

Walker Chandlok & Co LLP

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Independent Auditor's Report

To the Members of Centre for Catalyzing Change

Report on the Audit of Foreign Contribution Financial Statements

Opinion

1. 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 2021, the Income and Expenditure Account, Receipts and Payments Account for the year then ended, and a summary of significant accounting policies and other explanatory information (together hereinafter referred to as 'Foreign Contribution Financial Statements'), which have been prepared by the Society's management in accordance with the basis of accounting specified in Schedule 16 (Note 2) to the Foreign Contribution Financial Statements, pursuant to the requirement of section 19 of the Foreign Contribution (Regulation) Act, 2010 (as amended) ('Act') read with Rule 17 of the Foreign Contribution (Regulation) Rules, 2011 (as amended) ('Rules').
2. In our opinion and to the best of our information and according to the explanations given to us and utilisation certificates submitted by the sub-recipients, the aforesaid Foreign Contribution Financial Statements are prepared, in all material respects, in accordance with the basis of accounting as described in Schedule 16 (Note 2) to these Foreign Contribution Financial Statements.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('the ICAI'). Our responsibilities under those standards are further described in the 'Auditor's Responsibilities for the Audit of the Foreign Contribution Financial Statements' section of our report. We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India ('the ICAI'), and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter- Basis of accounting and Restriction on distribution or use

4. Without modifying our opinion, we draw attention to Schedule 16 (Note 2) to these Foreign Contribution Financial Statements, which describes the basis of accounting used by the Society's management for the preparation of these financial statements. The accompanying Foreign Contribution Financial Statements have been prepared by the management 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 this report with the accompanying Foreign Contribution Financial Statements to the Ministry of Home Affairs and therefore, these Foreign Contribution Financial Statements may not be suitable for any other purpose. This report is issued solely for the 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 for which or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.



Chartered Accountants

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

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5. 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 the Society for the purpose of submission with Form No. 10B of the Income Tax Rules, 1962 and in accordance with the accounting principles generally accepted in India, on which we have issued separate auditor's report dated 29 November 2021. Our opinion is not modified in respect of this matter.

Responsibilities of Management for the Foreign Contribution Financial Statements

6. The Society's members is responsible for the preparation of these Foreign Contribution Financial Statements in accordance with the basis of accounting specified in Schedule 16 (Note 2) to the Foreign Contribution Financial Statements. This responsibility also includes design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation of the Foreign Contribution Financial Statements that are, in all material respects, in accordance with the basis of accounting specified in aforementioned Schedule 16 (Note 2) and are free from material misstatement, whether due to fraud or error.
7. In preparing the Foreign Contribution Financial Statements, management is responsible for assessing the Society'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 Society or to cease operations, or has no realistic alternative but to do so.
8. Those members are also responsible for overseeing the Society's financial reporting process.

Auditor's Responsibility for the Audit of the Foreign Contribution Financial Statements

9. Our objectives are to obtain reasonable assurance about whether the Foreign Contribution 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 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 Foreign Contribution Financial Statements.
10. 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 whether the Society has in place adequate internal financial controls with reference to financial statements and the operating effectiveness of such controls.
 - 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 Society'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 Society to cease to continue as a going concern; and

11. 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.

Report on Other Legal and Regulatory Requirements

12. As required under Rule 17(5) of the Rules and basis the Foreign Contribution Financial Statements for the year ended 31 March 2021, we report that:

- (i) The brought forward foreign contribution at the beginning of the year ended 31 March 2021 was ₹ 489,339,349 (including ₹Nil received in kind);
- (ii) Foreign contribution of ₹ 83,386,815 was received by the Society during the year ended 31 March 2021;
- (iii) Interest accrued on foreign contribution and other income derived from foreign contribution or interest thereon of ₹ 30,897,883 was received by the Society during the year ended 31 March 2021;
- (iv) The balance of unutilised foreign contribution with the Society as at 31 March 2021 is ₹ 443,814,142;
- (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, Income and Expenditure Account and Receipts and Payments Account 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.

