

INDEPENDENT AUDITORS' REPORT

To the Members of **Headstreams**,

Opinion

We have audited the financial statements of **Headstreams – Foreign Contribution**, which comprise the Balance Sheet at March 31, 2022, Income and Expenditure Account and the Receipts & Payments Account for the year then ended and notes to the financial statements, which have been prepared on the cash basis of accounting, except for Project ('s) which are due to be closed at the end of the year, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the entity as at March 31, 2022 and of its financial performance for the year then ended in accordance with the accounting principles generally accepted in India for cash basis of accounting, except for Project ('s) which are due to be closed at the end of the year.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the ICAI. 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 entity in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India, and we have fulfilled our ethical responsibilities in accordance with these Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 accounting principles generally accepted in India for cash basis of accounting, except for Project ('s) which are due to be closed at the end of the year 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.

Auditors' Responsibility 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.

A further description of the auditors' responsibilities for the audit of the financial statements is attached to this report as **Annexure 1**. This description forms part of our auditors' report.

For Simon Rodrigues & Associates LLP
Chartered Accountants
Firm Registration No. 007934S/S000065

Thomas Mathai
Partner

ICAI Membership No. 052141

UDIN: **22052141AUUBBK8789**



Place: Bangalore

Date: 17th September, 2022

Annexure 1

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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."
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 entity'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.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.



HEADSTREAMS - FOREIGN CONTRIBUTION ACCOUNT

Balance Sheet as on 31st March 2022

LIABILITIES	Sch No	As on 31.03.2022	As on 31.03.2021	A S S E T S	Sch No	As on 31.03.2022	As on 31.03.2021
General Fund	1	18,38,009	22,89,269	Property, Plant and Equipment	4	13,23,239	15,89,729
Donors Fund	2	13,46,307	-	Other Current Assets	5	4,04,908	4,12,546
Current Liabilities	3	1,45,707	-	Cash and Bank Balances		690	433
				Cash in Hand		6,651	2,86,561
				Cash at Bank		15,94,535	-
				Axis Bank - 22462			
				State Bank of India- 74801			
TOTAL		33,30,023	22,89,269	TOTAL		33,30,023	22,89,269

Summary of significant accounting policies (Note no.10)

The accompanying notes are integral part of the Financial Statement

As per our report of even date attached
For Simon Rodrigues & Associates LLP
Chartered Accountants

Firm Regn No: 0079345/S0000065

Thomas Mathai

Thomas Mathai
Partner

Membership No : 052141

Date : September 17th, 2022

Place : Bangalore



For HEADSTREAMS - FOREIGN CONTRIBUTION ACCOUNT

Dr. Cheriyan Alexander

Dr. Cheriyan Alexander
President

Ms. Nitya Thomas

Ms. Nitya Thomas
Treasurer

Dr. Naveen I Thomas

Dr. Naveen I Thomas
Secretary

HEADSTREAMS - FOREIGN CONTRIBUTION ACCOUNT

Income & Expenditure account for the Year ended 31st March 2022

EXPENDITURE	Sch No	Year ended 31st March 2022	Year ended 31st March 2021	INCOME	Sch No	Year ended 31st March 2022	Year ended 31st March 2021
To Expenditure	6	7,40,116	1,51,690	By Income	7	19,01,653	2,51,520
To Depreciation	4	2,66,491	3,36,772				
To Excess of Income over Expenditure/ (Excess of Expenditure over Income)		8,95,047	(2,36,942)				
TOTAL		19,01,653	2,51,520	TOTAL		19,01,653	2,51,520

Summary of significant accounting policies (Note no. 10)

The accompanying notes are integral part of the Financial Statement

As per our report of even date attached

For Simon Rodrigues & Associates LLP

Chartered Accountants

Firm Regn No: 0079345/S000065

Thomas Mathai
Partner

Membership No : 052141

Date : September 17th, 2022

Place : Bangalore



For HEADSTREAMS - FOREIGN CONTRIBUTION ACCOUNT

Dr. Chiryan Alexander
President

Ms. Nitya Thomas
Treasurer

Dr. Naveen I Thomas
Secretary

HEADSTREAMS - FOREIGN CONTRIBUTION ACCOUNT

Receipts & Payments accounts for the Year ended 31st March 2022

RECEIPTS	Sch No	FY 2021-22	FY 2020-21	PAYMENTS	Sch No	FY 2021-22	FY 2020-21
To Opening Balance				By Expenditure	9	5,89,183	1,51,690
Cash in Hand		433	433	By Programme Advance		-	3,120
Cash at Bank		2,86,561	1,89,851	By Closing Balance		690	433
Axis Bank -22462				Cash in Hand		6,651	2,86,561
To Programme Advance		3,120	-	Cash at Bank		15,94,535	-
				Axis Bank -22462			
To Income	8	19,00,945	2,51,520	State Bank of India- 74801			
TOTAL		21,91,059	4,41,804	TOTAL		21,91,059	4,41,804

