

# Walker Chandlok & Co LLP

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## Independent Auditor's Report

### To the Members of Centre for Catalyzing Change

### Report on the Financial Statements

#### Opinion

1. We have audited the accompanying financial statements of **Centre for Catalyzing Change** (the "Society"), which comprise the Balance Sheet as at 31 March 2019, the Income and Expenditure Account, the Receipts and Payments Account for the year then ended, and a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us and utilization certificates submitted by sub-recipients, the aforesaid financial statements give a true and fair view in conformity with the accounting principles generally accepted in India, including the Accounting Standards issued by the Institute of Chartered Accountants of India ('ICAI'), to the extent considered relevant by the management, of the state of affairs (financial position) of the Society as at 31 March 2019, its surplus (financial performance) for the year ended on that date.

#### Basis of Opinion

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

#### Responsibilities of Management for the Financial Statements

4. The Management is responsible for preparation of these financial statements that give a true and fair view of the state of affairs (financial position), surplus (financial performance) of the Society in accordance with the accounting principles generally accepted in India, including the Accounting Standards issued by the ICAI to the extent considered relevant by the management. This responsibility includes the design, implementation and maintenance of adequate internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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Chartered Accountants

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

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Walker Chandlok & 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



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5. In preparing the financial statements, the 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 the management either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

6. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
7. As part of an audit in accordance with SAs, 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 an adequate internal financial controls system over financial reporting 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 the 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.
  - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
8. We communicate with the management 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.



# Walker Chandiook & Co LLP

## Other Matter

9. The financial statements of the Society for the year ended 31 March 2018 were audited by the predecessor auditor, M/s. T R Chadha & Co LLP, who have expressed an unqualified opinion on those financial statements vide their audit report dated 26 September 2018.

## Restriction on distribution or use

10. The financial statements have been prepared by the management, solely for the purpose of preparation and filing of audit report in Form No. 10B pursuant to the requirement of Income-tax Act, 1961 and rules thereunder and the distribution to the donors, and therefore, these financial statements may not be suitable for another 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.

## For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration No.: 001076N/N500013

*Nitin Kohli*

**Nitin Kohli**

Partner

Membership No. 507771



**Place:** New Delhi

**Date:** 25 September 2019

**UDIN:** 19507771AAAHE2763

**CENTRE FOR CATALYZING CHANGE**

**Balance Sheet as at 31 March 2019**

(All amounts in Rupees, unless otherwise stated)

Particulars	Schedules	As At March 31,2019		As At March 31,2018	
		Details	Amount	Details	Amount
<b>SOURCES OF FUNDS</b>					
General Reserve Fund	1		27,05,758		18,70,555
Designated Fund	2		8,03,18,072		6,35,87,090
<b>Restricted Funds</b>					
C3-Unniti Small Grants Endowment Fund	3	6,98,43,639		6,66,64,639	
Grants and Contributions	4	30,58,31,069	37,56,74,708	28,92,48,029	35,59,12,668
<b>Current Liabilities and Provisions</b>					
Sundry Creditors	5	16,62,730		3,48,062	
Statutory Liability		22,06,015		17,89,006	
Expenses Payable		9,24,411		13,79,597	
Provisions for Employee Benefits		1,22,66,941	1,70,60,097	92,09,906	1,27,26,571
<b>TOTAL</b>			<b>47,57,58,634</b>		<b>43,40,96,884</b>
<b>APPLICATION OF FUNDS</b>					
<b>Fixed Assets</b>					
Gross Block	9	1,42,55,281		1,16,98,886	
Less: Accumulated Depreciation		84,71,981		75,63,571	
Net Block			57,83,300		41,35,315
<b>Current Assets, Loans &amp; Advances</b>					
Grants and Contributions	4	96,85,461		1,19,48,949	
Other Current Assets	6	1,38,95,145	2,35,80,606	88,31,955	2,07,80,904
<b>Cash and Bank Balances</b>					
Cash in hand		14,654		34,045	
Bank Balances	7	43,80,83,757	43,80,98,411	40,54,15,047	40,54,49,092
<b>Advances recoverable in cash or in kind or for value to be received</b>					
	8		82,96,317		37,31,572
<b>TOTAL</b>			<b>47,57,58,634</b>		<b>43,40,96,884</b>
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*  
**Nitin Kohli**  
Partner  
Membership No.: 507771

