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Independent Auditor's Report

To the Members of Centre for Catalyzing Change

Report on the Special Purpose Financial Statements

1. This Report is issued in accordance with the terms of our engagement letter dated 26 August 2019 with **Centre for Catalyzing Change** ("the Society") registered under the Foreign Contribution (Regulation) Act, 2010 with Ministry of Home Affairs, Registration no. 231661003 valid upto 31 October 2021.
2. We have audited the accompanying special purpose financial statements of Centre for Catalyzing Change ("the Society") which comprise the Balance Sheet as at 31 March 2019, the Income and Expenditure, Receipts and Payments Account for the year ended 31 March 2019 and significant accounting policies and notes to the financial statements (hereinafter together referred to as 'Foreign Contribution Financial Statements') with respect to Foreign Contribution in accordance with the basis of accounting as described in schedule 12 to the Foreign Contribution Financial Statements, prepared by the management of the Society pursuant to the requirement of Section 19 of the Foreign Contribution (Regulation) Act, 2010 ('Act') read with rule 17 of the Foreign Contribution (Regulation) Rules, 2011 (as amended) ('Rules').

Management's Responsibility for the Foreign Contribution Financial Statements

3. The Management is responsible for preparation and presentation of the Foreign Contribution Financial Statements in accordance with the basis of accounting described in schedule 12 including preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Foreign Contribution Financial Statements and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances.
4. The Management is also responsible for ensuring that the Society complies with the requirements of the Act read with relevant Rules and providing all required information to the Ministry of Home Affairs.

Auditor's Responsibility

5. Pursuant to the requirement as stated in paragraph 2 above, it is our responsibility to provide a reasonable assurance in form of an opinion on these Foreign Contribution Financial Statements based on our audit.



6. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Foreign Contribution Financial Statements are free from material misstatement due to fraud or error.
7. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Foreign Contribution Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Foreign Contribution Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Society's preparation of the Foreign Contribution Financial Statements, in all material respects, in accordance with the basis of accounting described in Schedule 12 to these Foreign Contribution Financial Statements 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 Society's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management of the Society, as well as evaluating the overall presentation of the Foreign Contribution Financial Statements.
8. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Foreign Contribution Financial Statements.

Opinion

9. In our opinion the accompanying Foreign Contribution Financial Statements for the year ended 31 March 2019 are prepared, in all material respects, in accordance with the basis of accounting described in schedule 12 to these Foreign Contribution Financial Statements.

Report on Other Legal and Regulatory Requirements

10. As required under Rule 17(5) of the Foreign Contribution Rules 2011 and basis the financial statements of Foreign Contribution Account for the Financial Year ended 31 March 2019, we report that:
 - (i) The brought forward foreign contribution at the beginning of the financial year 2018-2019 was ₹40,06,66,446
 - (ii) Foreign contribution of ₹12,47,28,189 was received by the Society during the financial year 2018-2019 from various foreign donors. The Society has also received ₹ 3,00,000 from the sale of fixed assets procured from foreign contribution in earlier years and ₹ 3,856 was received from other sources.
 - (iii) Interest accrued on foreign contribution and other income derived from foreign contribution or interest thereon of ₹2,69,79,916 was received by the Society during the financial year 2018-2019.
 - (iv) The balance of unutilised foreign contribution with the Society at the end of the financial year 2018-2019 was ₹38,29,56,944.
 - (v) The Society has maintained the accounts of foreign contribution and records relating thereto in the manner specified in section 19 of the Foreign Contribution (Regulation) Act, 2010 (42 of 2010) read with rule 17 of the Foreign Contribution (Regulation) Rules, 2011.
 - (vi) The information in the enclosed Balance Sheet and Receipts and Payments Account is correct as checked by us.
 - (vii) The Society has utilized the foreign contribution received for the purposes it is registered under Foreign Contribution (Regulation) Act, 2010.



