

Financial Statements and Auditors' Report
Pratham Delhi Education Initiative

31 March 2024

Walker Chandiook & Co LLP

Walker Chandiook & Co LLP

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Independent Auditor's Report

To the Trustees of Pratham Delhi Education Initiative

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Pratham Delhi Education Initiative ('the Trust'), which comprise the Balance Sheet as at 31 March 2024, the Statement of Income and Expenditure, and notes to the accompanying financial statement including a summary of the significant accounting policies and other explanatory information.
2. 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, including the Accounting Standards issued by the Institute of Chartered Accountants of India ('ICAI'), to the extent applicable and accounting principles generally accepted in India of the state of affairs of the Trust as at 31 March 2024, and its surplus for the year ended on that date.

Basis of Opinion

3. 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 Trust in accordance with the Code of Ethics issued by the ICAI and we have fulfilled our ethical responsibilities in accordance with the 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 Trustees for the Financial Statements

4. The Management is responsible for preparation and presentation of these financial statements that give a true and fair view of the state of affairs, results of operations and cash flows of the Trust in accordance with the Accounting Standards issued by the ICAI {to the extent applicable} and other accounting principles generally accepted in India. This responsibility also includes design, implementation and maintenance of adequate internal controls 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.
5. In preparing the financial statements, the management is responsible for assessing the Trust'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 the management either intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.



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Independent Auditor's Report to the members of Pratham Delhi Education Initiative on the financial statements for the year ended 31 March 2024 (cont'd)

Auditor's Responsibilities for the Audit of the Financial Statements

6. 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.
7. 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 whether the Trust has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls;
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 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 Trust to cease to continue as a going concern; and
 - 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.
8. We communicate with the 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.



Walker Chandiook & Co LLP

Independent Auditor's Report to the members of Pratham Delhi Education Initiative on the financial statements for the year ended 31 March 2024 (cont'd)

Restriction on distribution or use

9. The accompanying financial statements have been prepared solely for the information and use of the management only in accordance with the Trust Deed 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 care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For **Walker Chandiook & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013



Kartik Gogia

Partner

Membership No.: 512371

UDIN: - 24512371BKFEXC7693



Place: New Delhi

Date: 21 September 2024

Pratham Delhi Education Initiative
Balance Sheet as at 31 March 2024

(All amounts are in ₹, unless otherwise stated)

Particulars	Notes	As at 31 March 2024	As at 31 March 2023
Sources of funds			
Funds			
Corpus fund	4	17,44,300	17,24,300
Restricted fund	5	93,904	7,52,236
General fund	6	81,84,150	26,22,515
		<u>1,00,22,354</u>	<u>50,99,051</u>
Current liabilities			
Trade payables	7		
Total outstanding dues of micro enterprises and small enterprises; and Total outstanding dues of creditors other than micro enterprises and small enterprises		1,63,262	1,08,000
Other current liabilities	8	15,828	14,613
		<u>1,79,090</u>	<u>1,22,613</u>
		<u>1,02,01,444</u>	<u>52,21,664</u>
Application of funds			
Non-current assets			
Property, plant and equipment			
Tangible assets	9	4,17,315	3,71,261
		<u>4,17,315</u>	<u>3,71,261</u>
Current assets			
Cash and bank balances			
Loans and advances	10	86,66,424	38,21,893
Other current assets	11	10,27,046	9,44,790
	12	90,659	83,720
		<u>97,84,129</u>	<u>48,50,403</u>
		<u>1,02,01,444</u>	<u>52,21,664</u>

The accompanying notes are an integral part of the financial statements

1 to 19

As per our report of even date attached.