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

Deepak Mittal

Deepak Mittal
Partner
Membership No. 503843
UDIN: 21503843AAAACH6335



Place: Gurgaon
Date: 20 December 2021

CENTRE FOR CATALYZING CHANGE
Foreign Contribution Financial Statements
Balance Sheet as at 31 March 2021

	Notes	As at 31 March 2021 ₹	As at 31 March 2020 ₹
Sources of funds			
Funds			
Endowment/Corpus fund	1	7,24,31,639	7,04,91,639
Restricted fund	2	25,44,27,202	33,15,23,515
Designated fund	3	11,87,55,165	10,07,28,688
General fund	4	45,51,883	37,28,952
		45,01,65,889	50,64,72,794
Non-current liabilities			
Long-term provisions	5	1,63,68,474	1,26,21,603
Current liabilities			
Trade payables	6	6,22,708	6,59,546
Other current liabilities	7	44,12,615	57,00,140
Short-term provisions	8	43,697	5,16,264
		50,79,020	68,75,950
Total		47,16,13,383	52,59,70,347

Applications of funds

Non current assets			
Property, plant and equipment			
Tangible assets	9a	53,88,669	29,66,693
Project tangible assets	9b	26,96,943	44,96,845
Donated tangible assets		123	123
		80,85,735	74,63,661
Current assets, loans and advances			
Cash and bank balances	10	44,38,14,142	48,93,39,349
Short-term advances	11	1,34,32,979	2,07,51,714
Other current assets	12	62,80,527	84,15,623
		46,35,27,648	51,85,06,686
Total		47,16,13,383	52,59,70,347

Significant accounting policies and other explanatory information 16

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

Deepak Mittal
Deepak Mittal
Partner
Membership No.: 503843



Place: Gurgaon
Date: December 20, 2021

For and on behalf of
Centre for Catalyzing Change

Dr. Anurajith Gogoi
Dr. Anurajith Gogoi
Executive Director

Mr. Arun Kumar
Mr. Arun Kumar
Director - Operations

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

Place: New Delhi
Date: Dec 20, 2021



CENTRE FOR CATALYZING CHANGE
Foreign Contribution Financial Statements
Income and Expenditure Account for the year ended 31 March 2021

	Notes	Year ended 31 March 2021 ₹	Year ended 31 March 2020 ₹
Income			
Grants income and donations	13	16,74,00,440	20,36,66,696
Other income	14	2,91,25,099	2,05,13,920
		19,65,25,539	22,41,80,616
Expenses			
Communication expenses	15	14,65,846	14,70,167
Consultancy expenses		4,52,74,415	5,58,03,104
Establishment expenses		1,33,34,042	1,79,01,874
Information dissemination expenses		35,26,405	68,92,740
Salaries and benefits		8,22,34,661	7,48,83,451
Subgrant expenses		1,48,37,522	1,95,26,603
Travel expenses		17,04,160	1,09,20,926
Workshop and seminar expenses		60,79,456	96,22,342
		16,84,56,507	19,70,21,207
Surplus for the year			
		2,80,69,032	2,71,59,409
Transfer to Building Fund		1,61,61,101	1,59,07,000
Transfer to Program Innovation and Staff Development Fund		78,39,000	79,53,000
Transfer to Asset Replacement Fund		13,06,000	13,26,000
Transfer to C3-Unniti Small Grants Endowment Fund		19,40,000	6,48,000
Transfer to General Reserve Fund		8,22,931	13,25,409

