

INDEPENDENT AUDITOR'S REPORT

To the Members of
Foundation of Independent Financial Advisors

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Foundation of Independent Financial Advisors**, (The Company) which comprises the Balance Sheet as at March 31, 2019, the Statement of Income & Expenditure account, the Cash flow statement for the year ended 31st March, 2019, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position and financial performance and the cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implement and maintain adequate internal financial controls, that were operating effectively for ensuring the accuracy and 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. 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 there under.

We have conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls.

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2019, and its surplus of income over expenditure and cash flow for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. The Companies (Auditor's Report) Order, 2016 ("the CARO 2016 Order") issued by the Central Government in terms of section 143(11) of the Act, is not applicable to the Company in terms of clause 1 (2) (iii) of the CARO 2016 Order.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet and the Statement of income & Expenditure Account and Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



- e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) In compliance with the provisions of section 143(3), the auditor is not required to report on the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts bearing any material foreseeable losses.
 - iii. The company has not declared dividend during the year and hence there was no instance to transfer any amount to Investor Education and Protection Fund.

For and on behalf of
BHANSALI AND SHAH
Chartered Accountants
ICAI Firm Regn No: -131031W



HEMANG P SHAH
PARTNER
ICAI Membership No: -101885

25th July, 2019
Mumbai

FOUNDATION OF INDEPENDENT FINANCIAL ADVISORS

AUDITED BALANCE SHEET AS AT 31ST MARCH 2019

Amount in Rs.

PARTICULARS	Note No.	As at 31st March 2019	As at 31st March 2018
EQUITY AND LIABILITIES			
Members' Funds			
Reserves and Surplus	3	3,21,78,106	2,75,83,872
Current Liabilities			
Trade Payables	4	2,03,088	3,99,991
Other Current Liabilities	5	1,25,930	4,14,719
Total		3,25,07,124	2,83,98,582
ASSETS			
Non -Current assets			
(a) Fixed assets - Tangible Assets	6	49,600	-
Non Current Investments	7	2,82,65,966	2,47,65,966
Current assets			
Cash and Bank Balance	8	14,33,464	9,82,373
Other Current Assets	9	27,58,094	26,50,243
Total		3,25,07,124	2,83,98,582
Significant Accounting Policies	2		
Notes are an integral part of the financial statements	1-18		

In terms of our report of even date

FOR BHANSALI AND SHAH
CHARTERED ACCOUNTANT
FIRM REGN NO. 131031W

Hemang Shah



HEMANG SHAH
PARTNER
MEM. No. 101885

PLACE:- MUMBAI
DATE:- 25/07/2019

For and on behalf of the Board of Directors

Asit H. Bhansali

Asit H. Bhansali
Director
DIN - 00597110

Mazhar H. N. Arif

Mazhar H. N. Arif
Director
DIN - 00095056

FOUNDATION OF INDEPENDENT FINANCIAL ADVISORS

STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 31st March 2019

		Amount in Rs.	
Particulars	Note No.	31st March 2019	31st March 2018
<u>INCOME</u>			
Annual Fees from Members		28,10,100	20,50,200
Annual Conference Fees		20,62,628	15,23,100
Advertisement Income		30,28,889	27,25,000
Interest Earned		77,416	73,807
Donation Received		-	1,09,856
Other Income		69,441	1,76,109
Profit on sale of Investments		-	1,50,425
Total		80,48,474	68,08,497
<u>EXPENDITURE</u>			
Other Expenses	10	64,50,510	55,95,122
Total		64,50,510	55,95,122
Surplus of Income over Expenditure		15,97,965	12,13,375
Tax Expense:			
Deferred Tax		-	-
Current Tax		4,25,000	3,43,000
Surplus / (Deficit) for the year		11,72,965	8,70,375
Significant Accounting Policies	2		
Notes are an integral part of the financial statements	1-18		

In terms of our report of even date

FOR BHANSALI AND SHAH
CHARTERED ACCOUNTANT
FIRM REGN NO. 131031W

Hemang



HEMANG SHAH
PARTNER
MEM. No. 101885

PLACE:- MUMBAI
DATE:- 25/07/2019

For and on behalf of the Board of Directors

Asit H. Bhansali

Asit H. Bhansali
Director
DIN - 00597110

Mazhar H. N. Arif



Mazhar H. N. Arif
Director
DIN - 00095056

FOUNDATION OF INDEPENDENT FINANCIAL ADVISORS

Statement of Cash Flow for the year ended 31st March, 2019

Particulars	Amount Rs.	Amount Rs.
Profit After Taxes	11,72,965	
Adjustments to reconcile profit before tax to cash generated by operating cash		
Depreciation	12,400	
Profit on sale of Invesments	-	
Operating Profit before working capital changes	11,85,365	
Changes in working capital		
Decrease in current Liabilities	(4,85,692)	
Increase in current Assets	(1,07,851)	
Net cash from operating activities(A)		5,91,822
B)Cash flows from investing activities		
Purchase of Investments	(35,00,000)	
Purchase of Fixed Assets	(62,000)	
Net cash used in investing activities(B)		(35,62,000)
C)Cash flows from financing activities		
Entrance fees treated as capital receipt	34,21,270	
Net cash used in financing activities(C)		34,21,270
Net increase in cash flow (A + B + C)		4,51,092
Cash and cash equivalents at beginning of period		9,82,373
Cash and cash equivalents at end of period		14,33,464