For **Walker Chandio & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013


Kartik Gogia

Partner

Membership No.: 512371



For and on behalf of the Board of Trustees of
Pratham Delhi Education Initiative


Praveen Kumar Tripathi
Managing Trustee


Jajaluddin
Program Director


Divya Jalan
Trustee


Vijay Kumar
Chief Accountant

Place: New Delhi

Date: 21 September 2024

Place: New Delhi

Date: 21 September 2024



Pratham Delhi Education Initiative
Statement of Income And Expenditure for the year ended 31 March 2024
 (All amounts are in ₹, unless otherwise stated)

Particulars	Notes	For the year ended 31 March 2024	For the year ended 31 March 2023
Income			
Donations			
Other income	13	1,93,35,428	96,23,894
Total income	14	<u>4,94,019</u>	<u>1,24,734</u>
		1,98,29,447	97,48,628
Expenditure			
Expenses on programme initiatives			
Employee benefit expense	15	32,99,749	31,07,112
Depreciation expense	16	1,01,47,095	59,13,019
Other expenses	9	1,35,796	80,183
Total expenditure	17	<u>6,85,172</u>	<u>6,28,410</u>
		1,42,67,812	97,28,724
Surplus for the year		55,61,635	19,904

The accompanying notes are an integral part of the financial statements

1 to 19

As per our report of even date attached.

For **Walker Chandiook & Co LLP**
 Chartered Accountants
 Firm's Registration No.: 001076N/N500013

For and on behalf of the Board of Trustees of
Pratham Delhi Education Initiative


Kartik Gogia
 Partner
 Membership No.: 512371




Praveen Kumar Tripathi
 Managing Trustee


Divya Jalan
 Trustee


Jajaluddin
 Program Director


Vijay Kumar
 Chief Accountant

Place: New Delhi
 Date: 21 September 2024

Place: New Delhi
 Date: 21 September 2024



Note 1 : Background and Significant accounting policies

Pratham Delhi Education Initiative ('the Trust') was registered as a trust on 1 September 2003. The Trust has been granted an exemption under Section 12A of the Income Tax Act, 1961, vide letter no. DIT(E)/2000-2001/P-633/2000/297 dated 28 August 2000. The exemption has been granted with effect from 22 April 2000. Consequently, the aforesaid certificate was renewed w.e.f. 01 April 2022 vide application No. 568542750240921 dated 2 October 2021. The Trust has been registered under the Foreign Contribution (Regulation) Act, 1976 for carrying out activities of educational nature with registration no. 231660141 vide letter no. II/21022/83(33)/2001 – FCRA, III dated 21 June 2001. Consequently, the aforesaid certificate was renewed w.e.f. 1 November 2016 vide letter No. 0300056512016 for the period of 5 years. It was further renewed w.e.f 1 January 2022 vide letter No. 0300005172020 dated 15 December 2021 in accordance with Section 16 of The Foreign Contribution (Regulation) Act 2010 for the period of another 5 years.

The main object of the Trust is to work towards the universalization of good education primarily in the National Capital Region and adjacent areas for all children at least upto the age of fourteen.

Note 2 : Significant accounting policies

a. Basis of preparation of financial statements

The financial statements of the Trust have been prepared under the historical cost convention on the accrual basis of accounting in accordance with the applicable accounting standards and Technical Guide on accounting for Not-for-Profit Organizations (NPOs) issued by the Institute of Chartered Accountants of India and the Generally Accepted Accounting Principles ("GAAP") in India, to the extent applicable/considered relevant by the management.

b. Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods. Contingencies are recorded when it is probable that a liability will be incurred, and the amount can be reasonably estimated.

c. Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation. The cost of property, plant and equipment includes taxes, duties, freight and other incidental expenditure related to acquisition and installation.

d. Depreciation

Depreciation on all property, plant and equipment is provided using the written down value method as per the estimated useful life of the assets which coincides with the rates prescribed by the Income Tax Act, 1961.

Assets costing less than Rs. 5,000 individually have been fully depreciated in the year of purchase.

e. Recognition of grants and donations

Corpus fund

Corpus fund relates to funds contributed by the founder members at the time of incorporation and donation received with the direction to be included as a part of the Corpus.

Restricted funds

The Trust receives funds which are restricted in nature from foreign and domestic sources. Revenue from restricted funds is recognized during the year in the Income and Expenditure Account to match the related expenditure. The balance amount is carried forward in the restricted fund for use in future periods. Grant related to depreciable assets are transferred to the capital asset fund as and when the property, plant and equipment are purchased. Depreciation of these property, plant and equipment is debited to the capital asset fund through the Income and Expenditure Account.