Significant accounting policies and other explanatory information 16

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

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

Deepak Mittal

Deepak Mittal
Partner
Membership No.: 503843


Place: Gurgaon
Date: *December 20, 2021*

For and on behalf of
Centre for Catalyzing Change

Aparajita Gogoi
Dr. Aparajita Gogoi
Executive Director

Sailil Kumar
Mr. Sailil Kumar
Member and Treasurer Governing Board

Place: New Delhi
Date: *Dec 20, 2021*

Arun Kumar
Mr. Arun Kumar
Director - Operations


CENTRE FOR CATALYZING CHANGE
Foreign Contribution Financial Statements
Receipts and Payments Account for the year ended 31 March 2021

	Year ended 31 March 2021 ₹	Year ended 31 March 2020 ₹
Opening balance		
Cash on hand	24,918	9,133
Cash at bank	2,42,26,560	7,19,75,355
Fixed deposits	46,50,87,871	31,09,72,456
	48,93,39,349	38,29,56,944
Receipts		
Grants income and donations	8,33,86,815	27,53,09,830
Other receipts	5,75,901	11,519
Bank interest	3,03,21,982	3,06,59,118
Receipts from vendors of staff	1,40,82,806	73,09,520
	12,83,67,504	31,32,89,987
Payments		
Communication expenses	14,48,778	14,21,973
Consultancy expenses	4,27,92,597	5,16,27,062
Establishment expenses	1,05,43,209	1,47,30,643
Information dissemination expenses	35,16,462	52,78,848
Salaries and benefits	7,44,11,845	7,33,73,144
Subgrant expenses	1,48,37,522	1,95,07,627
Travel expenses	16,99,246	1,08,51,197
Workshop and seminar expenses	60,69,831	94,64,733
Security deposits and advances paid to vendors	1,53,03,971	1,44,86,624
Assets purchased during the year	32,69,250	61,65,731
	17,38,92,711	20,69,07,582
Closing balance		
Cash in hand	4,737	24,918
Cash at bank	7,22,90,062	2,42,26,560
Fixed deposits	37,15,19,343	46,50,87,871
	44,38,14,142	48,93,39,349

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

Deepak Mittal

Deepak Mittal
Partner
Membership No.: 503843



For and on behalf of
Centre for Catalyzing Change

Dr. Aparajita Gogoi

Dr. Aparajita Gogoi
Executive Director

Mr. Arun Kumar

Mr. Arun Kumar
Director - Operations

Mr. Salil Kumar

Mr. Salil Kumar
Member and Treasurer Governing Board



Place: Gurgaon
Date: *December 20, 2021*

Place: New Delhi
Date: *Dec 20, 2021*

CENTRE FOR CATALYZING CHANGE
Foreign Contribution Financial Statements
Notes forming part of the financial statements as at 31 March 2021

	As at 31 March 2021 ₹	As at 31 March 2020 ₹
1 Endowment/Corpus fund		
Unniti Small Grants Endowment fund		
Balance at the beginning of the year	7,04,91,639	6,98,43,639
Add: Appropriation from Income and Expenditure Account	19,40,000	6,48,000
Balance at the end of the year	7,24,31,639	7,04,91,639
2 Restricted fund		
a. Project fund (Refer annexure -1)		
Balance at the beginning of the year	33,15,23,515	25,73,49,750
Less: Grant receivable at the beginning of the year	(40,54,197)	(96,85,461)
Add: Amount received during the year	8,23,14,612	26,93,09,830
Add: Interest credited during the year	1,13,26,963	1,25,65,855
Total	42,11,10,893	52,95,39,975
Less: Grants utilised during the year		
- against income	16,63,29,855	19,76,66,696
- against assets	30,95,117	44,03,961
	25,16,85,921	32,74,69,318
Add: Grant receivable	27,41,281	40,54,197
Balance at the end of the year	25,44,27,202	33,15,23,515
3 Designated Funds		
i. Deferred Revenue Fund - Assets under projects		
Balance at the beginning of the year	44,96,845	21,14,965
Add: Additions during the year	30,95,117	44,03,961
Less: Utilised during the year	48,95,019	20,22,081
Balance at the end of the year	26,96,943	44,96,845
ii. Building Fund		
Balance at the beginning of the year	6,78,23,000	5,19,16,000
Add: Transferred from the Income and Expenditure Account	1,61,61,101	1,59,07,000
Balance at the end of the year	8,39,84,101	6,78,23,000
iii. Program, Innovation and Staff Development Fund		
Balance at the beginning of the year	2,15,77,078	1,36,24,078
Add: transferred from the Income and Expenditure Account	78,39,000	79,53,000
Less: Utilised during the year	23,98,957	-
Balance at the end of the year	2,70,17,121	2,15,77,078
iv. Asset Replacement Fund		
Balance at the beginning of the year	37,51,000	24,25,000
Add: Transferred from the Income and Expenditure Account	13,06,000	13,26,000
Balance at the end of the year	50,57,000	37,51,000



