period less than 12 months	2,92,38,168	-
	4,14,87,222	11,06,373
9 <u>Short-term loans and advances</u>		
<u>Other loans and advances</u> <i>(unsecured, considered good)</i>		
Interest accrued on deposit	95,423	10,461
Prepaid expenses	5,33,200	1,66,667
Advances to vendor	8,59,659	-
	14,88,281	1,77,128



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Indian Association of Investment Professionals - FCRA
Notes forming part of the financial statements

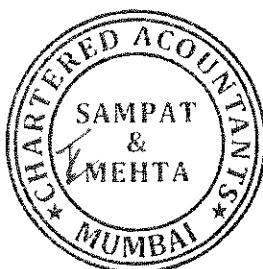
	Year Ended March 31, 2019	Amount in ₹ Year Ended March 31, 2018
10 Revenue		
Grants	6,75,71,097	1,42,80,254
Sponsorship Income	-	1,42,065
	6,75,71,097	1,44,22,319
11 Other Income		
Interest income	5,87,560	1,21,338
Interest on deposits (net)	15,16,090	6,75,086
	21,03,650	7,96,424
12 Other expenses		
<u>Events, Conference and other related expenses</u>		
Food and venue	1,35,28,345	71,95,260
Professional fees	25,67,841	12,35,397
Travel expenses	20,23,854	9,23,736
Event management fees	20,68,767	17,57,383
Printing and stationery	31,91,767	16,28,949
Others	20,13,103	27,34,755
Professional fees	49,18,159	16,80,092
Insurance	2,74,685	1,22,263
Office expenses	14,48,183	5,15,566
Rent expenses (HO related)	17,04,603	9,38,715
Electricity Expenses (HO related)	2,51,497	1,90,225
Other Expenses (HO related)	10,29,000	80,955
Conveyance	4,06,843	1,07,551
Bank charges	28,279	11,960
Interest on late payment of statutory dues	26,236	15,920
Excess payment of service tax of earlier year	-	21,310
	3,54,81,164	1,91,60,036

13 Previous year's figures have been regrouped / rearranged wherever necessary and possible.

14 In terms of provision of Section 12AA (1)(b)(i) of the Income Tax Act, 1961 the Director of Income Tax (Exemption), Mumbai vide its letter dated 26 August, 2009 provided exemption to the Association from payment of income tax.

15 The contingent liability as at March 31, 2019 is Rs. Nil (2018 : Rs. Nil).

For and on behalf of Board of Directors
Indian Association of Investment Professionals



Navneet Munot
Navneet Munot
Director
DIN: 05247228

Anil Ghelani
Anil Ghelani
Director
DIN: 05173838