Specific purpose grants are received for projects funded by donors and are accounted for based on receipt as a separate fund. The expenses against such grants are charged to the fund and the unspent balance of the grant is carried forward.

Unrestricted funds

The Trust also receives donations/grants from foreign and domestic sources. These are recognised as income at the time of receipts. The excess of income over expenditure during the year, being general purpose in nature is carried forward for use in future periods and are presented as general fund in the Balance Sheet.

f. Interest income

Interest income is recognized on time proportionate basis.



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g. Foreign currency transactions

Foreign currency receipts on account of donations and grants are translated at spot rates prevailing at the time of receipt into the designated accounts of the Trust. Foreign currency expenditure is recorded using the spot rates prevailing on the date of transaction.

Foreign currency monetary items of the Trust, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Trust are carried at historical cost.

Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Trust are recognized as income or expense in the Income and expenditure account.

h. Cash and bank balances

Cash and bank balances include cash in hand, balances and demand deposits with banks.

i. Employee benefits

Defined contribution plans

Provident fund benefit is a defined contribution plan under which the Trust pays fixed contribution into funds established under Employees Provident Fund and Miscellaneous Provisions Act, 1952. The Trust has no legal or constructive obligations to pay further contributions after payment of the fixed contribution. The contributions recognised in respect of defined contribution plans are expensed as they accrue. Liabilities and assets may be recognised if underpayment or prepayment has occurred and are included in current liabilities or current assets, respectively, as they are normally of a short term nature. The Trust's contributions paid/payable under the scheme is recognized as an expense in the Income and Expenditure Account during the year in which the employee renders the related service.

Post-retirement contribution plans such as Employees' Pension Scheme, Labour Welfare Fund, Employee State Insurance Corporation (ESIC) are charged to the profit or loss for the year when the contributions to the respective funds accrue. The Trust does not have any obligation other than the contribution made.

Short term benefits

All employee benefits payable / available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc., are recognized in the Income and Expenditure Account in the period in which the employee renders the related service.

Defined benefits 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 recognised 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 statements.

Compensated absences (unfunded)

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the period end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the period are treated as other long term employee benefits. The Trust's liability is actuarially determined (using the Projected Unit Credit method) at the end of each period. Actuarial losses/ gains are recognised in the Income and Expenditure Account in the period in which they arise.

j. Expenditure

The Trust implements its programs for children's education through projects conducted by itself or by other local non-governmental organizations to which it disburses grants. The other organizations are also registered under the Foreign Contribution (Regulation) Act, 1976 in compliance with the said Act. Accordingly, expenditure incurred by the Trust includes grants disbursed to other local agencies.

Teaching and learning material purchased is charged to the Income and Expenditure Account in the year of purchase.

k. Leases

Operating lease

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset are classified as operating leases. Operating lease charges are recognized as an expense in the Income and Expenditure Account on a straight-line basis over the lease



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Pratham Delhi Education Initiative

Notes to the financial statements for the year ended 31 March 2024

(All amounts are in ₹, unless otherwise stated)

i. Provisions and contingencies

A provision is recognized when the Trust has a present obligation as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and reliable estimate can be made of the amount of the obligation. A contingent liability is recognized where there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

m. Common costs

Common costs are allocated at the year end to the various projects based on the terms of the agreement with the respective Donors. The Trust is of the opinion that such allocation is appropriate and is in accordance with the donor agreements.

n. Income tax

No provision for Income tax has been made in the books of accounts as the Trust is registered under section 12AA of the Income Tax Act, 1961 and is exempt from payment of tax subject to compliance with the conditions specified in the approval order granted by the tax authorities.

Note 3:

The Trust is complying with the Accounting Standards (AS), applicable to a Level IV Entity - Small and Medium Sized Enterprise (SME), as notified in the announcement made by ICAI which is effective for all accounting periods commencing on or after 1 April, 2020. Pursuant to the Exemption/relaxation applicable to a SME, AS 3 - Cash Flow Statement, AS 17 - Segment Reporting, AS 18 - Related Party Disclosures and AS-20 Earning Per Share is not applicable to the Trust. Further, certain disclosure requirement in AS 15 (R) - Employee Benefits, AS 19 - Leases and AS 29 - Provisions, Contingent Liabilities and Contingent Assets are also not applicable to the Trust.