CENTRE FOR CATALYZING CHANGE
Foreign Contribution Financial Statements
Notes forming part of the financial statements as at 31 March 2021

	As at 31 March 2021 ₹	As at 31 March 2020 ₹
v. Program Support and Infrastructure Fund		
Balance at the beginning of the year	30,80,765	30,80,765
Less: Utilised during the year	30,80,765	-
Balance at the end of the year	-	30,80,765
Total designated funds	11,87,55,165	10,07,28,688
4 General fund		
Balance at the beginning of the year	37,28,952	24,03,543
Add: Surplus transferred from the Income and Expenditure Account	8,22,931	13,25,409
Balance at the end of the year	45,51,883	37,28,952
5 Long-term provisions		
Provision for employee benefits		
Provision for gratuity	95,88,163	76,87,063
Provision for compensated absences	67,80,311	49,34,540
	1,63,68,474	1,26,21,603
6 Trade payables		
Expenses payable	6,22,708	6,59,546
	6,22,708	6,59,546
7 Other current liabilities		
Statutory dues	25,92,626	14,61,094
Program expenses payable	18,19,989	42,39,046
	44,12,615	57,00,140
8 Short- term provisions		
Compensated absences	43,697	2,52,630
Gratuity	-	2,63,634
	43,697	5,16,264



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CENTRE FOR CATALYZING CHANGE
Foreign Contribution Financial Statements
Notes forming part of the financial statements as at 31 March 2021
(All amounts in Rupees, unless otherwise stated)

9a - Tangible Assets

PARTICULARS	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	As at 01 April 2020	Additions during the year	Adjustments	As at 31 March 2021	As at 01 April 2020	Depreciation for the year	Adjustments	As at 31 March 2021	As at 31 March 2021	As at 31 March 2020
Information Technology (IT) Equipments	25,86,972	-	-	25,86,972	23,90,297	1,04,409	-	24,94,706	92,266	1,96,675
Office Equipment	22,16,395	44,699	-	22,61,094	14,08,356	1,38,254	-	15,46,610	7,14,484	8,08,039
Furniture & Fixtures	24,10,355	1,29,434	-	25,39,789	10,58,059	1,71,941	-	12,30,000	13,09,789	13,52,296
Vehicle	18,09,735	-	-	18,09,735	12,00,052	95,077	-	12,95,129	5,14,606	6,09,683
Donated Assets	123	-	-	123	-	-	-	-	123	123
Add : Transfer from Project Tangible Assets										
Information Technology (IT)	-	-	35,46,551	35,46,551	-	-	16,23,297	16,23,297	19,23,254	-
Office Equipment	-	-	8,91,773	8,91,773	-	-	2,48,838	2,48,838	6,42,935	-
Solar Equipments	-	-	1,87,062	1,87,062	-	-	37,410	37,410	1,49,652	-
Furniture & Fixtures	-	-	1,20,935	1,20,935	-	-	79,252	79,252	41,683	-
TOTAL	90,23,580	1,74,133	47,46,321	1,39,44,034	60,56,764	5,09,681	19,88,797	85,55,242	53,88,792	29,66,816

