The Institute Of Health Systems
Hyderabad

Financial Year
2022-23

The Institute Of Health Systems

Sivananda Rehabilitation Home Campus, Kukatpally, Hyderabad, Telangana - 500072

Balance Sheet as at 31st March, 2023

Particulars	Notes	As at 31st March, 2023	As at 31st March, 2022
I. Source of Funds			
General fund	3	1,20,67,064	1,22,09,766
Corpus fund	4	35,10,518	34,95,518
		1,55,77,581	**1,57,05,283**
Current Liabilities			
Sundry Creditors	5	2,87,559	1,06,977
Other Current Liabilities	6	7,88,085	3,70,806
		10,75,643	**4,77,784**
Total		**1,66,53,225**	**1,61,83,067**
II. Application of Funds			
Fixed Assets			
Property, Plant and Equipment	7	68,96,564	55,21,103
Intangible Assets		-	-
		68,96,564	**55,21,103**
Current Assets			
Loans and Advances	8	31,501	-
Security Deposits	9	14,10,754	16,92,776
Cash & Cash Equivalents	10	57,19,398	58,61,445
Sundry Debtors	11	8,32,831	6,99,049
Other Current Assets	12	17,62,178	24,08,694
		97,56,661	**1,06,61,964**
Total		**1,66,53,225**	**1,61,83,067**

As per our Report of Even Date

For Eswaraiah & Co.,
Chartered Accountants
Firm Registration No: 006157S

ESWARAIAH & CO * HYDERABAD

Eswaraiah K
Partner
M.No: 202257
Date: November 28,2023

For and on Behalf of Board of Governers of
The Institute Of Health Systems

The Institute of Health Systems * Kukatpally, Hyderabad * IHS

28/11/23

Prasanta Mahapatra
Director

UDIN: 23202257BGWWWJ3584

The Institute Of Health Systems

Sivananda Rehabilitation Home Campus, Kukatpally, Hyderabad, Telangana - 500072

Statement of Income and Expenditure for the period ended 31st March, 2023

Particulars	Notes	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
I. Income			
Research & Consultancy Services	13	53,48,769	41,64,165
Laboratory Services	14	38,63,845	59,31,849
Other Income	15	4,61,784	3,58,704
Total (A)		**96,74,398**	**1,04,54,718**
II. Expenditure			
Research & Consultancy Activities	16	42,76,581	23,99,487
Laboratory Activities	17	43,72,955	46,68,564
Training Activities	18	4,39,704	8,04,095
Depreciation and Amortization	7	8,34,506	5,46,420
Other Expenditure		-	4,05,666
Total (B)	**(B)**	**99,23,746**	**88,24,232**
Excess of Expenditure over Income	**(A) - (B)**	**-2,49,348**	**16,30,486**

As per our Report of Even Date

For Eswaraiah & Co.,
Chartered Accountants
Firm Registration No: 006157S

Eswaraiah K
Partner
M.No: 202257
Date November 28,2023

For and on Behalf of Board of Governers of
The Institute Of Health Systems

28/11/23

Prasanta Mahapatra
Director

The Institute Of Health Systems

Sivananda Rehabilitation Home Campus, Kukatpally, Hyderabad, Telangana - 500072

Receipts and Payments Account for the period ended 31st March, 2023

Receipts	Amount in Rs.	Amount in Rs.
Opening Balance		24,47,027
State Bank Of India	22,22,159	
Andhra Bank Corpus Fund (UBI)	2,03,477	
Andhra Bank FCRA	99	
SBI Bank FCRA	6,526	
Cash-in-Hand	14,766	
Capital Account		116021.2
General Fund	116021.2	
Current Assets		1189116
Client Receivables A/c	4164	
Deposits (Asset)	468007	
Sundry Debtors	113104	
Balance with Government Authori	603841	
Indirect Incomes		299738
Interest-Corpus	160065	
Interest-GF	2158	
Other Income	137515	
Direct Income		8813180
Accessible Water Testing for Public Health (AWTPH)	761361	
BacteriologicalMonitoring	292800	
Campus Water Quality Monitaring A/c	72050	
FieldTestingofResidualChlorine	429000	
Lab-BSVHH	900000	
Lab-BSVSR	900000	
PhysicoChemicalMonitoring	109200	
Study of Consumer Complaints & Water Safety in Hyderabad	4835544	
Focus Group and Community Mobilisation for water safety	12000	
Income From Surveys	4,97,025	
Sanitary Inspections & Survey for water safety	4,200	
		1,28,65,082

