

S.S. Kothari Mehta & Company

Chartered Accountants

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Independent Auditors' Report

To the Members of

All India Football Federation

Report On the Financial Statements

Qualified Opinion

We have audited the accompanying financial statements of **All India Football Federation** (the "Federation") which comprise the balance sheet as at March 31, 2021 and the income & expenditure account for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us except for the effects of the matter described in the Basis for Qualified Opinion paragraph below, the impact of which is not ascertained by the Federation, the aforesaid financial statements give the information required by the Generally Accepted Accounting Policy & Accounting Standards issued by Institute of chartered Accountant of India (GAAP) in the manner so required and give a true and fair view in conformity with GAAP of the state of affairs of the Federation as at March 31, 2021, and its income over the expenses for the year ended on that date.

Basis for Qualified Opinion

Attention is invited to Note No. 29 of the financial statements no balance confirmation and reconciliation has been received from member associations and football clubs. In the absence of balance confirmations from the respective member associations and other parties, adjustments, if any, which may arise consequent to the reconciliations/confirmation and the resultant impact on the financial statements cannot be ascertained at this stage.

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs). 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 Federation in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

Emphasis of Matters

Without qualifying our opinion, we draw attention to:

1. Note no. 38 of the financial statements wherein the Federation has deposited Rs. 58,22,673 in an appeal filed in the Customs, Excise and Services Tax Appellate Tribunal ('CESTAT') Delhi against a demand of Rs. 155,281,266 from Service Tax Department (including penalty). The Federation is of the view that there will be no liability on the Federation (details are fully explained in the said note).

2. Note no. 37 of the financial statements wherein the Hon'ble Delhi High Court set aside the result of the election of the office bearers including president and directed for fresh election as per the National Sports Code (NSC) on the basis of a separate and specific application filed against the Federation. The Federation appealed against the above Order in Hon'ble Supreme Court who appointed Dr. S.Y. Qureshi & Mr. Bhaskar Ganguli as the Committee of Administrators (Ombudsmen) for formulation of constitution of the Federation which will be in consonance with the NSC. The Ombudsmen are in the process of formulating the same (details are fully explained in the said note).
3. Note no. 25 of the financial statements wherein the assessing officer has challenged the charitable status of the Federation under section 12A of the Income Tax Act, 1961 in relation to the activities run by the Federation. Although, the Federation contested this order at CIT (Appeal), New Delhi and has filed the necessary appeals, no provision for income tax has been made in the financial statements as the management is of the view that the Federation is eligible for the exemption on the basis of legal opinion.
4. Note 35 of the financial statements, subsequent to the end of financial year due to Covid 19 pandemic FIFA has cancelled U-17 Women World Cup which was supposed to take place in India details explained in the said note. As on the date of the balance sheet the federation has received cumulative financial assistance Rs. 11,10,51,892 (Previous year Rs. 6,13,60,142) as on balance sheet date to host the U-17 Women World Cup, against which aggregate expenditure of Rs. 9,33,28,278 (previous year Rs. 4,62,35,777) has been incurred as on balance sheet date.

The federation has transferred aggregate of all expenses incurred Rs. 4,62,35,777 till March 31, 2020 (earlier shown under current assets) and Rs. 9,33,28,278 till March 31, 2021 towards the FIFA U-17 Women World Cup to income and expenditure account as expenditure and an equivalent amount of financial assistance has been transferred to income and expenditure account as income to offset such expenses incurred. The balance of financial assistance Rs. 2,01,44,076 which has remained unutilized continues to appear under current liabilities (refer note 6).

In the absence of sufficient and appropriate documentation and communication with respect to the aforesaid matters relating to the U-17 Women World Cup, the Federation has disclose income over the expenditure as current liabilities in current year financial statements. We have relied upon management contention.

5. Note 39 in the financial statements, which describes the uncertainties relating to COVID-19 on Federation's operations and results as assessed by the management.

Information other than the Financial Statements and Auditor's Report Thereon

The Federation's Management is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this Auditors' Report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's Responsibility for the Financial Statements

The Federation's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Federation in accordance with the Accounting Standards issued by Institute of Chartered Accountants of India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the GAAP for safeguarding the assets of the Federation and for preventing and detecting fraud & other irregularities, selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent, and design, implementation and maintenance of adequate internal controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records relevant to the preparation and presentation of financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the federation'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 Federation or to cease operations, or has no realistic alternative but to do so.

Federation's management are also responsible for overseeing the Federation's financial reporting process.

Auditor's Responsibility

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 the Standards on Auditing 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.