9b - Project Tangible Assets

PARTICULARS	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	As at 01 April 2020	Additions during the year	Adjustments	As at 31 March 2021	As at 01 April 2020	Depreciation for the year	Adjustments	As at 31 March 2021	As at 31 March 2021	As at 31 March 2020
Information Technology (IT) Equipments	54,07,947	23,21,914	-	77,29,861	25,24,221	17,31,882	-	42,56,103	34,73,758	28,83,726
Office Equipment	21,75,055	5,86,141	-	27,61,196	6,45,581	3,51,045	-	9,96,626	17,64,570	15,29,474
Solar Equipment	-	1,87,062	-	1,87,062	-	37,410	-	37,410	1,49,652	-
Furniture & Fixtures	1,52,585	-	-	1,52,585	68,940	17,158	-	86,098	66,487	83,645
Vehicle	-	-	-	-	-	-	-	-	-	-
Less : Transfer to Tangible Assets										
Information Technology (IT)	-	-	(35,46,551)	(35,46,551)	-	-	(16,23,297)	(16,23,297)	(19,23,254)	-
Office Equipment	-	-	(8,91,773)	(8,91,773)	-	-	(2,48,838)	(2,48,838)	(6,42,935)	-
Solar Equipments	-	-	(1,87,062)	(1,87,062)	-	-	(37,410)	(37,410)	(1,49,652)	-
Furniture & Fixtures	-	-	(1,20,935)	(1,20,935)	-	-	(79,252)	(79,252)	(41,683)	-
TOTAL	77,35,587	30,95,117	(47,46,321)	60,84,383	32,38,742	21,37,495	(19,88,797)	33,87,440	26,96,943	44,96,845
GRAND TOTAL	1,67,59,167	32,69,250	-	2,00,28,417	92,95,506	26,47,176	-	1,19,42,682	80,85,735	74,63,661

Previous year-

A- Property, plant and equipment

PARTICULARS	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	As at 01 April 2019	Additions during the year	Deletions / Adjustments	As at 31 March 2020	As at 01 April 2019	Depreciation for the year	Deletions / Adjustments	As at 31 March 2020	As at 31 March 2020	As at 31 March 2019
Information Technology (IT) Equipments	20,04,924	-	-	20,04,924	17,67,829	1,04,054	-	18,71,883	1,33,041	2,37,095
Office Equipment	19,49,469	2,11,390	-	21,60,859	12,28,711	1,54,692	-	13,83,403	7,77,456	7,20,758
Furniture & Fixtures	8,16,503	15,50,380	-	23,66,883	3,52,368	6,62,219	-	10,14,587	13,52,296	4,64,135
Vehicle	18,09,735	-	-	18,09,735	10,92,461	1,07,591	-	12,00,052	6,09,683	7,17,274
Donated Assets	129	-	6	123	-	-	-	-	123	129
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	1,06,055
Office Equipment	55,536	-	-	55,536	19,556	5,397	-	24,953	30,583	35,980
Furniture & Fixtures	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	22,81,426

B - Assets acquired under Programs/ Deferred Revenue Fund

PARTICULARS	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	As at 01 April 2019	Additions during the year	Deletions / Adjustments	As at 31 March 2020	As at 01 April 2019	Depreciation for the year	Deletions / Adjustments	As at 31 March 2020	As at 31 March 2020	As at 31 March 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	29,47,360	12,85,254
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	7,16,069
Furniture & Fixtures	1,58,140	37,917	-	1,96,057	44,498	67,914	-	1,12,412	83,645	1,13,642
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)	(1,06,055)
Office Equipment	(55,536)	-	-	(55,536)	(19,556)	(5,397)	-	(24,953)	(30,583)	(35,980)
Furniture & Fixtures	(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	19,72,930
GRAND TOTAL	1,05,93,442	81,65,731	6	1,67,59,167	63,39,086	29,56,420	-	92,95,506	74,63,661	42,54,356



