

Walker Chandiook & Co LLP

Walker Chandiook & Co LLP
21st Floor, DLF Square
Jacaranda Marg, DLF Phase II
Gurugram - 122 002
India

T +91 124 462 8099
F +91 124 462 8001

Independent Auditor's Report

To the Members of Centre for Catalyzing Change

Report on the Foreign Contribution Financial Statements

1. This Report is issued in accordance with the terms of our engagement letter dated 07 July 2020 with **Centre for Catalyzing Change** (the 'Society').
2. We have audited the accompanying special purpose financial statements of the Society which comprise the Balance Sheet as at 31 March 2020, the Statement of Income and Expenditure, the Statement of Receipts and Payment Account for the year ended 31 March 2020, and a summary of significant accounting policies and other explanatory information 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 13 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 13 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. Our responsibility is to express 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

Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurugram, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

Walker Chandiook & Co LLP is registered with limited liability with identification number AAC-2085 and its registered office at L-41 Connaught Circus, New Delhi, 110001, India



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 13 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 2020 are prepared, in all material respects, in accordance with the basis of accounting described in schedule 13 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 2020, we report that:
 - (i) The brought forward foreign contribution at the beginning of the financial year 2019-2020 was ₹ 382,956,944;
 - (ii) Foreign contribution of ₹ 275,321,349 was received by the Society during the financial year 2019-2020;
 - (iii) Interest accrued on foreign contribution and other income derived from foreign contribution or interest thereon of ₹ 30,659,118 was received by the Society during the financial year 2019-2020;
 - (iv) The balance of unutilised foreign contribution with the Society at the end of the financial year 2019-2020 was ₹ 489,339,349;
 - (v) The Society has maintained the accounts of foreign contribution and records relating thereto in the manner specified in Section 19 of the Act read with Rule 17 of the Rules;
 - (vi) The information in the enclosed Balance Sheet and Statement of Receipts and Payments is correct as checked by us; and
 - (vii) The Society has utilised the foreign contribution received for the purpose(s) it is registered/granted prior permission under the Act.

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 10B of the Income Tax Rules, 1962.
12. Without modifying our opinion, we draw attention to schedule 13 to the Foreign Contribution Financial Statements, which describes the basis of accounting used by the management for the preparation of the said Foreign Contribution Financial Statements. These Foreign Contribution Financial Statements are prepared solely for the purpose of enabling the management 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



Walker Chandiook & Co LLP

therefore, these Foreign Contribution Financial Statements may not be suitable for another purpose. This report is issued solely for aforementioned purpose and accordingly, should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Further, 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 Chandiook & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013



Sandeep Mehta
Partner
Membership No. 099410
UDIN: 20099410AAAAEI8998



Place: Mohali, Chandigarh
Date: 29 December 2020

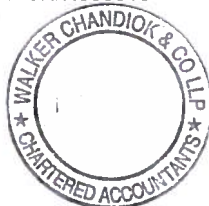
CENTRE FOR CATALYZING CHANGE
Balance Sheet as at 31 March 2020
Foreign Contribution Account
(All amounts in Rupees, unless otherwise stated)

Particulars	Schedules	As at 31 March 2020		As at 31 March 2019	
		Details	Amount	Details	Amount
<u>SOURCES OF FUNDS</u>					
General reserve fund	1		37,28,952		24,03,543
Designated fund	2		10,07,28,688		7,31,60,808
Restricted funds					
C3-Unniti Small Grants Endowment fund	3	7,04,91,639		6,98,43,639	
Grants and contributions	4	33,15,23,515	40,20,15,154	25,73,49,750	32,71,93,389
Non-current liabilities					
Provisions for employee benefits	5		1,26,21,603		1,16,88,000
Current liabilities and provisions	6				
Sundry creditors		42,39,046		15,63,224	
Statutory liability		11,75,810		9,11,250	
Expenses payable		14,61,094	68,75,950	12,76,514	37,50,988
TOTAL			52,59,70,347		41,81,96,728
<u>APPLICATION OF FUNDS</u>					
Property, plant and equipment					
Gross block	10	1,67,59,167		1,05,93,442	
Less: Accumulated depreciation		92,95,506		63,39,086	
Net block			74,63,661		42,54,356
Current assets, loans & advances					
Grants and contributions	4	40,54,197		96,85,461	
Other current assets	7	1,64,26,257	2,04,80,454	1,32,36,801	2,29,22,262
Cash and bank balances					
Cash in hand		24,918		9,133	
Bank balances	8	48,93,14,431	48,93,39,349	38,29,47,811	38,29,56,944
Advances recoverable in cash or in kind or for value to be received	9		86,86,883		80,63,166
TOTAL			52,59,70,347		41,81,96,728
Significant accounting policies and other explanatory information	13				