Walker ChandioK & Co LLP

Basis of accounting and restriction on distribution or use

11. Our work was performed solely to assist you in meeting your responsibilities in relation to submission of accompanying Foreign Contribution Financial Statements with the Ministry of Home Affairs. The Management has also prepared complete set of financial statements for Society for the purpose of submission with Form Number 10B of the Income Tax Rules, 1962.
12. The report is addressed to and provided to the Members of the Society solely for the purpose of enabling them to comply with the requirements of Rule 17(5) of the Rules, which requires them to submit the report with the accompanying Foreign Contribution Financial Statements to the Ministry of Home Affairs, and should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Accordingly, 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 ChandioK & Co LLP**
Chartered Accountants
Firm Registration No.: 001076N/N500013

Nitin Kohli

Nitin Kohli

Partner

Membership No. 507771

UDIN: **19507771AAAAHX1074**



Place: New Delhi

Date: 25 September 2019

CENTRE FOR CATALYZING CHANGE
Balance Sheet as at 31 March 2019
Foreign Contribution Account
(All amounts in Rupees, unless otherwise stated)

Particulars	Schedule	As At March 31, 2019		As At March 31, 2018	
		Details	Amount	Details	Amount
<u>SOURCES OF FUNDS</u>					
General Reserve Fund	1		24,03,543		16,32,906
Designated Fund	2		7,31,60,808		5,80,53,090
Restricted Funds					
C3-Unniti Small Grants Endowment Fund	3	6,98,43,639		6,66,64,639	
Grants & Contributions	4	25,73,49,750	32,71,93,389	28,92,21,291	35,58,85,930
Current Liabilities and Provisions	5				
Sundry Creditors		15,63,224		3,48,062	
Statutory Liability		12,76,514		12,06,385	
Expenses Payable		9,11,250		13,56,091	
Provisions for Employee Benefits		1,16,88,000	1,54,38,988	90,14,000	1,19,24,538
TOTAL			41,81,96,728		42,74,96,464
<u>APPLICATION OF FUNDS</u>					
Fixed Assets					
Gross Block	7	1,05,93,442		94,30,948	
Less: Accumulated Depreciation		63,39,086		66,37,282	
Net Block			42,54,356		27,93,666
Current Assets, Loans & Advances					
Grants & Contributions	4	96,85,461		1,19,48,949	
Other Current Assets	6	1,32,36,801	2,29,22,262	84,55,829	2,04,04,778
Cash and Bank Balances					
Cash in hand		9,133		32,694	
Bank Balances	8	38,29,47,811	38,29,56,944	40,06,33,752	40,06,66,446
Advances recoverable in cash or in kind or for value to be received	9		80,63,166		36,31,574
TOTAL			41,81,96,728		42,74,96,464
Significant accounting policies and notes to financial statements	12				

The schedules referred to above form an integral part of the financial statements.

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

Nitin Kohli
Nitin Kohli
Partner
Membership No.: 507771



For and on behalf of
Centre for Catalyzing Change

Dr. Aparajita Gogoi
Dr. Aparajita Gogoi
Executive Director

Mr. Sallil Kumar
Mr. Sallil Kumar
Member and Treasurer Governing Board

Mr. Arun Kumar
Mr. Arun Kumar
Director - Operations

Place: Noida
Date: 25 September 2019

CENTRE FOR CATALYZING CHANGE**Income and Expenditure Account for the year ended 31 March 2019****Foreign Contribution Account***(All amounts in Rupees, unless otherwise stated)*

Particulars	Schedule	Year ended March 31, 2019	Year ended March 31, 2018
<u>Income</u>			
Income from Programs	4	16,29,96,062	12,86,98,673
Interest Income	10	1,65,79,174	1,18,77,573
Donation/ Miscellaneous Income		1,18,523	10,462
Exchange Gain		1,993	-
Appropriation from Designated Fund	2	15,63,166	39,53,431
Total Income		18,12,58,918	14,45,40,139
<u>Expenditure</u>			
	11		
Communication Expenses		10,08,807	12,10,177
Consultancy Expenses		2,19,55,078	1,93,34,317
Establishment Expenses		1,25,51,074	1,10,44,272
Information Dissemination Expenses		24,38,230	43,02,402
Salaries and Benefits			
Program		4,98,44,121	3,79,45,273
General and Administrative		1,28,07,228	1,53,69,047
Subgrant expenses		4,19,95,303	2,83,21,917
Travel Expenses		1,15,89,165	79,17,219
Workshop & Seminar Expenses		84,82,275	1,17,82,941
Total Expenditure		16,26,71,281	13,72,27,565
Surplus for the year		1,85,87,637	73,12,575
<u>Appropriation</u>			
Transfer to Building Fund		92,45,000	29,10,000
Transfer to Program Innovation and Staff Development Fund		46,23,000	14,55,000
Transfer to Asset Replacement Fund		7,70,000	2,42,000
Transfer to C3-Unniti Small Grants Endowment Fund		31,79,000	24,63,000
Transfer to General Reserve Fund		7,70,637	2,42,575
Total		1,85,87,637	73,12,575
Significant accounting policies and notes to financial statements	12		