Summary of significant accounting policies (Note no.10)

The accompanying notes are integral part of the Financial Statement

As per our report of even date attached
For Simon Rodrigues & Associates LLP
Chartered Accountants

Firm Regn No: 007934S/S000065


Thomas Mathai
Partner

Membership No : 052141

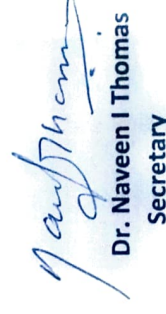
Date : September 17th, 2022

Place : Bangalore




Dr. Chériyan Alexander
President


Ms. Nitya Thomas
Treasurer


Dr. Naveen I Thomas
Secretary

For HEADSTREAMS - FOREIGN CONTRIBUTION ACCOUNT

HEADSTREAMS - FOREIGN CONTRIBUTION ACCOUNT

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To Opening Balance							
Cash in Hand		433	433	By Expenditure	9	5,89,183	1,51,690
Cash at Bank				By Programme Advance		-	3,120
Axis Bank -22462		2,86,561	1,89,851				
To Programme Advance							
		3,120	-	By Closing Balance		690	433
				Cash in Hand			
To Income	8	19,00,945	2,51,520	Cash at Bank		6,651	2,86,561
				Axis Bank -22462		15,94,535	-
				State Bank of India- 74801			
TOTAL		21,91,059	4,41,804	TOTAL		21,91,059	4,41,804

Summary of significant accounting policies (Note no.10)

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As per our report of even date attached

For Simon Rodrigues & Associates LLP

Chartered Accountants

Firm Regn No: 007934S/5000065

Thomas Mathai

Thomas Mathai

Partner

Membership No : 052141

Date : September 17th, 2022

Place : Bangalore



For HEADSTREAMS - FOREIGN CONTRIBUTION ACCOUNT

Dr. Chériyan Alexander

Dr. Chériyan Alexander

President

Ms. Nitya Thomas

Ms. Nitya Thomas

Treasurer

Dr. Naveen I Thomas

Dr. Naveen I Thomas

Secretary

Schedule 1 : Capital Account

Particulars	As on 31st March 2022	As on 31st March 2021
General Fund	22,89,269	25,26,212
Add: Excess of Income Over Expenditure /	8,95,047	(2,36,942)
Less : (Excess of Expenditure Over Income)		
Less: Transfer to Donors Fund		
a) Atlassian Foundation	(2,19,174)	-
b) Charities Aid Foundation of America (CAF)	(3,92,133)	-
c) GiveToAsia	(7,35,000)	-
TOTAL	18,38,009	22,89,269

Schedule 2: Donors Fund

Particulars	As on 31st March 2022	As on 31st March 2021
(I) Atlassian Foundation		
a) Opening	-	-
b) Transfer from General fund to Donor Fund	2,19,174	-
Sub-Total (A)	2,19,174	
(II) Charities Aid Foundation of America (CAF)		
a) Opening	-	-
b) Transfer from General fund to Donor Fund	3,92,133	-
Sub-Total (B)	3,92,133	
(III) GiveTOAsia		
a) Opening	-	-
b) Transfer from General fund to Donor Fund	7,35,000	-
Sub-Total (C)	7,35,000	
TOTAL (A+B+C)	13,46,307	-

Schedule 3 : Current Liabilities

Particulars	As on 31st March 2022	As on 31st March 2021
Duties & Taxes		
9-Misc:01-Professional Tax (PT)	200	-
9-Misc:04-Provident Fund	7,200	-
TDS payable u/s 194J	4,200	-
Payment Payable		
Anu Akka's Tackle Kit Expenses	92,907	-
CAF - Facilitator's Cost	41,200	-
TOTAL	1,45,707	-