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Pratham Delhi Education Initiative

Notes to the financial statements for the year ended 31 March 2024

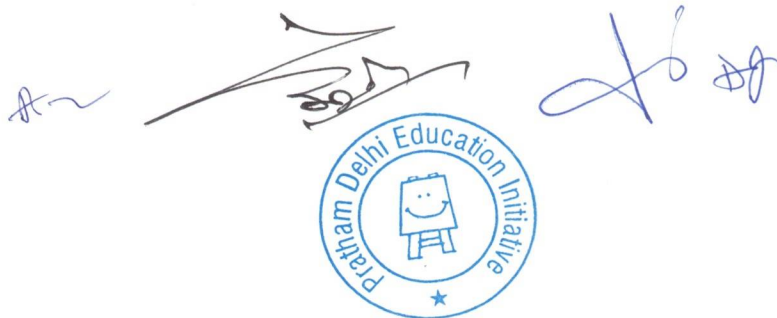
(All amounts are in ₹, unless otherwise stated)

Particulars	As at 31 March 2024	As at 31 March 2023
Note 4 : Corpus fund		
Balance at the beginning of the year		17,24,300
Add: Additions during the year	17,24,300	17,24,300
Balance at the end of the year	20,000	-
	17,44,300	17,24,300
Note 5 : Restricted fund		
a) Project fund (Refer note 10)		
Balance at the beginning of the year		-
Add: Amounts received during the year	6,39,878	-
Less: Revenue grants recognized in the Statement of Income and Expenditure	87,91,516	61,28,941
Balance at the end of the year	(94,31,394)	(54,89,063)
	-	6,39,878
b) Capital assets fund		
Balance at the beginning of the year		1,35,929
Less: Depreciation met out of capital assets fund	1,12,358	(23,571)
Balance at the end of the year	(18,454)	(23,571)
	93,904	1,12,358
Total (a+b)	93,904	7,52,236
Note 6 : General fund		
Balance at the beginning of the year		26,02,611
Add: Surplus for the year	26,22,515	19,904
Closing balance	55,61,635	26,22,515
	81,84,150	26,22,515
Note 7 : Trade payables		
Total outstanding dues of micro enterprises and small enterprises (Refer note below)	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,63,262	1,08,000
	1,63,262	1,08,000

The following Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, (MSMED Act, 2006) has been determined to the extent such parties have been identified on the basis of information available with the Trust.

Particulars	As at 31 March 2024	As at 31 March 2023
(i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	-	-
(ii) the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	-	-
(iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

Particulars	As at 31 March 2024	As at 31 March 2023
Note 8 : Other current liabilities		
Statutory dues payable		8,182
Salary payable	9,709	262
Other liabilities	-	6,169
	6,119	14,613
	15,828	14,613



Pratham Delhi Education Initiative

Notes to the financial statements for the year ended 31 March 2024

(All amounts are in ₹, unless otherwise stated)

Note 9 : Property, plant and equipment

Particulars	Gross block			Accumulated depreciation				Net block	
	Balance as on 1 April 2023	Additions	Disposals	Balance as on 31 March 2024	Balance as on 1 April 2023	Depreciation for the year	Disposals	Balance as on 31 March 2024	As on 31 March 2024
Tangible									
Computers	11,55,711	1,42,650	-	12,98,361	9,88,951	1,04,507	-	10,93,458	2,04,903
Office equipments	6,37,840	39,200	-	6,77,040	4,57,426	28,932	-	4,86,358	1,90,682
Furnitures and fixtures	3,18,585	-	-	3,18,585	2,94,498	2,357	-	2,96,855	21,730
Sub Total	21,12,136	1,81,850	-	22,93,986	17,40,875	1,35,796	-	18,76,671	4,17,315