The schedules referred to above form an integral part of the financial statements.

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


Nitin Kohli
Partner
Membership No.: 507771



For and on behalf of
Centre for Catalyzing Change


Dr. Aparajita Gogoi
Executive Director


Mr. Arun Kumar
Director - Operations


Mr. Salil Kumar
Member and Treasurer Governing Board

Place: Noida
Date: 25 September 2019

CENTRE FOR CATALYZING CHANGE
Receipts and Payments Account for the year ended 31 March 2019
Foreign Contribution Account
(All amounts in Rupees, unless otherwise stated)

Receipts	Amount	Payments	Amount
Balances at the beginning of the year		Payments	
Cash in Hand	32,694	Workshop & Seminar Expenses	83,56,250
Balance with Bank:		Subgrant expenses	4,14,56,687
---in Fixed Deposit	39,43,70,954	Information Dissemination Expenses	24,19,573
---in Designated Bank Account (FCRA)	62,62,798	Travel Expenses	1,15,03,718
		Consultancy Expenses	1,99,86,649
Voluntary Contribution		Personnel Expenses	5,66,28,807
Bill and Melinda Gates Foundation	3,75,78,856	Communication Expenses	9,37,098
David and Lucile Packard Foundation	1,48,100	Establishment Expenses	1,10,02,520
Pathfinder International	1,49,696	Computers and other office equipments	30,08,194
The John D. and Catherine T. MacArthur Foundation	71,26,145	Advances to project partners, staff etc.	1,23,40,628
JHPIEGO	3,19,22,942	Liabilities of previous years paid	55,03,358
White Ribbon Alliance	40,33,277		
Give2Asia	44,98,110		
Fidelity Foundation	1,98,80,910		
Charities Aid Foundation India	48,09,120		
Impact Foundation India	1,45,81,033	Balance at the end of the year	
Interest received from the Bank	2,69,79,916	Cash in Hand	9,133
Miscellaneous Receipts	3,856	Balance with Bank:	
Proceed from sale of asset	3,00,000	--in Fixed Deposit	31,09,72,456
Advances of previous year recovered	34,22,019	--in Designated FCRA Bank A/c	7,19,75,355
TOTAL	55,61,00,426		55,61,00,426

The schedules referred to above form an integral part of the financial statements.

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

For and on behalf of
Centre for Catalyzing Change


Nitin Kohli
Partner
Membership No.: 507771




Dr. Aparajita Gogoi
Executive Director


Mr. Arun Kumar
Director - Operations


Mr. Sallu Kumar
Member and Treasurer Governing Board

Place: Noida
Date: 25 September 2019

CENTRE FOR CATALYZING CHANGE

Schedules forming part of the financial statements as at 31 March 2019

Foreign Contribution Account

(All amounts in Rupees, unless otherwise stated)

Schedule 1 - General Reserve Fund

Particular	As at 31 March 2019		As at 31 March 2018	
	Balances at the beginning of the year	16,32,906		13,90,331
Add: Surplus for the year	7,70,637	24,03,543	2,42,575	16,32,906
Total		24,03,543		16,32,906

