

INDIA DEVELOPMENT AND RELIEF FUND, INC.

**FINANCIAL STATEMENTS
AND
SUPPLEMENTARY FINANCIAL INFORMATION**

YEAR ENDED DECEMBER 31, 2016

INDIA DEVELOPMENT AND RELIEF FUND, INC.

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AND
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YEAR ENDED DECEMBER 31, 2016

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Desai & Shah, PC, CPAs
Established In 1981

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
India Development and Relief Fund, Inc.

We have audited the accompanying financial statements of India Development and Relief Fund, Inc., (IDRF) (a nonprofit organization) which comprise the statement of financial position as of December 31, 2016, and the related statements of activities and changes in net assets, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we 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 amount and disclosures in the financial statements. The procedures selected depend on the auditors' 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 auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of India Development and Relief Fund, Inc. as of December 31, 2016, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of functional expenses on page 6 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements.

The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

June 30, 2017

Dwain A. Loh PC CPA

INDIA DEVELOPMENT AND RELIEF FUND, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2016

ASSETS

CURRENT ASSETS

Cash and Cash Equivalents	\$ 1,666,028	
Total Current Assets	<u>1,666,028</u>	\$ 1,666,028

FIXED ASSETS

Equipment	7,401	
Less: Accumulated Depreciation	<u>(4,598)</u>	
Total Fixed Assets		2,803

Total Assets		<u><u>\$ 1,668,831</u></u>
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LIABILITIES AND NET ASSETS

NET ASSETS

Unrestricted	1,112,826	
Temporarily Restricted - Note 2	556,005	
Permanently Restricted	<u>-</u>	
Total Net Assets		1,668,831

Total Liabilities and Net Assets		<u><u>\$ 1,668,831</u></u>
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INDIA DEVELOPMENT AND RELIEF FUND, INC.
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
SUPPORT AND REVENUE				
Contribution Income	\$ 559,946	\$ 1,878,427	\$ -	\$ 2,438,373
Investment Income	11,444	-	-	11,444
Special Event	-	1,000	-	1,000
Total Support and Revenue	<u>571,390</u>	<u>1,879,427</u>	<u>-</u>	<u>2,450,817</u>
EXPENSES				
Program Services				
Grants	220,018	1,847,248	-	2,067,266
Total Program Services	<u>220,018</u>	<u>1,847,248</u>	<u>-</u>	<u>2,067,266</u>
Functional Expenses				
Management and General	50,758	-	-	50,758
Fund Raising	7,891	-	-	7,891
Total Functional Expenses	<u>58,649</u>	<u>-</u>	<u>-</u>	<u>58,649</u>
Total Expenses	<u>278,667</u>	<u>1,847,248</u>	<u>-</u>	<u>2,125,915</u>
Increase/(Decrease) in Net Assets	<u>292,723</u>	<u>32,179</u>	<u>-</u>	<u>324,902</u>
Net Assets - Beginning of Year	819,153	523,826	-	1,342,979
Unrealized Gain/ Loss	950	-	-	950
Net Assets - End of Year	<u>\$ 1,112,826</u>	<u>\$ 556,005</u>	<u>\$ -</u>	<u>\$ 1,668,831</u>

See Auditors' Report and Accompanying Notes to Financial Statements

INDIA DEVELOPMENT AND RELIEF FUND, INC.
STATEMENT OF FUNCTIONAL EXPENSES
(SUPPLEMENTARY FINANCIAL INFORMATION)
FOR THE YEAR ENDED DECEMBER 31, 2016

	Management & General	Fund Raising	Total
Accounting & Payroll	\$ 7,460	\$ -	\$ 7,460
Bank Charges	419	1,560	1,979
Depreciation	1,013	-	1,013
Employee Fringe Benefits	27	-	27
General & Administrative-Other	1,179	-	1,179
Outside Services	37,659	4,845	42,504
Postage & Shipping	283	60	343
Printing and Reproduction	1,962	1,217	3,179
Telephone	461	154	615
Travel & Meals	295	55	350
 Total Functional Expenses	 \$ <u>50,758</u>	 \$ <u>7,891</u>	 \$ <u>58,649</u>

See Auditors' Report and Accompanying Notes to Financial Statements

INDIA DEVELOPMENT AND RELIEF FUND, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2016