Particulars	Gross block			Accumulated depreciation				Net block	
	Balance as on 1 April 2022	Additions	Disposals	Balance as on 31 March 2023	Balance as on 1 April 2022	Depreciation for the year	Disposals	Balance as on 31 March 2023	As on 31 March 2023
Computers	10,58,911	96,800	-	11,55,711	9,43,157	45,794	-	9,88,951	1,66,760
Office equipments	6,37,840	-	-	6,37,840	4,25,650	31,776	-	4,57,426	1,80,414
Furnitures and fixtures	3,18,585	-	-	3,18,585	2,91,885	2,613	-	2,94,498	24,087
Total	20,15,336	96,800	-	21,12,136	16,60,692	80,183	-	17,40,875	3,71,261

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Pratham Delhi Education Initiative

Notes to the financial statements for the year ended 31 March 2024

(All amounts are in ₹, unless otherwise stated)

Particulars	As at 31 March 2024	As at 31 March 2023
Note 10 : Cash and bank balances		
Balances with scheduled bank		
Savings accounts (Refer note below)	5,60,319	11,05,459
Fixed deposit account	81,06,105	27,16,434
	86,66,424	38,21,893
Note:		
₹2,94,170 (previous year ₹ 2,05,931) lying in designated bank account for foreign contributions.		
₹ Nil amount (previous year ₹6,39,878) lying in designated bank account related to project fund.		
Note 11: Loans and advances		
Unsecured, considered good		
Prepaid expenses	4,65,517	2,91,860
Gratuity fund (refer note 17)	5,17,245	6,50,315
Tax deducted at source recoverable	44,284	2,615
	10,27,046	9,44,790
Note 12: Other current assets		
Unsecured, considered good		
Security deposits	60,167	60,167
Interest accrued on fixed deposits	30,492	23,553
	90,659	83,720



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Pratham Delhi Education Initiative
Notes to the financial statements for the year ended 31 March 2024
 (All amounts are in ₹, unless stated otherwise)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Schedule 13 : Income		
Donations (General)	98,85,580	41,11,260
Revenue grants recognized in the income and expenditure account (refer note 5(a) and 5(b))	94,49,848	55,12,634
	1,93,35,428	96,23,894
Note 14 : Other income		
Interest from banks on		
Fixed deposits	4,16,199	57,648
Saving accounts	63,820	65,802
Interest on income tax refund	-	1,284
Other receipts	14,000	-
	4,94,019	1,24,734
Note 15 : Expenses on programme initiatives		
Teaching learning material	17,18,559	17,47,311
Legal and professional fees	13,77,000	12,24,000
Training expenses	88,488	66,653
Printing and stationery	22,773	4,325
Communication expense	12,677	17,327
Travelling and conveyance expenses	850	2,690
Miscellaneous expenses	79,402	44,806
	32,99,749	31,07,112
Note 16 : Employee benefit expense		
Salaries and wages	80,88,349	49,40,173
Contribution for provident and other funds (refer note 18)	10,51,130	6,28,384
Gratuity expense (refer note 18)	5,16,234	2,51,424
Staff welfare expenses	4,91,382	93,038
	1,01,47,095	59,13,019
Note 17 : Other expenses		
Legal and professional fees	1,86,090	1,67,058
Rent expense	1,99,944	1,89,648
Audit fees (refer note below)	1,46,557	1,18,000
Communication expense	75,075	71,604
Printing and stationery	14,186	12,980
Computer expenses	11,788	20,549
Repair and maintenance expense	3,800	12,000
Conveyance expenses	2,697	5,970
Water and electricity expense	-	140
Miscellaneous expenses	45,035	30,461
	6,85,172	6,28,410
Note : Payment to auditor's		
Audit fee (Inclusive of goods and service tax)	1,29,800	1,18,000
Reimbursement of expenses	16,757	-
	1,46,557	1,18,000



Pratham Delhi Education Initiative

Notes to the financial statements for the year ended 31 March 2024

(All amounts are in ₹, unless stated otherwise)

Note 18 : Employee Benefits

(i) Defined benefit plan - Gratuity (funded)

The Trust has a funded scheme and is investing the Gratuity liability into a Gratuity Trust, which is being managed by Life Insurance Corporation Limited. The Trust accounts for gratuity benefit liability based on an independent actuarial valuation, using the projected unit credit method carried out annually as at the Balance Sheet date, which considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Past services are recognized on a straight-line basis over the average period until the amended benefits become vested. Actuarial gains and losses are recognized immediately in the Income and Expenditure Account as income or expense.