Schedule 2 - Designated Funds

Particular	As at 31 March 2019		As at 31 March 2018	
	Deferred Revenue Fund - Assets under projects			
Balances at the beginning of the year	16,45,247		12,34,933	
Add: Additions during the year	20,32,884		16,29,823	
Less: Utilized during the year	(15,63,166)	21,14,965	(12,19,509)	16,45,247
Building Fund				
Balances at the beginning of the year	4,26,71,000		3,97,61,000	
Appropriation from Income and Expenditure Account	92,45,000	5,19,16,000	29,10,000	4,26,71,000
Program, Innovation and Staff Development Fund				
Balances at the beginning of the year	90,01,078		1,02,80,000	
Less : Utilized during the year	-		(27,33,922)	
Appropriation from Income and Expenditure Account	46,23,000	1,36,24,078	14,55,000	90,01,078
Asset Replacement Fund				
Balances at the beginning of the year	16,55,000		14,13,000	
Appropriation from Income and Expenditure Account	7,70,000	24,25,000	2,42,000	16,55,000
Program Support and Infrastructure Fund				
Balances at the beginning of the year	30,80,765		30,80,765	
Add: Additions during the year	-	30,80,765	-	30,80,765
Total		7,31,60,808		5,80,53,090

Schedule 3 - C3-Unniti Small Grants Endowment Fund

Particular	As at 31 March 2019		As at 31 March 2018	
	Opening Balance	6,66,64,639		6,42,01,639
Add: Appropriation from Income and Expenditure Account	31,79,000	6,98,43,639	24,63,000	6,66,64,639
Total		6,98,43,639		6,66,64,639



CENTRE FOR CATALYZING CHANGE

Schedules forming part of the financial statements as at 31 March 2019

Foreign Contribution Account

(All amounts in Rupees, unless otherwise stated)

Schedule 4 - Grants and Contributions

Programs	Balances as at 01 April 2018	Received		Avalied/utlized during the year against		Balances as at 31 March 2019
		Grants	Interest on grant funds	Income	Assets	
Gender Equity and Governance	20,71,15,714	3,77,26,560	94,11,910	6,38,25,525	6,55,318	18,97,73,340
Reproductive Health	4,24,05,598	4,30,82,364	7,87,487	6,46,61,686	5,736	2,16,08,028
Girls Education and Youth Development	2,77,51,030	3,94,19,162	4,95,300	3,10,10,741	8,91,454	3,57,63,297
Small Grants Programs	-	44,98,110	-	34,98,110	4,80,376	5,19,624
Total	27,72,72,342	12,47,26,196	1,06,94,697	16,29,96,062	20,32,884	24,76,64,289
Restricted Funds - Grants and Contributions	28,92,21,291					25,73,49,750
Current Assets - Grants and Contributions	(1,19,48,949)					(96,85,461)

Schedule 5 - Current Liabilities and Provisions

Particular	As at 31 March 2019	As at 31 March 2018
Sundry Creditors	15,63,224	3,48,062
Statutory Liability TDS Payable Professional Tax	12,68,589 7,925	11,90,285 16,100
Expenses Payable	9,11,250	13,56,091
Provisions for Employee Benefits - Provisions for Gratuity - Provisions for Compensated Absences	71,41,811 45,46,189	54,72,261 35,41,739
Total	1,54,38,988	1,19,24,538

Schedule 6 - Other Current Assets

Particular	As at 31 March 2019	As at 31 March 2018
Security Deposits	24,03,665	4,04,185
Accrued Interest	39,74,369	36,80,414
TDS Receivables	68,58,767	43,71,230
Total	1,32,36,801	84,55,829



CENTRE FOR CATALYZING CHANGE
Schedules forming part of the financial statements as at 31 March 2019
Foreign Contribution Account
(All amounts in Rupees, unless otherwise stated)