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

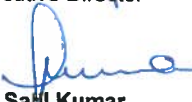
For Walker Chandiook & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013


Sandeep Mehta
Partner
Membership No.: 099410



For and on behalf of
Centre for Catalyzing Change


Dr. Aparajita Gogoi
Executive Director


Mr. Saji Kumar
Member and Treasurer Governing Board


Mr. Arun Kumar
Director - Operations



Place : Mohali, Chandigarh
Date : 29-Dec-2020

Place : Delhi
Date : 29-Dec-2020

CENTRE FOR CATALYZING CHANGE

Income and Expenditure Account for the year ended 31 March 2020

Foreign Contribution Account

(All amounts in Rupees, unless otherwise stated)

Particulars	Schedules	Year ended 31 March 2020	Year ended 31 March 2019
Income			
Income from programs	4	19,76,66,696	16,29,96,062
Interest income	11	1,84,80,320	1,65,79,174
Donations		60,00,000	-
Miscellaneous income		11,519	1,20,516
Appropriation from Designated fund	2	20,22,081	15,63,166
Total Income		22,41,80,616	18,12,58,918
Expenditure	12		
Communication expenses		14,70,167	10,08,807
Consultancy expenses		5,58,03,104	2,19,55,078
Establishment expenses		1,79,01,874	1,25,51,074
Information dissemination expenses		68,92,740	24,38,230
Salaries and benefits			
Program		6,02,78,677	4,98,44,121
General and administrative		1,46,04,774	1,28,07,228
Subgrant expenses		1,95,26,603	4,19,95,303
Travel expenses		1,09,20,926	1,15,89,165
Workshop and seminar expenses		96,22,342	84,82,275
Total Expenditure		19,70,21,207	16,26,71,281
Surplus for the year		2,71,59,409	1,85,87,637
Appropriations			
Transfer to Building Fund		1,59,07,000	92,45,000
Transfer to Program Innovation and Staff Development Fund		79,53,000	46,23,000
Transfer to Asset Replacement Fund		13,26,000	7,70,000
Transfer to C3-Unniti Small Grants Endowment Fund		6,48,000	31,79,000
Transfer to General Reserve Fund		13,25,409	7,70,637
Total		2,71,59,409	1,85,87,637
Significant accounting policies and and other explanatory information	13		

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

For Walker Chandiook & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Sandeep Mehta
Partner

Membership No.: 099410



For and on behalf of

Centre for Catalyzing Change**Dr. Aparajita Gogoi**
Executive Director**Mr. Arun Kumar**
Director - Operations**Mr. Sajil Kumar**
Member and Treasurer Governing Board

Place : Mohali, Chandigarh

Date : 29-Dec-2020

Place : Delhi

Date : 29-Dec-2020

CENTRE FOR CATALYZING CHANGE

Receipts and Payments Account for the year ended 31 March 2020

Foreign Contribution Account

(All amounts in Rupees, unless otherwise stated)

RECEIPTS	Amount		Amount
Balances at the beginning of the year		Payments	
Cash in hand	9,133	Workshop and seminar expenses	94,64,733
Balance with bank:		Subgrant expenses	1,95,07,627
- in Fixed deposits	31,09,72,456	Information dissemination expenses	52,78,848
- in Designated bank account (FCRA)	7,19,75,355	Travel expenses	1,08,51,197
		Consultancy expenses	5,16,27,062
Voluntary contribution		Personnel expenses	7,33,73,144
Bill and Melinda Gates Foundation	17,91,08,898	Communication expenses	14,21,973
David and Lucile Packard Foundation	2,79,54,388	Establishment expenses	1,47,30,643
JHPIEGO Corporation	1,99,63,856	Computers and other office equipments	61,65,731
White Ribbon Alliance	56,53,823		
Chairities Aid Foundation India	73,73,984	Advances to project partners, staff etc.	1,07,35,636
Impact Foundation India	2,92,54,881	Liabilities of previous years paid	37,50,988
Interest received from the bank	3,06,59,118	Cash in hand	24,918
Miscellaneous receipts	11,519	Balance with bank:	
Donation	60,00,000	- in Fixed deposits	46,50,87,871
Advances of previous year recovered	73,09,520	- in Designated FCRA bank account	2,42,26,560
TOTAL	69,62,46,931		69,62,46,931