A. Amount to be recognized in balance sheet and movement in net liability :

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Present value of funded obligation		8,61,198
Fair value of plan assets	15,01,957	8,61,198
Net Liability/(Asset) recognized in the Balance Sheet	(20,19,203)	(15,11,513)
	(5,17,246)	(6,50,315)

B. Expenses recognized in the Income and Expenditure Account :

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Current service cost		2,45,016
Interest cost on defined benefit obligation	4,48,064	2,45,016
Expected return on plan assets	63,384	37,210
Net actuarial loss	(1,05,957)	(92,764)
Expense recognized in the Income and Expenditure Account	1,10,743	61,962
	5,16,234	2,51,424

C. Reconciliation of benefit obligation :

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Present value of defined benefit obligation at the beginning of the year		8,61,198
Current service cost	8,61,198	5,19,690
Benefits paid	5,16,234	2,45,016
Interest cost	-	-
Actuarial (gain)/loss on obligation	63,384	37,210
Closing defined benefit obligation	1,29,311	59,282
	15,70,127	8,61,198

D. Reconciliation of fair value of plan assets :

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Opening fair value of plan assets		13,21,429
Expected return on plan assets	15,11,513	13,21,429
Actuarial gain/(loss) on obligation	1,05,957	92,764
Benefits paid	18,568	(2,680)
Contributions by employer		-
Closing fair value of plan assets	3,83,165	1,00,000
	20,19,203	15,11,513



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E. Actual return of plan assets :

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Expected return on plan assets		
Actuarial loss on plan assets	1,05,957	92,764
Actual return on plan assets	18,568	(2,680)
	1,24,525	90,084

F. Provision at the end of the year :

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
short-term provision		
Net asset/(liability) recognized in balance sheet	5,17,246	6,50,315
	5,17,246	6,50,315

G. Experience on actuarial Gain / (Loss) for PBO and plan assets.

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
On plan PBO	(1,01,984)	(76,507)	37,260	2,23,915	(9,74,031)	2,17,618
On plan assets	18,568	(2,680)	(1,05,465)	(5,516)	(7,487)	(9,724)

I. Summary of actuarial assumptions:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Discount rate (%)	7.16%	7.36%
Expected rate of return on assets (%)	7.02%	7.01%
Salary escalation rate (%)	7.00%	7.00%
Attrition rate age (years):		
Upto 30 years		
From 31 to 44 years	5%	5%
Above 44 years	3%	3%
Mortality	2%	2%
Retirement age	IALM (2023- 14) 60 years	IALM (2023- 14) 60 years

- Notes:
- The estimates of future salary increase considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors.
 - Expected rate of return on plan assets is taken on the basis of the average long term rate of return expected on investments of the Gratuity Fund during the estimated term of the obligation.

(ii) Contribution to Provident fund and other funds

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Employees' State Insurance (ESI)	88,416	41,861
Provident fund (PF)	9,62,714	5,86,523
	10,51,130	6,28,384



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Pratham Delhi Education Initiative
Notes to the financial statements for the year ended 31 March 2024
(All amounts are in ₹, unless stated otherwise)

19. Previous year's figures have been regrouped and reclassified, wherever necessary, to conform to the current year's classification.

As per our report of even date attached.

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013


Kartik Gogia
Partner

Membership No.: 512371




For and on behalf of the Board of Trustees of
Pratham Delhi Education Initiative


Praveen Kumar Tripathi
Managing Trustee



Jajaluddin
Program Director

Place: New Delhi
Date: 21 September 2024


Divya Jalan
Trustee



Vijay Kumar
Chief Accountant



Place: New Delhi
Date: 21 September 2024