Schedule 7 - Fixed Assets

PARTICULARS	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	As at 01.04.2018	Additions during the year	Deletions / Adjustments	As at 31.03.2019	As at 01.04.2018	Depreciation for the year	Deletions / Adjustments	As at 31.03.2019	As at 31.03.2019	As at 31.03.2018
Information Technology (IT) Equipments	14,67,075	1,42,777	6,59,622	9,50,230	14,22,333	48,718	6,59,622	8,11,429	1,38,801	44,742
Office Equipment	18,79,319	2,99,383	2,48,739	19,29,963	10,96,126	1,76,485	63,406	12,09,205	7,20,758	7,83,193
Furniture & Fixtures	2,96,041	5,33,150	12,688	8,16,503	2,28,346	1,36,710	12,688	3,52,368	4,64,135	67,695
Vehicle	9,31,400	-	6,500	9,24,900	6,78,894	37,876	6,500	7,10,270	2,14,630	2,52,506
Donated Assets	283	-	154	129	-	-	-	-	129	283
Add : Transferred from assets acquired										
Information Technology (IT)	10,54,694	-	-	10,54,694	8,51,886	1,04,514	-	9,56,400	98,294	2,02,808
Office Equipment	19,506	-	-	19,506	19,506	-	-	19,506	-	-
Vehicle	8,84,835	-	-	8,84,835	2,93,489	88,702	-	3,82,191	5,02,644	5,91,346
TOTAL	65,33,153	9,75,310	9,27,703	65,80,760	45,90,580	5,93,005	7,42,216	44,41,369	21,39,391	19,42,573

PARTICULARS	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	As at 01.04.2018	Additions during the year	Deletions / Adjustments	As at 31.03.2019	As at 01.04.2018	Depreciation for the year	Deletions / Adjustments	As at 31.03.2019	As at 31.03.2019	As at 31.03.2018
Information Technology (IT) Equipments	35,43,173	13,22,536	8,89,677	39,76,032	27,95,393	6,86,768	8,89,677	25,92,484	13,83,548	7,47,780
Office Equipment	3,85,350	5,95,680	28,320	9,52,710	1,18,351	1,46,610	28,320	2,36,641	7,16,069	2,66,999
Furniture & Fixtures	43,472	1,14,668	-	1,58,140	4,350	40,148	-	44,498	1,13,642	39,122
Vehicle	8,84,835	-	-	8,84,835	2,93,489	88,702	-	3,82,191	5,02,644	5,91,346
Less: Transferred to Fixed Assets										
Information Technology (IT)	(10,54,694)	-	-	(10,54,694)	(8,51,886)	(1,04,514)	-	(9,56,400)	(98,294)	(2,02,808)
Office Equipment	(19,506)	-	-	(19,506)	(19,506)	-	-	(19,506)	-	-
Vehicle	(8,84,835)	-	-	(8,84,835)	(2,93,489)	(88,702)	-	(3,82,191)	(5,02,644)	(5,91,346)
TOTAL	28,97,795	20,32,884	9,17,997	40,12,682	20,46,702	7,69,012	9,17,997	18,97,717	21,14,965	8,51,093
GRAND TOTAL	94,30,948	30,08,194	18,45,700	1,05,93,442	66,37,282	13,62,017	16,60,213	63,39,086	42,54,356	27,93,666



CENTRE FOR CATALYZING CHANGE

Schedules forming part of the financial statements as at 31 March 2019

Foreign Contribution Account

(All amounts in Rupees, unless otherwise stated)

Schedule 8 - Bank Balances

Particular	As at 31 March 2019	As at 31 March 2018
Balance with Bank:		
Designated FCRA Account	7,19,75,355	62,62,798
Other Bank Accounts	-	-
Fixed Deposit	31,09,72,456	39,43,70,954
Total	38,29,47,811	40,06,33,752

Schedule 9 - Advances recoverable in cash or in kind or for value to be received

Particular	As at 31 March 2019	As at 31 March 2018
Program Partners	43,95,778	27,08,985
Advance to Vendors	32,92,732	1,65,382
Prepaid Expenses	-	5,52,669
Advance to Staff	3,74,656	2,04,538
Total	80,63,166	36,31,574

Schedule 10 - Interest Income

Particular	Year ended	
	31 March 2019	31 March 2018
Interest on Savings Account	23,34,171	17,86,856
Interest on Term Deposit	2,49,39,700	1,66,95,210
Interest on Income Tax Refund	-	1,01,412
Less: Interest allocated to Donor	(1,06,94,697)	(67,05,905)
Total	1,65,79,174	1,18,77,573