FOR BHANSALI AND SHAH
Chartered Accountants
ICAI Firm Registration No.: 131031W


HEMANG SHAH
PARTNER
ICAI Membership No:- 101886



FOR FOUNDATION OF INDEPENDENT FINANCIAL ADVISORS


MAZHAR H N ARIF
DIRECTOR
DIN - 00095056


ASIT H. BHANSALI
DIRECTOR
DIN - 00597110

Mumbai

1. CORPORATE INFORMATION

Foundation of Independent Financial Advisors is A NOT FOR PROFIT Organization registered as a Company u/s 25 of The Companies Act, 1956 without a Share Capital.

The activities of the Foundation of Independent Financial Advisors are governed by its Board of Directors.

2. SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Preparation:

These financial statements are prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) under the historical cost convention, on accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

b. Use of Estimates:

The preparation of financial statements requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of financial statements. Example of such estimates includes provision for doubtful debts, employee retirement benefit plans, provision for income taxes etc. Changes in estimates are recognized in the year they arise.

c. Revenue Recognition:

Annual Fees from Members is recognized at the time of admission of members and thereafter on renewals. The same is accounted for exclusive of service tax.

Advertisement, interest and other income are recognized on accrual basis.

d. Provisions, Contingent Liabilities and Contingent Assets:

A provision is recognized when there is a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on management's best estimates of the expenditure required to settle the obligation as at the balance sheet date. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate for each such

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

obligation. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statement.

e. Investments:

Investments which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as non-current investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long Term investments are carried at cost.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

f. Taxation:

Provision for taxation is determined with reference to the results of the financial year at the rates stipulated under The Income Tax Act, 1961.

The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as of the balance sheet date.



FOUNDATION OF INDEPENDENT FINANCIAL ADVISORS

Notes to the Financial Statements as at and for the year ended 31st March 2019

Note 3: Share Capital

The Company is registered under section 25 of The Companies Act, 1956, without a share capital. There are no share holders in the company and there is no share capital. Therefore shareholders fund in the Balance Sheet as at 31.03.2019 is NIL.

Note 3: Reserve and Surplus

The Reserve and Surplus of the Company does not form part of share holder's fund, as there is no share capital and no share holders in the Company.

The reserves comprises of the following:

Particulars	Amount in Rs.	
	As at 31st March 2019	31st March 2018
<u>Entrance Fees</u>		
Opening Balance	2,34,06,734	2,14,22,734
Entrance fees received during the year	34,21,270	19,84,000
(A)	2,68,28,004	2,34,06,734
<u>Income and Expenditure Account</u>		
Opening Balance	41,77,137	33,06,762
Surplus in Income and Expenditure Account	11,72,965	8,70,375
(B)	53,50,102	41,77,137
TOTAL (A+B)	3,21,78,106	2,75,83,872

The above reserves will be utilised for the purposes as permitted in the Articles of Association and The Companies Act, 2013



Notes to the Financial Statements for the year ended 31st March 2019

Amount in Rs.

Note 4: Trade Payables

Particulars	As at 31st March 2019	As at 31st March 2018
Sundry Creditors	2,03,088	3,99,991
Total	2,03,088	3,99,991

Note 5 : Other Current Liabilities

Particulars	As at 31st March 2019	As at 31st March 2018
Provision for taxation (Net)	36,045	3,06,843
Statutory Liabilities (GST)	89,885	1,07,876
Total	1,25,930	4,14,719

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FOUNDATION OF INDEPENDENT FINANCIAL ADVISORS

Fixed Assets Schedule as at 31st March 2019

Note 6 : Fixed Assets

SR. NO.	PARTICULARS	DEPRECIATION RATE	W.D.V. AS ON 01/04/2018 (Rs.)	ADDITION BEFORE 30/09/2018 (Rs.)	ADDITION AFTER 30/09/2018 (Rs.)	DEDUCTIONS DURING THE YEAR (Rs.)	TOTAL (RS.)	DEPRECIATION DURING THE YEAR (Rs.)	W.D.V. AS ON 31/03/2019 (Rs.)
1	Computer	40%	-	-	62,000	-	62,000	12,400	49,600
	Total Rs.		-	-	62,000	-	62,000	12,400	49,600



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Notes to the Financial Statements for the year ended 31st March 2019

Amount in Rs.