Payments	Amount in Rs.	Amount in Rs.
Current Liabilities		1822196.36
EPF Payable @12%	17588	
Eswaraiah & Co	45000	
Interest-TDS	1000	
Professional Tax Payable A/c	1000	
Salary Payable A/c	188372	
Stipend Payable A/c	12298	
Duties & Taxes	12950	
Sundry Creditors	1306443.4	
Accounts Payable	237545	
Fixed Assets		2118318.37
Library Books	11276.54	
Building	1501848	
Computers	322603.83	
Electrical Equipment	136536	
Furniture &Fittings	146054	
Purchase Accounts		71229.64
BioLab Purchase A/c	31214.64	
ChemLab Purchase A/c	10963	
Lab Purchase A/c	29052	
Indirect Expenses		6325114.73
Conveyance Allowance	357979	
Authorities & Commitee Exp	74100.1	
Common Lab Expenses	206174	
EPF Employer Contribution	91230	
Salary A/c	3206789	
Stipend A/C	311478	
Finance Cost	11977.22	
HR Recruitment Exp	17739	
Office Expenses	1394939.4	
Office Supplies	433469.85	
Office Utilities	151343.17	
Professinal & Legal Services	13581	
Proposals & Tender Costs	15335	
Quality Assurance Exp	36580	
Rental & Lease Payments	2400	
Closing Balance		25,28,223
State Bank Of India - General Fund	7,35,431	
Andhra Bank Corpus Fund (UBI)	17,39,872	
Andhra Bank FCRA	-	
SBI Bank FCRA	6,727	
Cash-in-Hand	46,194	
		1,28,65,082

As per our Report of Even Date

For Eswaraiah & Co.,
Chartered Accountants
Firm Registration No: 006157S

Eswaraiah K
Partner
M.No: 202257
Date: November 28, 2023

For and on Behalf of Board of Governers of
The Institute Of Health Systems

28/11/23

Prasanta Mahapatra
Director
28/11/23

The Institute Of Health Systems

Accounting Policies and Notes to accountes for the year ended 31st March, 2023

1. Organisational Information

The Institute Of Health Systems is a Trust registerd under the provisions of section 12A and 80G of The Income Tax Act, 1961. The Trust is engaged activities like research, education, training and various other services. The Institute conducts health systems research on applied and operational issues to improve equity and efficiency of the health care sector. IHS offers training programmes to improve managerial skills and health system research capability in India.

2. Summary of significant accounting policies

a. Basis of preparation

The financial statements have been prepared under historical cost convention on accrual basis of accounting and in accordance with Generally Accepted Accounting Principles. In preparing these financial statements entity's management has also considered applicable accounting standards issued by The Institute of Chartered Accountants of India (ICAI) to Non-company entities. The accounting policies, in all material respects, have been consistently applied by the entity and are consistent with those in the previous year.

Estimates and Assumptions used in the preparation of the financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements, which may differ from the actual results at a subsequent date. Difference between the actual and estimates are recognized in the period in which the results are known / materialized.

b. Inventories

Inventories are valued at lower of cost on FIFO basis and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. The cost of inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Work-in-progress and finished goods include appropriate proportion of fixed and variable overheads allocated systamatically.

c. Revenue Recognition

Revenue is recongized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Revenue from sale of goods is recongized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of goods.

Revenues from service contracts are recongized either under the completed service contract method or under the proportionate completion method, whichever relates the revenue to the work accomplished or services rendered.

Revenue from sale of goods or services is recognised only if no significant uncertainty exists regarding the amount of the consideration that will be derived from the such sale.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

Dividend income is recognized when the company's right to receive dividend is established.

d. Property, Plant and Equipment

Property, Plant and Equipment are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. The cost comprises the purchase price and directly attributable costs of bringing the asset to its working condition for its intended use. Any trade discounts, rebates, refundable taxes or taxes against which input tax credit can be availed, excise credits and grants or subsidies are deducted in arriving at the purchase price. Capital work-in-progress includes cost of Property, Plant and Equipment that are not ready to put to use.