Schedule 11 - Breakup of Expenditure

For the year ended 31-03- 2019

Natural Heads of Accounts	Gender and Governance	Reproductive Health	Girls Education and Youth Development	Small Grants Program	Program Support	TOTAL
Communication Expenses	1,81,516	2,82,921	2,13,676	27,542	3,03,152	10,08,807
Consultancy Expenses	67,45,390	87,85,131	46,37,097	1,95,000	15,92,460	2,19,55,078
Establishment Expenses	11,02,922	13,75,609	20,68,628	12,061	79,91,855	1,25,51,074
Information Dissemination Expenses	5,32,863	13,98,635	2,32,651	12,723	2,61,358	24,38,230
Salaries and Benefits	1,42,22,503	1,78,24,043	1,65,01,495	12,96,080	1,28,07,228	6,26,51,349
Subgrant expenses	2,50,64,264	1,40,85,784	-	28,45,255	-	4,19,95,303
Travel Expenses	25,61,547	44,72,758	25,81,102	84,334	18,89,423	1,15,89,165
Workshop & Seminar Expenses	12,81,990	46,21,166	21,41,280	5,096	4,32,743	84,82,275
Total	5,16,92,995	5,28,46,047	2,83,75,929	44,78,091	2,52,78,219	16,26,71,281



Centre for Catalyzing Change

Schedule 12 - Significant accounting policies and notes to financial statements for the year ended 31 March 2019

1. Organization background

Centre for Catalyzing Change ("the Society" or "C3") is a Society registered under the Societies Registration Act 1860, vide registration number S - 42102 of 2002, having its registered office at, C-1 , Hauz Khas New Delhi - 110016. The object of the Society is primarily to inter-alia work to mobilise, equip, educate and empower girls and women to meet their full potential.

The Society is also registered as under:

- Under section 12A of the Income Tax Act, 1961 vide registration number DIT (E)/2002-03/T-830/03/1415 dated January 23, 2004 w.e.f. November 01, 2003;
- Under section 80G of the Income Tax Act, 1961 vide number - F.No.DIT(E)/80G/2012-13/T-830/5702 dated 27/03/2012 w.e.f. A.Y.2012-13;
- Under the Foreign Contribution Regulations Act, 1976 vide registration number 231661003 valid upto October 31, 2021; and having PAN - AAATT6660R and TAN - DELT04972C;

C3 works hand-in-hand with women leaders, local partners and national and international organizations to give women the tools they need to improve their lives, families and communities. C3's approach to ensure lasting change within communities involves three interrelated strategies: Reproductive health, gender and governance and youth development. The Society builds women leaders to take on progressive roles in development. C3's training programs help women identify and hone their skills, and build core competencies.

Further, C3 supports community based organizations and provides them with the technical assistance to initiate and sustain change. The goal is to help build sustainable organizations and networks that can respond most effectively and responsibly to community needs over time. C3 also helps women leaders by bringing together women and diverse stakeholders on a common platform and working with them in sustained advocacy efforts for social and policy change.

2. Significant accounting policies

(i) Basis of accounting

The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ("Indian GAAP"). The Society is a Level III enterprise as defined in the General Instructions in respect of



Centre for Catalyzing Change

Schedule 12 - Significant accounting policies and notes to financial statements for the year ended 31 March 2019

Accounting Standards. However, being a not for profit organization, Accounting Standards and related disclosures issued by Institute of Chartered Accountants of India are not applicable to the Society. The accounting policies used by the Society are in compliance with the accounting principles generally accepted in India to the extent considered relevant by the management. The accounting policies have been consistently applied by the Society and are consistent with those used in the previous year.

(ii) Use of estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions to arrive at the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenditure during the year. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future, results could differ from these estimates and the differences between the actual and the estimates are recognized in the periods in which the actual amounts are known/materialize.

(iii) Fixed assets and depreciation

a. Fixed assets

i) Fixed assets acquired by applying restricted funds

Fixed assets acquired from restricted funds are reported at historical cost and correspondingly reports a deferred revenue fund at net book value. For a better understanding of the operational costs, the use of these assets has been valued at a cost equivalent to depreciation for the year and the same has been reported as expenditure, and the corresponding appropriation from the deferred revenue fund is reported as income in the Income and Expenditure Account.