For Walker Chandiook & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013


Sandeep Mehta

Partner

Membership No.: 099410



For and on behalf of

Centre for Catalyzing Change


Dr. Aparajita Gogoi

Executive Director


Mr. Sajil Kumar

Member and Treasurer Governing Board


Mr. Arun Kumar

Director - Operations



Place : Mohali, Chandigarh

Date : 29-Dec-2020

Place : Delhi

Date : 29-Dec-2020

CENTRE FOR CATALYZING CHANGE
Schedules forming part of the financial statements as at 31 March 2020

Foreign Contribution Account

(All amounts in Rupees, unless otherwise stated)

Schedule 1 - General Reserve Fund

Particular	As at 31 March 2020		As at 31 March 2019	
	Balances at the beginning of the year	24,03,543		16,32,906
Add: Surplus for the year transferred from Income and Expenditure Account	13,25,409	37,28,952	7,70,637	24,03,543
Total		37,28,952		24,03,543

Schedule 2 - Designated Funds

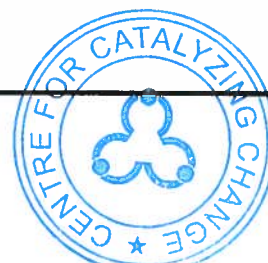
Particular	As at 31 March 2020		As at 31 March 2019	
	Deferred Revenue Fund - Assets under projects			
Balances at the beginning of the year	21,14,965		16,45,247	
Add: Additions during the year	44,03,961		20,32,884	
Less: Utilized during the year	(20,22,081)	44,96,845	(15,63,166)	21,14,965
Building Fund				
Balances at the beginning of the year	5,19,16,000		4,26,71,000	
Add: Appropriation from Income and Expenditure Account	1,59,07,000	6,78,23,000	92,45,000	5,19,16,000
Program, Innovation and Staff Development Fund				
Balances at the beginning of the year	1,36,24,078		90,01,078	
Less: Utilized during the year	-		-	
Add: Appropriation from Income and Expenditure Account	79,53,000	2,15,77,078	46,23,000	1,36,24,078
Asset Replacement Fund				
Balances at the beginning of the year	24,25,000		16,55,000	
Add: Appropriation from Income and Expenditure Account	13,26,000	37,51,000	7,70,000	24,25,000
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		10,07,28,688		7,31,60,808

Schedule 3 - C3-Unniti Small Grants Endowment Fund

Particular	As at 31 March 2020		As at 31 March 2019	
	Balances at the beginning of the year	6,98,43,639		6,66,64,639
Add: Appropriation from Income and Expenditure Account	6,48,000	7,04,91,639	31,79,000	6,98,43,639
Total		7,04,91,639		6,98,43,639

Schedule 4 - Grants and Contributions

Programs	Balances as at 01 April 2019	Received		Availed/utilized during the year against		Balances as at 31 March 2020
		Grants	Interest on grant funds	Income	Assets	
Gender equity and governance	18,97,73,340	14,60,86,440	74,30,898	9,83,21,213	2,25,553	24,47,43,912
Reproductive health	2,16,08,028	5,86,40,137	5,84,171	3,76,83,978	3,70,435	4,27,77,922
Girls education and youth development	3,57,63,298	6,45,83,253	11,75,640	5,78,39,010	37,35,698	3,99,47,483
Small grants programs	5,19,624	-	33,75,146	38,22,495	72,275	-
Total	24,76,64,290	26,93,09,830	1,25,65,855	19,76,66,696	44,03,961	32,74,69,317
Restricted Funds - Grants and Contributions	25,73,49,750					33,15,23,515
Current Assets - Grants and Contributions	(96,85,461)					(40,54,197)



CENTRE FOR CATALYZING CHANGE
Schedules forming part of the financial statements as at 31 March 2020
Foreign Contribution Account
(All amounts in Rupees, unless otherwise stated)

Schedule 5 - Non-current liabilities

Particulars	As at 31 March 2020	As at 31 March 2019
Provisions for employee benefits		
- Provisions for gratuity	76,87,063	71,41,811
- Provisions for compensated absences	49,34,540	45,46,189
Total	1,26,21,603	1,16,88,000

Schedule 6 - Current liabilities and provisions

Particular	As at 31 March 2020	As at 31 March 2019
Sundry creditors	42,39,046	15,63,224
Expenses payable	11,75,810	9,11,250
Statutory liability		
TDS payable	14,61,094	12,68,589
Professional tax payable	-	7,925
Total	68,75,950	37,50,988

Schedule 7 - Other current assets

Particular	As at 31 March 2020	As at 31 March 2019
Security deposits	24,06,165	24,03,665
Accrued interest	43,61,426	39,74,369
TDS receivable	96,58,666	68,58,767
Total	1,64,26,257	1,32,36,801