As part of an audit in accordance with Standards on Auditing, 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 the effectiveness of the Federation'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 Federation'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 Federation 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

Further to our comment in the para Basis for Qualified Opinion above, we report that:

- (a) We have sought, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, 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, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, proper books of account as required by law have been kept by the Federation so far as it appears from our examination of those books;
- (c) The balance sheet and income & expenditure account dealt with by this report are in agreement with the books of account.
- (d) In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, the aforesaid financial statements comply with the Accounting Standards issued by Institute of Chartered Accountant of India.
- (e) The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Federation.

For S.S. Kothari Mehta & Company
Chartered Accountants
Firm Registration No.: 000756N
Sd/-
Sunil Wahal
Partner
Membership No.: 087294

Date: October 26, 2021
Place: New Delhi
UDIN : 21087294AAAALH6591

All India Football Federation

Balance Sheet as at 31 March 2021

<i>(All amounts in Rupees)</i>			
	Note	As at 31 March 2021	As at 31 March 2020
SOURCES OF FUNDS			
General fund			
General fund and reserves	3	1,93,34,211	1,93,34,211
Earmarked funds	4	22,49,08,962	10,09,45,627
Income and expenditure account		34,86,87,973	6,46,08,946
Total General Fund		59,29,31,146	18,48,88,784
Loan funds			
Unsecured borrowings	5	—	2,50,00,000
Total loan fund		—	2,50,00,000
Current liabilities			
Current liabilities and provisions	6	23,00,60,830	27,42,92,740
Total current liabilities		23,00,60,830	27,42,92,740
		82,29,91,976	48,41,81,523
APPLICATION OF FUNDS			
Non current assets			
Property plant and equipment	7	3,22,14,803	3,06,49,094
Intangible assets	7	1,00,73,301	1,05,11,270
Capital work-in-progress	7	17,03,76,485	9,98,57,140
Total Non Current Assets		21,26,64,589	14,10,17,504
Current assets			
Cash and bank balances	8	51,30,84,081	19,60,07,536
Loans and advances	9	5,19,36,848	4,58,10,788
Income receivable	10	1,32,17,843	2,35,24,626
Other current assets	11	3,20,88,615	7,78,21,069
Total current assets		61,03,27,387	34,31,64,019
		82,29,91,976	48,41,81,523
Significant accounting policies	2		

The accompanying notes form an integral part of these financial statements

As per our report of even date

For S.S. Kothari Mehta & Company

Chartered Accountants

Firm Registration No.: 000756N

Sd/-

Sunil Wahal

Partner

Membership No.: 087294

Place : New Delhi

Date : October 26, 2021

**For and on behalf of Executive Committee of
All India Football Federation**

Sd/-

Praful M. Patel

President

Place : New Delhi

Date : October 26, 2021

Sd/-

Kushal Das

General Secretary

Place : New Delhi

Date : October 26, 2021

All India Football Federation

Income and Expenditure Account for the year ended 31 March 2021

<i>(All amounts in Rupees)</i>			
	Note	As at 31 March 2021	As at 31 March 2020
INCOME			
Income from grant of commercial rights, sponsorship and football assessment fee	12	73,57,68,829	67,06,17,856
Grants and aids received	13	9,32,38,956	18,13,41,135
Fees and levies	14	6,12,15,390	5,51,29,982
Other income	15	2,15,15,371	3,25,93,891
Total income		91,17,38,546	93,96,82,864
EXPENDITURE			
Tournament camps and other expenses	16	40,00,70,429	56,04,79,397
Administrative and other expenses	17	13,18,88,246	15,66,22,621
Meeting expenses	18	1,65,847	62,46,037
Coaches' salaries and remuneration	19	9,19,32,658	7,84,20,299
Finance cost	20	15,45,342	65,69,046
Depreciation and amortisation expenses	7	36,55,151	33,42,145
Total expenditure		62,92,57,673	81,16,79,545
Surplus for the year before prior period adjustments		28,24,80,873	12,80,03,319
Prior period adjustments (net)	21	(15,98,154)	6,02,190
Surplus / (Deficit) for the year after prior period adjustments		28,40,79,027	12,74,01,129
Balance brought forward		6,46,08,946	(6,27,92,183)
Surplus / (Deficit) carried to the balance sheet		34,86,87,973	6,46,08,946
Significant accounting policies	2		

The accompanying notes form an integral part of these financial statements

As per our report of even date

For S.S. Kothari Mehta & Company

Chartered Accountants
Firm Registration No.: 000756N

Sd/-
Sunil Wahal
Partner
Membership No.: 087294

Place : New Delhi
Date : October 26, 2021

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Sd/-
Praful M. Patel
President

Place : New Delhi
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