Assets purchased by applying restricted funds remain in this fund till such time the relevant project, out of which the assets were purchased remains live. Once the relevant project(s) is completed the assets are transferred to the fixed assets and the relevant appropriation are passed to the deferred revenue fund and is reported as income in the Income and Expenditure Account.

ii) Fixed assets acquired from own sources of funds

Fixed assets acquired out of own sources of funds are reported at historical costs. Depreciation is charged at the rates prescribed under the Income Tax Rules, 1962 on the written down value method as reported in the Balance Sheet. The expenditure which materially increases the useful life of the asset is capitalized. Assets which have fulfilled their useful life are written off at their respective



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historical costs and the corresponding accumulated depreciation is accordingly adjusted. Gain and/or loss from sale of such assets are taken to the Income and Expenditure Account.

iii) Fixed assets received through donation

Fixed assets received through donation are recognized at nominal value. These assets are reported as "Donated Asset" in the schedule of fixed assets and as an addition to the general reserve fund. All donations are considered to be available for unrestricted use, unless otherwise specifically provided by the donor.

b. Depreciation

Depreciation on fixed assets is provided on the written down value method at the rates specified in the Income Tax Rules, 1962 as applicable for the financial year.

Particular	Rate of depreciation
Office equipments	15%
Furniture and fixtures	10%
Vehicles	15%
Computer and information technology equipments	40%

In respect of additions to the fixed assets, full depreciation is provided on additions over six months and at 50% of the rate on additions less than six months as on the Balance Sheet date.

No depreciation is provided in the year of disposal of asset

Assets acquired during the year costing ₹ 5,000 or less, as well as existing assets at the beginning of the year whose written down value is less than ₹ 5,000 are depreciated fully during the year.

No depreciation is provided on donated assets and the same are written off upon discarding, disposal of the same.

Depreciation on assets through restricted funds is charged by appropriation from the deferred revenue fund and a corresponding credit is made to the Income and Expenditure Account.

(iv) Impairment of assets



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The Society on an annual basis makes an assessment of any indicator that may lead to impairment of assets. If any such indication exists, the Society estimates the recoverable amount of the assets. If such recoverable amount is less than the carrying amount, then the carrying amount is reduced to its recoverable amount by treating the difference between them as impairment loss and is charged to the Income and Expenditure Account. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

(v) Cash and bank balance

Cash and bank balance for the purpose of balance sheet comprise cash at bank and in hand and investment in fixed deposits with the banks.

(vi) Funds

a. Restricted funds (Corpus/ Endowment funds)

Corpus/ Endowment funds are those funds which are received from the donor with specific direction that they shall form part of the corpus/ endowment fund of the organization. The corpus/ endowment funds as reported in the Balance Sheet represents the net fund balance considering receipts, utilization and accretions thereto as at balance sheet date.

b. Restricted funds (Grants and contributions)

Restricted funds are funds whose use, has been limited by donors for a specific time and / or for a specific purpose. Funds received are initially treated as a liability and on satisfaction of the conditions governing each grant, in the case of revenues or expenses, are transferred to the Income and Expenditure Account on the basis of utilization during the year, and in the case of assets acquired, are transferred to the deferred revenue fund during the year. Grants and contribution shown under the "Current assets" represent funds receivable due to utilization of funds in excess of the funds received against the particular project/program.

c. Designated funds

Designated funds are those funds, which are specifically mandated by applicable law and/or established by the Society, for specific purposes. The funds reported in the Balance Sheet are:



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- i. Deferred revenue fund, which represents net value of assets, acquired using restricted funds.
- ii. Building funds, which represent the amount allocated for acquiring premises for the purposes of the organization.
- iii. Program innovation funds, which represent funds allocated to be used for any initiative to fulfill the objectives, mission and vision of the organization
- iv. Asset replacement funds, which represent funds allocated to be used for acquiring/ replacing assets for the purposes of the organization.
- v. Program support and infrastructure funds, which represents funds allocated to be used for program development and implementation and any infrastructure requirements of the organization as may be expressly approved by the governing body.

(vii) Accounting of income and expenditure

Income and expenditure are recognised in accordance with the terms and conditions embodied in respective agreements with donors, vendors and project partners as well as on the basis of reasonably accurate quantification of the amounts that the Society is legally entitled to receive and/or pay, as the case may be.