Schedule 8- Bank balances

Particular	As at 31 March 2020	As at 31 March 2019
Balance with Bank:		
Designated FCRA Account	2,42,26,560	7,19,75,355
Fixed deposits	46,50,87,871	31,09,72,456
Total	48,93,14,431	38,29,47,811

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

Particular	As at 31 March 2020	As at 31 March 2019
Advance to program partners	73,02,221	43,95,778
Advance to vendors	44,502	26,49,244
Prepaid expenses	12,72,868	6,43,488
Advance to staff	67,292	3,74,657
Total	86,86,883	80,63,166



CENTRE FOR CATALYZING CHANGE
Schedules forming part of the financial statements as at 31 March 2020
(All amounts in Rupees, unless otherwise stated)
Foreign Contribution Account

Schedule 10 - Property, plant and equipment
A - Property, plant and equipment

PARTICULARS	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK		
	As at 01.04.2019	Additions during the year	Deletions /Adjustments	As at 31.03.2020	As at 01.04.2019	Depreciation for the year	Deletions /Adjustments	As at 31.03.2020	As at 31.03.2019
	Information Technology (IT) Equipments	20,04,924	-	-	20,04,924	17,67,829	1,04,054	-	18,71,883
Office Equipment	19,49,469	2,11,390	-	21,60,859	12,28,711	1,54,692	-	13,83,403	7,77,456
Furniture & Fixtures	8,16,503	15,50,380	-	23,66,883	3,52,368	6,62,219	-	10,14,587	13,52,296
Vehicle	18,09,735	-	-	18,09,735	10,92,461	1,07,591	-	12,00,052	6,09,683
Donated Assets	129	-	6	123	-	-	-	-	123
Add : Transferred from assets acquired under Programs									
Information Technology (IT)	5,82,048	-	-	5,82,048	4,75,993	42,421	-	5,18,414	63,634
Office Equipment	55,536	-	-	55,536	19,556	5,397	-	24,953	30,583
Vehicle	43,472	-	-	43,472	43,472	-	-	43,472	-
TOTAL	72,61,816	17,61,770	6	90,23,580	49,80,390	10,76,374	-	60,56,764	29,66,816

B - Assets acquired under Programs/ Deferred Revenue Fund

PARTICULARS	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK		
	As at 01.04.2019	Additions during the year	Deletions /Adjustments	As at 31.03.2020	As at 01.04.2019	Depreciation for the year	Deletions /Adjustments	As at 31.03.2020	As at 31.03.2019
	Information Technology (IT) Equipments	29,21,338	30,36,058	(32,599)	59,89,995	16,36,084	13,95,737	(10,814)	30,42,635
Office Equipment	9,33,204	13,29,986	32,599	22,30,591	2,17,135	4,64,213	10,814	6,70,534	15,60,057
Furniture & Fixtures	1,58,140	37,917	-	1,96,057	44,498	67,914	-	1,12,412	83,645
Less: Transferred to A - Property, plant and equipment									
Information Technology (IT)	(5,82,048)	-	-	(5,82,048)	(4,75,993)	(42,421)	-	(5,18,414)	(63,634)
Office Equipment	(55,536)	-	-	(55,536)	(19,556)	(5,397)	-	(24,953)	(30,583)
Vehicle	(43,472)	-	-	(43,472)	(43,472)	-	-	(43,472)	-
TOTAL	33,31,626	44,03,961	-	77,35,587	13,58,696	18,80,046	-	32,38,742	44,96,845
GRAND TOTAL	1,05,93,442	61,65,731	6	1,67,59,167	63,39,086	29,56,420	-	92,95,506	74,63,661



CENTRE FOR CATALYZING CHANGE

Schedules forming part of the financial statements as at 31 March 2020

Foreign Contribution Account*(All amounts in Rupees, unless otherwise stated)***Schedule 11 - Interest Income**

Particular	Year ended	
	31 March 2020	31 March 2019
Interest on savings bank account	30,47,187	23,34,171
Interest on term deposits	2,79,98,988	2,49,39,700
Less: Interest allocated to donor funds	(1,25,65,855)	(1,06,94,697)
Total	1,84,80,320	1,65,79,174