Place: Noida  
Date: 25 September 2019



For and on behalf of  
**Centre for Catalyzing Change**

*Dr. Aparajita Gogoi*  
**Dr. Aparajita Gogoi**  
Executive Director

*Mr. Saini Kumar*  
**Mr. Saini Kumar**  
Member and Treasurer Governing Board

*Mr. Arun Kumar*  
**Mr. Arun Kumar**  
Director - Operations



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

Particulars	Schedules	Year ended March 31, 2019	Year ended March 31, 2018
<b>Income</b>			
Income from Programs	4	17,56,61,602	13,00,75,533
Interest Income	10	1,73,56,543	1,21,05,409
Donation/ Miscellaneous Income		7,23,375	38,462
Exchange Gain		1,993	-
Appropriation from Designated Fund	2	16,62,981	39,53,431
<b>Total Income</b>		<b>19,54,06,494</b>	<b>14,61,72,835</b>
<b>Expenditure</b>	11		
Communication Expenses		10,70,342	12,10,445
Consultancy Expenses		2,45,51,520	1,99,39,664
Establishment Expenses		1,40,07,903	1,15,35,536
Information Dissemination Expenses		25,52,054	43,02,402
Salaries and Benefits			
Program		5,69,44,133	3,80,48,003
General and Administrative		1,28,50,996	1,53,69,247
Subgrant Expenses		4,19,95,303	2,83,21,917
Travel Expenses		1,24,54,839	81,66,776
Workshop & Seminar Expenses		91,03,201	1,20,22,810
<b>Total Expenditure</b>		<b>17,55,30,291</b>	<b>13,89,16,800</b>
Surplus for the year		1,98,76,203	72,56,035
<b>Appropriations</b>			
Transfer to Building Fund		1,00,18,000	28,76,000
Transfer to Program Innovation and Staff Development Fund		50,09,000	14,38,000
Transfer to Asset Replacement Fund		8,35,000	2,40,000
Transfer to C3-Unniti Small Grants Endowment Fund		31,79,000	24,63,000
Transfer to General Reserve Fund		8,35,203	2,39,035
<b>Total</b>		<b>1,98,76,203</b>	<b>72,56,035</b>
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*  
**Nitin Kohli**  
Partner  
Membership No.: 507771



Place: Noida  
Date: 25 September 2019

For and on behalf of  
**Centre for Catalyzing Change**

*Aparajita Gogoi*  
**Dr. Aparajita Gogoi**  
Executive Director

*Arun Kumar*  
**Mr. Arun Kumar**  
Director - Operations

*Sam Kumar*  
**Mr. Sam Kumar**  
Member and Treasurer Governing Board



# CENTRE FOR CATALYZING CHANGE

## Receipts and Payments Account for the year ended 31 March 2019

(All amounts in Rupees, unless otherwise stated)