CENTRE FOR CATALYZING CHANGE
Foreign Contribution Financial Statements
Notes forming part of the financial statements as at 31 March 2021

	As at 31 March 2021 ₹	As at 31 March 2020 ₹
10 Cash and bank balances		
Cash and cash equivalents	4,737	24,918
Bank balances		
- in savings accounts	7,22,90,062	2,42,26,560
Other bank balances		
- in deposit accounts	37,15,19,343	46,50,87,871
	<u>44,38,14,142</u>	<u>48,93,39,349</u>
11 Loans and advances (Unsecured, considered good)		
Advances recoverable in cash or in kind or for value to be received		
Advance to		
Program partners	36,76,313	73,02,221
Vendors	31,659	44,502
Staff	1,853	67,292
Security deposits	24,42,665	24,06,165
Prepaid expenses	9,90,798	12,72,868
Income-tax receivable	62,89,691	96,58,666
	<u>1,34,32,979</u>	<u>2,07,51,714</u>
12 Other current assets		
Grants receivable	27,41,281	40,54,197
Interest accrued on deposits	35,39,246	43,61,426
	<u>62,80,527</u>	<u>84,15,623</u>



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CENTRE FOR CATALYZING CHANGE
Foreign Contribution Financial Statements
Notes forming part of the financial statements for the year ended 31 March 2021

	Year ended 31 March 2021	Year ended 31 March 2020
	₹	₹
13 Grants income and donations		
Grant income	16,63,28,237	19,76,66,696
Donations	10,72,203	60,00,000
	16,74,00,440	20,36,66,696
14 Other income		
Interest Income	3,00,75,703	3,10,46,175
Miscellaneous income	1,618	11,519
Appropriation from Designated fund	1,03,74,741	20,22,081
	4,04,52,062	3,30,79,775
Less: Interest credited to projects	1,13,26,963	1,25,65,855
	2,91,25,099	2,05,13,920

15 Program expenses

Particulars	Gender and governance	Reproductive health and rights	Girls education and youth development	Small grants program	Program Support	Year ended 31 March 2021	Year ended 31 March 2020
Communication expenses	4,53,488	80,362	3,72,714	1,550	5,57,732	14,65,846	14,70,167
Consultancy expenses	2,72,15,401	74,62,123	81,95,970	11,82,531	12,18,390	4,52,74,415	5,58,03,104
Establishment expenses	10,41,302	1,65,404	29,33,182	9,59,500	82,34,654	1,33,34,042	1,79,01,874
Information dissemination expenses	3,34,877	6,20,747	24,62,037	1,452	1,07,292	35,26,405	68,92,740
Subgrant expenses	1,00,71,494	33,89,298	6,40,000	7,36,730	-	1,48,37,522	1,95,26,603
Travel expenses	6,71,932	1,17,593	7,34,211	6,511	1,73,913	17,04,160	1,09,20,926
Workshop and seminar expenses	20,08,158	1,91,981	38,10,190	53,713	15,414	60,79,456	96,22,342
Employee benefit expense	3,11,30,910	1,12,24,521	2,26,57,518	2,56,817	1,69,64,895	8,22,34,661	7,48,83,451
	7,29,27,562	2,32,52,029	4,18,05,822	31,98,804	2,72,72,290	16,84,56,507	19,70,21,207

Annexure -1 (Project Funds)

Programs	Balance as at 01 April 2020	Grants received during the year	Interest earned on grant funds	Avalled/utilized during the year against Income	Avalled/utilized during the year against Assets	Balance as at 31 March 2021
Gender Equity and Governance	24,47,43,912	4,62,62,007	66,76,224	9,13,22,206	5,48,699	20,58,11,238
Reproductive Health and Rights	4,27,77,922	78,51,809	9,02,249	3,11,62,630	3,93,000	1,99,76,350
Girls Education and Youth Development	3,99,47,483	2,82,00,797	5,32,526	4,06,29,055	21,53,418	2,58,98,333
Small Grants	-	-	32,15,964	32,15,964	-	-
	32,74,69,318	8,23,14,613	1,13,26,963	16,63,29,855	30,95,117	25,16,85,921
Restricted Project Funds	33,15,23,515					25,44,27,202
Grants Receivables	(40,54,197)					(27,41,281)

Note- The above classification of expenses into various programs is as certified by the management.