For Headstreams

Reena Alexander
President



For HEADSTREAMS

Atul
Treasurer

For HEADSTREAMS

Paul Thomas
Secretary

Schedule 4 : Property, Plant and Equipment

PARTICULARS	WDV as on 01.04.2021	Additions during the year		DELETIONS	T O T A L	Rate of Depreciation	DEPRECIATION	WDV as on 31.03.2022
		Ist Half	IInd Half					
Furniture	38,818	-	-	-	38,818	10%	3,882	34,936
Android Tablets	12,72,245	-	-	-	12,72,245	15%	1,90,837	10,81,408
Android Tablets for Field Staff	49,249	-	-	-	49,249	15%	7,387	41,862
Office Equipment - UPS	24,025	-	-	-	24,025	15%	3,604	20,422
Charging units For Multiple Tablets	20,771	-	-	-	20,771	15%	3,116	17,655
Office Equipment (General)	16,212	-	-	-	16,212	15%	2,432	13,780
White Board & Notice Board	12,240	-	-	-	12,240	15%	1,836	10,404
CCTV	8,619	-	-	-	8,619	15%	1,293	7,326
Speakers	6,751	-	-	-	6,751	15%	1,013	5,738
Earphones	5,706	-	-	-	5,706	15%	856	4,850
Mobile	5,068	-	-	-	5,068	15%	760	4,308
Fridge	3,710	-	-	-	3,710	15%	557	3,154
Table Fan	3,037	-	-	-	3,037	15%	456	2,582
Wacom Mouse Pad	1,773	-	-	-	1,773	15%	266	1,507
Database server	1,043	-	-	-	1,043	15%	156	886
Electrical Equipment - Stabilizer	573	-	-	-	573	15%	86	487
Office Equipment - Laptops	3,725	-	-	-	3,725	40%	1,490	2,235
Office Equipment - Computers	6,774	-	-	-	6,774	40%	2,710	4,065
Printers	216	-	-	-	216	40%	86	130
Knowledge Assessment software/Apps	73	-	-	-	73	40%	29	44
Buying / Processing Education Apps	1,09,101	-	-	-	1,09,101	40%	43,640	65,461
TOTAL	15,89,729	-	-	-	15,89,729		2,66,491	13,23,239
Previous Year	19,26,501	-	-	-	19,26,501		3,36,772	15,89,729

For Headstreams
Renu A. S. S. S.
President



For HEADSTREAMS
Renu A. S. S. S.
Secretary

For HEADSTREAMS
Renu A. S. S. S.
Secretary

Schedule 5 :Other Current Assets

Particulars	As on 31st March 2022	As on 31st March 2021
1 - AD: 5.6 - Training Centre Rental Deposit	4,00,000	4,00,000
1-AD Programe Advance	-	3,120
Funds Towards Conferences / Seminars	-	9,426
Receivable from Tesseræ	4,200	-
Accrued Interest for FY 2021-22	708	-
TOTAL	4,04,908	4,12,546


Schedule 6 : Expenditure

Particulars	FY 2021-22	FY 2020-21
Program Expenses		
Program Expenses - FCRA	9,426	1,51,672
Anu Akka's Tackle Kit Expenses	1,25,813	-
CAF - Expenses	2,32,393	-
Atlassian Expenses	1,40,244	-
Donation refunded by Bank	1,99,832	-
Admin Expenses		
General Expenses-FCRA	27,643	-
Bank Charges	3,390	18
Provident Fund Admin Charge	1,375	-
TOTAL	7,40,116	1,51,690

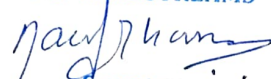
Schedule 7 : Income

Particulars	FY 2021-22	FY 2020-21
Donation	18,77,592	2,43,281
Interest - State Bank of India	20,952	-
Interest - Axis Bank	3,109	8,239
TOTAL	19,01,653	2,51,520

For Headstreams


 President


For HEADSTREAMS


 Secretary

For HEADSTREAMS


 Treasurer

Schedule 8 : Income(R&P)

Particulars	FY 2021-22	FY 2021-22
Donation	18,77,592	2,43,281
Interest - State Bank of India	20,244	-
Interest - Axis Bank	3,109	8,239
TOTAL	19,00,945	2,51,520

Schedule 9 : Expenditure (R&P)

Particulars	FY 2021-22	FY 2021-22
Program Expenses		
CAF - Expenses	1,83,793	-
Atlassian Expenses	1,40,244	-
Program Expenses - FCRA	-	1,51,672
Anu Akka's Tackle Kit Expenses	32,906	-
Donation refunded by Bank	1,99,832	-
Admin Expenses		
General Expenses-FCRA	27,643	-
Bank Charges	3,390	18
Provident Fund Admin Charge	1,375	-
TOTAL	5,89,183	1,51,690



For Headstreams

Arjun Alexander
President

For HEADSTREAMS

Nitya
Treasurer

For HEADSTREAMS

Nauf Phome
Secretary

NOTES TO ACCOUNTS (Note no.10)
FOREIGN ACCOUNT
HEADSTREAMS


BACKGROUND OF ENTITY

Headstreams is a society registered under Karnataka Society's Registration Act, 1960 on 31.05.2008 with its registration SJN-S92-2008-09 to carry out various activities which are elaborated below.