Donations - Donations are recognized on receipt basis.

Interest income - Interest income is recognized using time proportion method, based on the rate implicit in the transaction.

(viii) Foreign exchange transactions

Foreign currency transactions are recorded at the rates prevailing at the date on which the transactions take place. Monetary items denominated in foreign currencies at the year-end are translated at the exchange rates prevailing on the date of the Balance Sheet. Non-monetary items denominated in foreign currencies are carried at cost.

Any income or expense on account of exchange differences, either on settlement or on translation of transactions, is recognized in the Income and Expenditure Account.

(ix) Employee benefits

(a) Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits such as salaries, wages and short term compensated absences, etc. are recognised in the period in which the



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employee rendered the related services. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized as an expense during the year.

(b) Post- employment benefits

Provident Fund:

Contribution to the provident fund is made in accordance with the provisions of the Employees Provident Fund and Miscellaneous Provisions Act, 1952 and is recognised as an expense in the Income and Expenditure Account on an accrual basis.

Gratuity

The liability for gratuity is provided on the basis of actual calculation done by management at the year-end in accordance with the Payment of Gratuity Act, 1972.

Compensated absences

Liability in respect of compensated absences is provided for on accrual basis on the basis of actual calculations made by management.

(x) Provision and contingencies

The Society makes a provision when there is a present obligation as a result of a past event where the outflow of economic resources is probable and a reliable estimate of the amount of the obligation can be made.

A disclosure is made for a liability when there is a:

- a) Possible obligation, the existence of which will be confirmed by the occurrence/non-occurrence of one or more uncertain events, not fully within the control of the Society; or
- b) Present obligation, where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- c) Present obligation, where a reliable estimate cannot be made.

(xi) Income tax

The Society is exempt from income tax under Section 12AA of the Income-tax Act, 1961 ("Act") and accordingly no provision for taxation is required for tax liability on anonymous donations under Section 115BBC of the Act. Since the



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Society is exempt from Income tax, no deferred tax (asset or liability) is required to be recognized in respect of timing differences.

3. Disclosures required under Micro, Small and Medium Enterprises Development Act, 2006

Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED) Act, 2006 for the year ended 31 March 2019 is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Society.

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
i) Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act, 2006:		
Principal	-	-
Interest	-	-
ii) The amount of interest paid by the buyer in terms of section 16, of the MSMED Act, 2006 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 MSMED Act, 2006.	-	-
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
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 of the MSMED Act, 2006	-	-



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4. During the year, Society has sold some of its fixed assets from the block office equipment. The asset was sold at ₹3,00,000. The written down value of this fixed asset on the date sale is ₹1,85,333. Accordingly, Society has recorded profit amounting to ₹1,14,667 in books of account. Further, Society has written off the value of the donated fixed assets which were not in a working condition, disposed of or not available with the Society. Society has written off these donated fixed assets amounting to ₹154 in the current year.

5. Subgrant expenses

The Society implements its programs through projects conducted by itself and by other partner organizations to which it disburses grants. Grants made to projects carried out through partner agencies are accounted initially as advances under 'Advances recoverable in cash or in kind of for the value to be received' and recognised as expenditure/ utilized upon receipt of utilization statements.

6. Payment to auditors

(Amount in ₹)

Particulars	For the year ended	
	31 March 2019	31 March 2018
For statutory and FCRA audit	400,000	180,000
Goods and service tax	72,000	32,400
Total	472,000	212,400



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7. Previous year figures

Previous year's figures have been regrouped/ reclassified wherever necessary, to confirm to current year's classification. The balance as at 31 March 2018 as per the audited financial statements, regrouped and/or reclassified wherever necessary, have been considered as opening balances for the purpose of these financial statements.

This is the summary of significant accounting policies and other explanatory information referred to in our report of even date

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



Nitin Kohli
Partner
Membership No: 507771



For Centre for Catalyzing Change


Dr. Aparajita Gogoi
Executive Director


Mr. Arun Kumar
Director - Operations

Place: Noida
Date: 25 September 2019


Mr. Salil Kumar
Member and Treasurer Governing Board