Centre for Catalyzing Change

Foreign Contribution Account

Schedule 16 – Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

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:

- 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 and subsequently, renewed upto Assessment Year 2026-27 on May 31, 2021 under Provisional Registration Number AAATT6660RE20214;
- 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 and subsequently, renewed upto Assessment Year 2026-27 on May 31, 2021 under the Provisional Registration Number AAATT6660RF20214; and
- Under the Foreign Contribution Regulations Act, 1976 vide registration number 231661003 valid upto December 31, 2026.

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 special purpose foreign contribution financial statements have been specially prepared for the purpose of submission with the Ministry of Home Affairs, pursuant to the requirements of Section 19 of the Foreign Contribution (Regulation) Act, 2010 read with rule 17 of the Foreign Contribution (Regulation) Rules, 2011 (as amended) (together referred to as “the applicable Regulations”) and does not constitute complete set of general purpose of financial statements. Such special purpose financial statements have been prepared and presented under the historical cost convention, on accrual basis of accounting, in accordance with the accounting principles generally accepted in India (“Indian GAAP”), and are limited to the transactions and ledger accounts required to be reported under the applicable regulations. The accounting policies adopted in the preparation of special purpose financial statements have been consistently applied by the Society and are consistent with those used in the previous year.

(ii) Use of estimates

The preparation of special purpose financial statements in conformity with generally accepted accounting principles requires the Society to make estimates and assumptions that affect the



Centre for Catalyzing Change

Foreign Contribution Account

Schedule 16 – Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

reported amounts of assets and liabilities and the disclosures of liabilities at the date of special purpose 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.

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%



Centre for Catalyzing Change

Foreign Contribution Account

Schedule 16 – Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

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.

(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:



Centre for Catalyzing Change

Foreign Contribution Account

Schedule 16 – Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

- 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.

(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 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.



Centre for Catalyzing Change

Foreign Contribution Account

Schedule 16 – Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

Gratuity

The liability for gratuity is provided on the basis of calculations done by management as 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 calculations done by the management.

(x) Provisions 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.

Where there is a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is 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 Society is exempt from Income tax, no deferred tax (asset or liability) is required to be recognized in respect of timing differences.

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

4. COVID-19 continues to spread across the globe including India, which has contributed to a significant decline and volatility in global and Indian financial markets and a significant decrease in global and local economic activities. In view of the highly uncertain economic environment, the extent to which the COVID-19 pandemic will impact the business of the Society depends upon future developments that cannot be predicted reliably at this stage. However, based on the preliminary estimates, the Society does not foresee any significant incremental risk to the recoverability of its assets or in meeting its financial obligations over the foreseeable future, given early and required steps taken to contain, protect and mitigate the exposure. Since the situation is continuously evolving, the impact assessed in future may be different from the estimates made as at the date of approval of these financial results. The Society will continue to closely monitor any material changes arising due to the impact of this pandemic/future economic conditions impacting the financial and operational performance of the Society and take necessary measures to address the situation



Centre for Catalyzing Change

Schedule 16 – Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

5. 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 2020 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 ChandioK & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013




Deepak Mittal
Partner
Membership No: 503843

For Centre for Catalyzing Change


Dr. Aparajita Gogoi
Executive Director


Mr. Arun Kumar
Director - Operations


Mr. Salil Kumar
Member and Treasurer Governing Board



Place: Gurgaon
Date: December 20, 2021

Place: New Delhi
Date: Dec 20, 2021