The broad approaches employed by society are:

1. To promote self-reliance and facilitate development of the economically and socially deprived, needy, disadvantaged or marginalised people through community organisation, action and support services.
2. To advance knowledge and awareness on health, education, environment, disaster and developmental issues through research, training and communication.
3. To mobilise resources and further co-operation among individuals, groups, voluntary agencies and other bodies for advancing the development of the economically and socially deprived, needy, disadvantaged or marginalised people.
4. To undertake and/or assist in activities, programmes and projects among the economically and socially deprived, needy, disadvantaged or marginalised people and communities affected by natural/ human-made calamities, by itself or in collaboration with others.
5. To dialogue and participate with development planners, decision-makers and administrators or other bodies to enable the formulation and implementation of community-oriented policies.
6. To institute and administer grants and Loans for education, marriage, medical expenses and other life events for the economically and socially deprived needy, disadvantaged or marginalised people.
7. To establish, maintain and/ or administer institutions for the promotion of development, health, education, environment and/or welfare of the economically and socially deprived, needy, disadvantaged and marginalised people.
8. To collaborate with and /or support other institutions, organisations and groups including the Government by different means including, but not restricted to conducting evaluations, providing consultancy services and financial support.
9. To edit, translate, publish and disseminate literature of such nature as to further the objectives of the society.
10. To establish, maintain and/or administer a resource centre in development, health, education and environmental issues.


-> The Society has provisional registration under 01-Sub clause (i) of clause (ac) of sub -section (1) of section 12A "Amended Section 12AB" of the Income Tax Act, 1961, with unique registration number " AAAAH3308KE20214" dated 28-05-2021 which is valid from Assessment Year 2022-23 to Assessment Year 2026-27 (Earlier Registered under Section 12AA which was valid till Assessment Year 2021-22 is with Reg No.DIT(E)BLR/12A/H-453/AAAAH3308K/ITO(E)-1/Vol 2008-09 dated 19/03/2008 w.e.f. AY. 2009-2010 in the status of Charitable Trust).

For Headstreams

Resident



For HEADSTREAMS

Treasurer

For HEADSTREAMS

Secretary

-> The Society also has provisional approval under 11-Clause (i) of first proviso to sub-section (5) of section 80G "Amended Section 80G" of the Income Tax Act, 1961, with unique registration number "AAAAH3308KF20214" dated 28-05-2021 which is valid from Assessment Year 2022-23 to Assessment Year 2026-27 (Earlier Registered under Section 80G with Reg No.DIT(E)BLR/80G/761/AAAAH3308K/ITO(E)-1Vol 2008-2009 dated 19/03/2009).

-> The society had received permission from the Ministry of Home Affairs under the Foreign Contribution (Regulation) Act, 2010 to accept foreign contributions. The organization has been registered for carrying out Social activities with the registration number 094421506 last renewed on 11-07-2017.

Current FCRA Certificate Validity: From 06/07/2017 to 30/09/2022 (FCRA Renewal applied on 28/01/2022 with MHA File No. 6900292022, the current status of renewal application as on the balance sheet date is "Under Process").

SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST MARCH 2022

(a) METHOD OF ACCOUNTING

The Society maintains its accounts on Cash basis of accounting, except for Project ('s) which are due to be closed as at the end of the year.

(b) GRANTS - The unspent balance out of grants received from donors to be spent in accordance with the relevant agreement / refundable to them is reflected as a liability in their accounts

(c) PROPERTY, PLANT AND EQUIPMENT & DEPRECIATION

Property, plant and equipment are carried cost of acquisition or construction less accumulated depreciation. Cost comprises the purchase price and any cost attributable to bring the asset to its working condition for its intended use.

Depreciation on all Fixed Assets is provided under the Written-Down-Value Method As per the Income Tax Act, 1961.

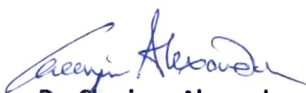
(d) TAXATION

The society is registered under Section 12AB of the Income Tax Act, 1961 and hence is exempt from taxes on income when they are applied for charitable purposes.

(e) PREVIOUS YEAR FIGURES

Previous year figures have been rearranged wherever necessary so as to make them comparable with the current year figures.

For Headstreams



Dr. Cheriyan Alexander
President



Ms. Nitya Thomas
Treasurer



Dr. Naveen I Thomas
Secretary

Date: September 17th, 2022

Place: Bangalore