CASH FLOWS FROM OPERATING ACTIVITIES

Increase in net assets	\$	324,902
Adjustments to Reconcile Increase in Net Assets to Net Cash provided by Operating Activities		
Depreciation	\$	1,013
Decrease in Accounts Receivable		1,750
Decrease in Accounts Payable		(1,818)
Net unrealized gain on sale of Stocks (Non Cash Contributions)		950
		1,895
Total Adjustments		1,895
Net Cash Provided by Operating Activities		326,797

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of Equipment		(547)
		(547)
Net Cash Used by Investing Activities		(547)

INCREASE IN CASH AND CASH EQUIVALENTS

		326,250
Cash and Cash Equivalents - Beginning of the Year		1,339,778
Cash and Cash Equivalents - End of the Year		\$ 1,666,028

SUPPLEMENTAL INFORMATION:

Noncash investing activities:

Gift of paid up life insurance cash surrender value	\$	857
Interest paid	\$	0

INDIA DEVELOPMENT AND RELIEF FUND, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 1: NATURE OF ACTIVITIES & SIGNIFICANT ACCOUNTING POLICIES

India Development and Relief Fund, Inc ("IDRF") was established by Dr. Vinod Prakash and other members of the Board, as a nonprofit organization, in the state of Maryland in 1987. In 1988, IDRF was approved by the Internal Revenue Service as a tax-exempt organization under Section 501(c) (3) of the Internal Revenue Code. The organization aims to help the needy, disabled, underprivileged or impoverished people mainly in India, and, only to a limited extent in Nepal, Sri Lanka and United States, to become self-reliant and modernized, yet rooted in the culture and civilization of their respective countries, by raising tax-exempt contributions in the United States. The organization prepare its financial statements in conformity with generally accepted accounting principles.

These objectives are achieved through various types of assistance, including but not limited to: (a) value-based education and vocational training for children and adults; (b) health care; (c) eco-friendly rural development and environmental protection; (d) women's empowerment through micro-credit and other means; (e) tools for improving governance; and (f) relief and rehabilitation of victims of natural or man-made disasters.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

For the purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

Concentration of Credit Risk Arising From Cash Deposits

The Organization's cash funds are located in various financial institutions. The amount of deposits as of December 31, 2016, in bank accounts, per bank records is \$332,310 and \$996,329 which is in excess of FDIC insurance limit of \$250,000.

Property and Equipment

Purchased property and equipment is recorded at cost. Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support.

Depreciation, Repairs and Maintenance

Depreciation is calculated using the double declining method over the estimated useful lives of the assets. Expenditures for maintenance and repairs are charged to expenses as incurred. Major renewals and betterments are capitalized. When equipment is sold or retired the related cost and accumulated depreciation are removed from the accounts, and the resulting gain or loss is included in the statement of activities.

INDIA DEVELOPMENT AND RELIEF FUND, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

Promise to Give

Support is recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Support that is restricted by the donor is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires, restricted net assets are reclassified as unrestricted net assets. As of December 31, 2016, temporarily restricted net assets were \$556,005. There were no permanently restricted net assets as of December 31, 2016.

Allocation of Expenses

The Organization allocates its expenses on a functional basis among its various programs and supporting services. Expenses which can be identified with a specific program or supporting activity are allocated directly to that activity. Other expenses that are common to several functions are allocated between supporting services and fund raising.

Income Taxes

The Organization is exempt from the income taxes under Section 501(c) (3) of the Internal Revenue Code and is classified by the Internal Revenue Service as an organization that is not a private foundation. Accordingly, no provision has been made for income taxes in the financial statements. Also, as of December 31, 2016, the company had no uncertain tax positions that qualify for either recognition or disclosure in the financial statements. Additionally, the company had no interest and penalties related to income taxes. The company is no longer subject to U.S. federal, state and local income tax examinations by tax authorities for years before 2013.

NOTE 2: RESTRICTIONS ON NET ASSETS

Temporarily Restricted net assets as of December 31, 2016, are \$556,005 and they are available for Donor Advised - Development Projects (India).

NOTE 3: SUSEQUENT EVENTS

Management has evaluated subsequent events through June 30, 2017, the date the financial statements were available to be issued. No significant subsequent events have been identified that would require adjustments to, or disclosure in, the accompanying financial statements.