Note 7 : Non Current Investments

Particulars	No. of Units	Face Value	As at 31st March 2019	As at 31st March 2018	Current Market Value
IN MUTUAL FUNDS					
Axis Focused 25 Fund - Direct Plan Growth	99337.748	10	21,00,000	21,00,000	29,03,642
Birla Sun Life Balanced Advantage Fund - Direct	19809.826	10	10,00,000	10,00,000	11,07,369
Franklin India Short Term Income Plan - Retail Plan - Direct - Growth	756.000	10	20,01,655	20,01,655	31,71,941
ICICI Prudential Balanced Advantage Fund - Direct Growth	67515.412	10	20,39,641	20,39,641	25,62,885
ICICI Prudential Gilt Fund- Direct Plan Growth	59801.111	10	35,00,000	35,00,000	39,74,388
ICICI Prudential Short Term Fund	62658.250	10	20,00,000	20,00,000	25,27,928
IDFC Core Equity Fund - Growth Direct Plan	74839.948	10	28,74,670	28,74,670	36,83,622
IDFC Corporate Bond Fund Direct Plan Growth	194428.320	10	20,00,000	20,00,000	25,06,026
Kotak Opportunities - Growth Direct	13753.362	10	17,50,000	17,50,000	17,74,280
Reliance Regular Saving Fund - Debt Plan - Direct Growth Plan Growth	79227.644	10	14,00,000	14,00,000	21,54,643
SBI Magnum Gilt Fund Short Term Direct Growth	59360.568	10	20,00,000	20,00,000	24,59,219
SBI Magnum Global Fund - Direct Plan Growth	13818.326	10	21,00,000	21,00,000	24,62,604
UTI Value Opportunities Fund - G Direct	22491.015	10	15,00,000	-	14,56,527
SBI Liquid Fund Direct Growth	685.632		20,00,000	-	20,08,924
Total Book Value			2,82,65,966	2,47,65,966	3,47,53,999
Aggregate Market Value of Non Current Quoted Investment			3,47,53,999	2,92,33,376	

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Notes to the Financial Statements for the year ended 31st March 2019

Amount in Rs.

Note 8 : Cash and Bank Balance

Particulars	As at 31st March 2019	As at 31st March 2018
Cash and Cash equivalents		
Cash on Hand	23,823	-
Balance with Banks		
In Saving Account with Axis Bank	14,09,641	9,82,373
Total	14,33,464	9,82,373

Note 9 : Other Current Assets

Particulars	As at 31st March 2019	As at 31st March 2018
Fees Receivable	20,91,136	18,94,493
Advertisement Income Receivable	6,66,958	7,55,750
Total	27,58,094	26,50,243

Note 10 : Other Expenses

Particulars	As at 31st March 2019	As at 31st March 2018
Commission CC Avenue	65,347	-
Audit Fees	7,500	7,500
ROC Filing Expenses	9,620	13,400
Conference Expenses	37,70,044	37,30,530
Service Tax paid for earlier years	5,24,882	-
Donation Paid	-	51,000
Bank Charges	1,277	-
Telephone & Internet Expenses	14,919	13,500
Webinar Expenses	2,16,000	1,60,500
Professional Tax	1,300	-
Professional Fees	2,27,454	7,27,000
Printing and Stationery Expenses	94,622	6,43,500
Postage & Courier Charges	66,614	1,26,704
Consultancy Fees	10,75,000	-
Salary & Wages	2,34,511	-
Software Expenses	17,203	-
Miscellaneous Expenses	17,044	5,046
Travelling and Conveyance Expenses	94,772	1,16,442
Depreciation	12,400	-
Total	64,50,510	55,95,122

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

11. In the opinion of the Board, all Current Assets, Loans and Advances are approximately of the values stated, if realized in the ordinary course of business. The provisions for all known liabilities are adequate and are not in excess of the amounts considered reasonably necessary. Sundry Debtors, Creditors and Loans and Advances are subject to confirmation.

12. Earnings Per Share (EPS)

The Company is registered U/s. 25 of the Companies Act 1956 without Share Capital, hence Earning per Share is not applicable.

13. There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small, and Medium Enterprises Development Act 2006, to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made.

The Company has compiled this information based on the current information in its possession. As at 31st March 2019, no supplier has intimated the Company about its status as a Micro or Small Enterprise or its registration with the appropriate authority under the Micro, Small and Medium Enterprises Development Act, 2006.

14. Payment to Auditor consists of:

	31 st March 2019	31 st March 2018
As Auditor	7,500	7,500
For Other Services	NIL	NIL
Total	7,500	7,500

15. Expenditure in Foreign Currency Rs. Nil

16. The Accounting Standard Viz. Segment reporting (AS-17) and Related Party Disclosure (AS-18) are not applicable to the company.

17. Since the Company is not for profit organization, Statement of Income and Expenditure is given in place of Statement of Profit and Loss for the year ended 31st March 2019.

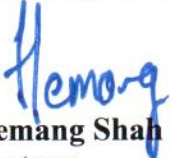
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18. Prior year Comparatives

Previous year's figures have been regrouped and recast wherever considered necessary.


**For BHANSALI AND SHAH
Chartered Accountant
Firm Regn. No. 131031W**



**Hemang Shah
Partner
Membership No. 101885**

**Place:- Mumbai
Date:- 25/07/2019**



For and on behalf of the Board of Directors


**Asit H. Bhansali
Director
DIN - 00597110**


**Mazhar H. N. Arif
Director
DIN - 00095056**