Depreciation is provided on Net Block value of the Property, Plant and Equipment at rates specified under the provisons of Income Tax Act, 1961 and related rules and regulations specified thereunder. For arriving at Profit or loss on disposal of assets the firm adopts the concept of Block of Assets specified under the provisions of Income Tax Act, 1961. Depreciation on Property, Plant and Equipment used for less than 180 days in a year is calculated at 50% of the rates specified.

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e. Foreign Exchange Transactions

On initial recognition, a foreign currency transaction should be recorded in reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency as on the date of the transaction.

On subsequent recognition,

(a) foreign currency monetary items are reported using the closing rate except where such closing rate may not reflect amounts which are reasonable accurate. In such cases, monetary items are reported at an amount which is likely to be realised or disbursed.

(b) non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and

(c) non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange differences arising on the settlement of monetary items and on reporting an enterprise's monetary items at rates different from those at which they were initially recorded during the period or reported in previous financial statements, are recognised as income or as expenses in the period in which they arise.

f. Government Grants and Subsidies

Government grants available to the enterprise are recognised:

(a) where there is reasonable assurance that the enterprise will comply with the conditions attached to them; and

(b) where such benefits have been earned by the enterprise and it is reasonably certain that the ultimate collection will be made.

When the grant or subsidy related to revenue, it is recognised as income on a systematic basis in the Profit and Loss Account over the periods necessary to match them with the related costs, which they are intended to compensate.

When the grant or subsidy is of the nature of promoters' contribution, it is credited to capital reserve and treated as a part of Capital.

When the Entity receives non-monetary grants, the asset is accounted for on the basis of its acquisition cost. In case a non-monetary asset is given free of cost, it is recognised at a nominal value.

g. 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. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Short-term investments: The carrying amount for current investments is the lower of cost and fair value. In respect of investments for which an active market exists, market value generally provides the best evidence of fair value. The valuation of current investments at lower of cost and fair value provides a prudent method of determining the carrying amount to be stated in the balance sheet. Any reduction to fair value and any reversals of such reductions are included in the profit and loss statement.

Long-term investments are usually carried at cost. However, when there is a decline, other than temporary, in the value of a long term investment, the carrying amount is reduced to recognise the decline and the resultant reduction in the carrying amount is charged to the profit and loss statement. The reduction in carrying amount is reversed when there is a rise in the value of the investment, or if the reasons for the reduction no longer exist.

Investment Property: An investment in land or buildings, which is not intended to be occupied substantially for use by, or in the operations of, the Entity, is classified as investment property. Investment properties are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

On disposal of an investment, the difference between it's carrying amount and net disposal proceeds is charged or credited to the Profit and Loss Account.

h. Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial period of time to get ready for its intended use are capitalized. All other borrowing costs are recognised as expenditure in the period in which they are incurred.

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i. Taxes on income

Tax expense for the period comprises of current tax, deferred tax and alternate minimum tax, wherever applicable.

Current Tax:

Current tax is measured at the amount expected to be paid to or recovered from the taxation authorities, using the applicable tax rates and tax laws.

Deferred Tax:

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each balance sheet date and are written-down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

At each reporting date, the Entity reassesses the unrecognized deferred tax assets, if any.

Alternate Minimum Tax:

Alternate Minimum Tax (AMT) paid in a year is charged to the Profit and Loss Account as current tax. The Entity recognizes AMT credit available as an asset only to the extent that there is convincing evidence that the Entity will pay normal income tax during the specified period, i.e., the period for which AMT credit is allowed to be carried forward. In the year in which the Entity recognizes AMT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the Profit and Loss Account and shown as "AMT Credit Entitlement." The Entity reviews the "AMT credit entitlement" asset at each reporting date and writes down the asset to the extent the Entity does not have convincing evidence that it will pay normal tax during the specified period.

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

j. Intangible assets

Acquired intangible assets are capitalised at the acquisition price. Internally generated intangible assets are recorded at cost that can be measured reliably during the development phase and when it is probable that future economic benefits that are attributable to the assets will flow to the Entity.

Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance will not be recognised as intangible assets.

Subsequent expenditure on an intangible asset after its purchase or its completion is recognised as an expense when it is incurred unless such expenditure meets the recognisition criteria of an intangible asset.

k. Impairment of Property, Plant and Equipment

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets' net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

l. Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized when an entity has a present obligation as a result of past event 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 estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made.

Contingent assets are neither recorded nor disclosed in the financial statements.

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