Receipts	Amount	Payments	Amount
<b>Balances at the beginning of the year</b>		<b>Payments</b>	
Cash in hand	34,045	Workshop & Seminar Expenses	89,59,087
Balance with bank:		Subgrant expenses	4,14,56,687
---in Fixed Deposit	39,46,66,749	Information Dissemination Expenses	25,20,922
---in Designated Bank Account (FCRA)	62,62,798	Travel Expenses	1,23,67,934
---in Other Bank Accounts	44,85,500	Consultancy Expenses	2,23,96,029
<b>Voluntary Contribution</b>		Personnel Expenses	6,27,95,298
<b>(i) Local Contribution - Restricted Funds</b>		Communication Expenses	9,97,894
Azim Premji Philanthropic Initiatives	5,45,37,600	Establishment Expenses	1,21,17,445
PANGEA	20,62,673	Computers and other office equipments	35,07,273
UNESCO	34,28,314	Advances to project partners, staff etc.	1,27,67,160
<b>(ii) Foreign Contribution - Restricted Funds</b>		Liabilities of previous years paid	61,09,485
Bill and Melinda Gates Foundation	3,75,78,856		
David and Lucile Packard Foundation	1,48,100		
Pathfinder International	1,49,696		
The John D. and Catherine T. MacArthur Founda	71,26,145		
JHPIEGO	3,19,22,942		
White Ribbon Alliance	40,33,277		
Give2Asia	44,98,110		
Fidelity Foundation	1,98,80,910		
Chairities Aid Foundation India	48,09,120		
Impact Foundation India	1,45,81,033	<b>Balance at the end of the year</b>	
Proceed from sale of asset	3,00,000	Cash in hand	14,654
Interest received from the Bank	2,88,84,441	Balance with Bank:	
Miscellaneous Receipts	3,856	--in Fixed Deposit	33,12,71,260
Advances of previous year recovered	40,94,608	--in Designated FCRA Bank A/c	7,19,75,355
Donation	6,04,852	--in Other Bank Accounts	3,48,37,142
<b>TOTAL</b>	<b>62,40,93,625</b>		<b>62,40,93,625</b>

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*

**Nitin Kohli**

Partner

Membership No.: 507771

Place: Noida

Date: 25 September 2019

For and on behalf of

**Centre for Catalyzing Change**

*Aparajita Gogoi*  
**Dr. Aparajita Gogoi**  
 Executive Director

*Sajil Kumar*

**Mr. Sajil Kumar**

Member and Treasurer Governing Board

*Arun Kumar*  
**Mr. Arun Kumar**  
 Director - Operations



**CENTRE FOR CATALYZING CHANGE**
**Schedules forming part of the financial statements as at 31 March 2019**
*(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	18,70,555		16,31,520
Add: Surplus for the year	8,35,203	27,05,758	2,39,035	18,70,555
<b>Total</b>		<b>27,05,758</b>		<b>18,70,555</b>

**Schedule 2 - Designated Funds**

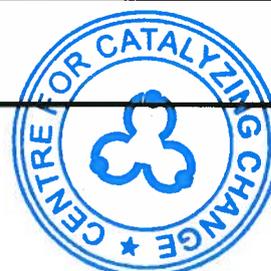
Particular	As at 31 March 2019		As at 31 March 2018	
	Deferred Revenue Fund - Assets under projects			
Balances at the beginning of the year	16,45,247		12,34,933	
Add: Additions during the year	25,31,963		16,29,823	
Less: Utilized during the year	(16,62,981)	25,14,229	(12,19,509)	16,45,247
Building Fund				
Balances at the beginning of the year	4,55,60,000		4,26,84,000	
Appropriation from Income and Expenditure Account	1,00,18,000	5,55,78,000	28,76,000	4,55,60,000
Program, Innovation and Staff Development Fund				
Balances at the beginning of the year	1,12,96,078		1,25,92,000	
Less : Utilized during the year	-		(27,33,922)	
Appropriation from Income and Expenditure Account	50,09,000	1,63,05,078	14,38,000	1,12,96,078
Asset Replacement Fund				
Balances at the beginning of the year	20,05,000		17,65,000	
Appropriation from Income and Expenditure Account	8,35,000	28,40,000	2,40,000	20,05,000
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
<b>Total</b>		<b>8,03,18,072</b>		<b>6,35,87,090</b>

**Schedule 3 - C3-Unniti Small Grants Endowment Fund**

Particular	As at 31 March 2019		As at 31 March 2018	
	Balances at the beginning of the year	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
<b>Total</b>		<b>6,98,43,639</b>		<b>6,66,64,639</b>