Schedule 12 - Breakup of expenditure

Year ended 31 March 2020

Natural Heads of Accounts	Gender and Governance	Reproductive Health	Girls Education and Youth Development	Small Grants Program	Program Support	TOTAL
Communication expenses	3,59,078	1,39,668	7,37,708	17,974	2,15,739	14,70,167
Consultancy expenses	3,16,66,123	1,24,14,591	97,26,385	3,42,625	16,53,380	5,58,03,104
Establishment expenses	14,25,498	4,18,916	40,06,745	5,10,633	1,15,40,082	1,79,01,874
Information dissemination expenses	3,96,159	4,23,959	59,00,875	4,949	1,66,798	68,92,740
Salaries and benefits	2,56,25,418	1,08,25,357	2,29,61,791	8,66,111	1,46,04,774	7,48,83,451
Subgrant expenses	1,48,41,137	26,87,991	-	19,97,475	-	1,95,26,603
Travel expenses	38,57,592	24,11,474	41,01,454	72,776	4,77,630	1,09,20,926
Workshop and seminar expenses	15,17,035	11,38,037	69,31,394	1,000	34,876	96,22,342
Total	7,96,88,040	3,04,59,993	5,43,66,352	38,13,543	2,86,93,279	19,70,21,206



Centre for Catalyzing Change

Schedule 13 – Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

1. Organization

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-27, 2nd Floor, Qutab Institutional Area, 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 the Foreign Contribution Regulations Act, 1976 vide registration number 231661003 valid upto October 31, 2021;

2. Significant accounting policies

(i) Basis of accounting

The special purpose foreign contribution 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"). Being a not for profit organization, accounting standards and related disclosures are not applicable to the Trust. The accounting policies adopted in the preparation of special purpose financial statements have been consistently applied by the Trust and are consistent with those used in the previous year.

These special purpose financial statements have been prepared for submission to the Ministry of Home Affairs pursuant to the requirement of Section 19 of the Foreign Contribution (Regulation) Act, 2010 read with rule 17 of the Foreign Contribution (Regulation) Rules, 2011 (as amended).

(ii) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the Society to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of liabilities at the date of financial statements and the reported amount of revenues and expenses during the period reported. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

(iii) Property, plant and equipment

i) Property, plant and equipment acquired by applying restricted funds

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises of purchase price and any attributable cost such as duties, freight, borrowing costs, erection and commissioning expenses incurred in bringing the asset to its working condition for its intended use.

Property, plant and equipment acquired from restricted funds are capitalised and an equal amount is transferred to deferred revenue fund. Accordingly, depreciation/ deletion/ modification of such assets are also adjusted from deferred revenue fund. The depreciation calculated in these assets is reported as expenditure and the corresponding appropriation from the deferred revenue fund is reported as income in the Income and Expenditure Account.

After completion of the project period, assets purchased by applying restricted funds for the relevant project are transferred to the Property, plant and equipment and the relevant appropriation are passed to the deferred revenue fund and is reported as income in the Income and Expenditure Account.



Schedule 13 – Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

ii) Property, plant and equipment acquired from own sources of funds

Property, plant and equipment 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 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) Property, plant and equipment received through donation

Property, plant and equipment received through donation are recognized at nominal value. These assets are reported as "Donated Asset" in the schedule of Property, plant and equipment 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 Property, plant and equipment 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 Property, plant and equipment, 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

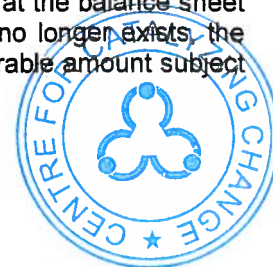
Property, plant and equipment acquired during the year costing ₹ 5,000 or less, as well as existing assets at the beginning of the year whose written down value is less than ₹ 5,000 are depreciated fully during the year.

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

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.



Centre for Catalyzing Change

Schedule 13 – Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

(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 Society. The corpus/ endowment funds as reported in the Balance Sheet represents the net fund balance considering receipts and its utilisation 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:

- 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 Society.
- 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.



Schedule 13 – Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

(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. and recognised in the period in which the 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 with-in 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.

3. 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



Centre for Catalyzing Change

Schedule 13 – Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

or for the value to be received' and recognised as expenditure/ utilized upon receipt of utilization statements.

4. 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 2019 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's Registration No.: 001076N/N500013

Sandeep Mehta
Partner
Membership No: 099410

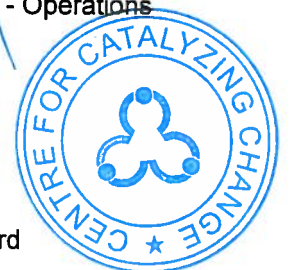


For **Centre for Catalyzing Change**

Dr. Aparajita Gogoi
Executive Director

Mr. Arun Kumar
Director - Operations

Mr. Salil Kumar
Member and Treasurer Governing Board



Place : Chandigarh
Date : 29-Dec-2020

Place : Delhi
Date : 29-Dec-2020