**Schedule 4 - Grants and Contributions**

Programs	Balances as at 01 April 2018	Received		Availed/utilized 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	2,77,77,768	9,94,47,749	20,85,913	4,36,76,281	13,90,533	8,42,44,617
Small Grants Programs	-	44,98,110	-	34,98,110	4,80,376	5,19,624
<b>Total</b>	<b>27,72,99,080</b>	<b>18,47,54,783</b>	<b>1,22,85,310</b>	<b>17,56,61,602</b>	<b>25,31,963</b>	<b>29,61,45,609</b>
Restricted Funds - Grants and Contributions	28,92,48,029					30,58,31,069
Current Assets - Grants and Contributions	(1,19,48,949)					(96,85,461)



**CENTRE FOR CATALYZING CHANGE**

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

(All amounts in Rupees, unless otherwise stated)

**Schedule 5 - Current Liabilities and Provisions**

Particular	As at 31 March 2019	As at 31 March 2018
Sundry Creditors	16,62,730	3,48,062
Statutory Liability		
TDS Payable	14,51,916	11,90,285
Professional Tax Payable	7,925	16,100
PF Payable	7,46,174	5,82,621
Expenses Payable	9,24,411	13,79,597
Provisions for Employee Benefits		
- Provisions for Gratuity	77,92,503	59,55,758
- Provisions for Compensated Absences	44,74,438	32,54,148
<b>Total</b>	<b>1,70,60,097</b>	<b>1,27,26,571</b>

**Schedule 6 - Other Current Assets**

Particular	As at 31 March 2019	As at 31 March 2018
Security Deposits	24,06,665	6,92,185
Accrued Interest	44,39,841	36,82,429
TDS Receivables	70,48,639	44,57,341
<b>Total</b>	<b>1,38,95,145</b>	<b>88,31,955</b>

**Schedule 7- Bank Balances**

Particular	As at 31 March 2019	As at 31 March 2018
<b>Balance with Bank:</b>		
Designated FCRA Account	7,19,75,355	62,62,798
Other Bank Accounts	3,48,37,142	44,85,500
Fixed Deposit	33,12,71,260	39,46,66,749
<b>Total</b>	<b>43,80,83,757</b>	<b>40,54,15,047</b>

**Schedule 8 - Advances recoverable in cash or in kind or for value to be received**

Particular	As at 31 March 2019	As at 31 March 2018
Advance to Program Partners	43,95,778	27,08,985
Advance to Vendors	26,49,244	1,65,382
Prepaid Expenses	8,86,939	5,52,669
Advance to Staff	3,64,357	3,04,536
<b>Total</b>	<b>82,96,317</b>	<b>37,31,572</b>



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

**Schedule 9 - Fixed Assets**

**A- 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) Equipment's	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
Office Equipment	21,37,064	2,99,383	2,71,914	21,64,533	12,25,034	1,99,956	86,581	13,38,409	8,26,124	9,12,030
Furniture & Fixtures	3,76,236	5,33,150	12,688	8,96,698	2,72,391	1,48,708	12,688	4,08,411	4,88,287	1,03,845
Vehicle	26,92,048	-	6,500	26,85,548	12,62,880	2,14,376	6,500	14,70,756	12,14,792	14,29,168
Donated Assets	283	-	154	129	-	-	-	-	129	283
<u>Add : Transferred from assets acquired under Programs</u>										
Information Technology (IT) Office Equipment	11,14,544	-	-	11,14,544	9,11,736	1,04,514	-	10,16,250	98,294	2,02,808
Vehicle	19,506	-	-	19,506	19,506	-	-	19,506	-	-
	8,84,835	-	-	8,84,835	2,93,489	88,702	-	3,82,191	5,02,644	5,91,346
<b>TOTAL</b>	<b>86,91,591</b>	<b>9,75,310</b>	<b>9,50,878</b>	<b>87,16,023</b>	<b>54,07,369</b>	<b>8,04,974</b>	<b>7,65,391</b>	<b>54,46,952</b>	<b>32,69,071</b>	<b>32,84,222</b>

**B - Assets acquired under Programs/ Deferred Revenue Fund**

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) Equipment's	37,12,523	18,21,615	-	55,34,138	29,64,743	7,86,583	-	37,51,326	17,82,812
Office Equipment	3,85,350	5,95,680	-	9,81,030	1,18,351	1,46,610	-	2,64,961	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
<u>Less: Transferred to Fixed Assets</u>										
Information Technology (IT) Office Equipment	(11,14,544)	-	-	(11,14,544)	(9,11,736)	(1,04,514)	-	(10,16,250)	(98,294)	(2,02,808)
Vehicle	(19,506)	-	-	(19,506)	(19,506)	-	-	(19,506)	-	-
	(8,84,835)	-	-	(8,84,835)	(2,93,489)	(88,702)	-	(3,82,191)	(5,02,644)	(5,91,346)
<b>TOTAL</b>	<b>30,07,295</b>	<b>25,31,963</b>	<b>-</b>	<b>55,39,258</b>	<b>21,56,202</b>	<b>8,68,827</b>	<b>-</b>	<b>30,25,029</b>	<b>25,14,229</b>	<b>8,51,093</b>
<b>GRAND TOTAL</b>	<b>1,16,98,886</b>	<b>35,07,273</b>	<b>9,50,878</b>	<b>1,42,55,281</b>	<b>75,63,571</b>	<b>16,73,801</b>	<b>7,65,391</b>	<b>84,71,981</b>	<b>57,83,300</b>	<b>41,35,315</b>



**CENTRE FOR CATALYZING CHANGE**

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

(All amounts in Rupees, unless otherwise stated)

**Schedule 10 - Interest Income**

Particular	Year ended	
	31 March 2019	31 March 2018
Interest on Savings Account	36,64,540	19,21,329
Interest on Term Deposit	2,59,77,313	1,67,76,595
Interest on Income Tax Refund	-	1,13,390
Less: Interest Allocated to Donor	(1,22,85,310)	(67,05,905)
<b>Total</b>	<b>1,73,56,543</b>	<b>1,21,05,409</b>

**Schedule 11 - Breakup of Expenditure**

Year ended 31 March 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	2,71,211	27,542	3,07,152	10,70,342
Consultancy Expenses	67,45,390	87,85,131	72,33,539	1,95,000	15,92,460	2,45,51,520
Establishment Expenses	11,02,922	13,75,609	29,28,004	12,061	85,89,308	1,40,07,903
Information Dissemination Expenses	5,32,863	13,98,635	3,46,475	12,723	2,61,358	25,52,054
Salaries and Benefits	1,42,22,503	1,78,24,043	2,36,01,506	12,96,080	1,28,50,996	6,97,95,128
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	34,46,727	84,334	18,89,473	1,24,54,839
Workshop & Seminar Expenses	12,81,990	46,21,166	27,51,710	5,096	4,43,239	91,03,201
<b>Total</b>	<b>5,16,92,995</b>	<b>5,28,46,047</b>	<b>4,05,79,172</b>	<b>44,78,091</b>	<b>2,59,33,986</b>	<b>17,55,30,291</b>



## 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



**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



## Centre for Catalyzing Change

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

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



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

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:



## Centre for Catalyzing Change

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

- 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



## Centre for Catalyzing Change

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

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



## Centre for Catalyzing Change

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

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	-	-



## Centre for Catalyzing Change

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

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
<b>Total</b>	<b>472,000</b>	<b>212,400</b>



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## Centre for Catalyzing Change

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

#### 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

For Centre for Catalyzing Change



*Nitin Kohli*

**Nitin Kohli**  
Partner  
Membership No: 507771

*Dr. Aparajita Gogoi*  
**Dr. Aparajita Gogoi**  
Executive Director

*Mr. Arun Kumar*  
**Mr. Arun Kumar**  
Director - Operations



Place: Noida  
Date: 25 September 2019

*Mr. Sajil Kumar*  
**Mr. Sajil Kumar**  
Member and Treasurer Governing Board