

# T R Chadha & Co LLP

Chartered Accountants



## AUDITORS' REPORT

To the members of **Centre for Catalyzing Change**

We have audited the attached Balance Sheet of **Centre for Catalyzing Change (formerly The Centre for Development and Population Activities)**, New Delhi, as at March 31, 2018 and also the Income and Expenditure Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion and we report that:

- (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (ii) In our opinion, proper books of account as required by law have been kept and maintained by the society so far as appears from our examination of the books;
- (iii) The Balance Sheet and the Income and Expenditure Account dealt with by this report are in agreement with the books of accounts; and
- (iv) In our opinion and to the best of our information and according to the explanations given to us, the Accounts give true and fair view:
  - a) in the case of Balance Sheet of the state of affairs of the society as at March 31, 2018 and
  - b) in the case of Income and Expenditure Account, of the surplus of the society for the year ended on that date.

**For T R Chadha & Co. LLP**

Chartered Accountants

Firm Registration Number: 006711N/N500028

Aashish Gupta  
(Partner)

Membership No. 097343

Place: Gurgaon

Date : This 26 day of September 2018



T R Chadha & Co., a partnership firm converted into T R Chadha & Co LLP  
(A limited liability partnership with LLP Identification No. AAF-3926) with effect from 28<sup>th</sup> December, 2015

**Gurugram Office : 359, Udyog Vihar, Phase-II, Gurugram-122016 (Haryana)**

Phone : 0124-4129900, Fax : 0124-4114935, E-mail : gurgaon@trchadha.com

**Regd. Office :** Suite No. 11A, 2<sup>nd</sup> Floor, Gobind Mansion, H-Block, Connaught Circus, New Delhi – 110001

Phone : 011 41513059 / 41513169, E-mail : delhi@trchadha.com

**Corporate Office :** New Delhi **Branches :** Mumbai, Pune, Ahmedabad, Hyderabad, Chennai, Bengaluru

**CENTRE FOR CATALYZING CHANGE (formerly CEDPA INDIA)**  
**C-1, HAUZ KHAS, NEW DELHI - 110 016**  
**BALANCE SHEET AS AT MARCH 31, 2018**

PARTICULARS	Sch. No.	As At March 31, 2018		As At March 31, 2017	
		Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
<b><u>SOURCES OF FUNDS</u></b>					
<b><u>General Reserve Fund</u></b>	1		18,70,555		16,31,520
<b><u>Designated Fund</u></b>	2		6,35,87,090		6,13,56,698
<b><u>Restricted Funds</u></b>					
C3-Unniti Small Grants Endowment Fund	3	6,66,64,639		6,42,01,639	
Grants & Contributions	4	28,92,48,029	35,59,12,668	9,22,16,246	15,64,17,885
<b><u>Current Liabilities and Provisions</u></b>					
Sundry Creditors	5	3,48,062		17,93,649	
Statutory Liability		17,89,006		10,33,609	
Expenses Payable		13,79,597		1,06,311	
Provisions for Employee Benefits		92,09,906	1,27,26,571	70,75,935	1,00,09,504
<b>TOTAL</b>			<b>43,40,96,884</b>		<b>22,94,15,607</b>
<b><u>APPLICATION OF FUNDS</u></b>					
<b><u>Fixed Assets</u></b>					
Gross Block	7	1,16,98,886		96,27,636	
Less: Accumulated Depreciation		75,63,571		56,06,449	
Net Block			41,35,315		40,21,187
<b><u>Current Assets, Loans &amp; Advances</u></b>					
Grants & Contributions	4	1,19,48,949		20,84,104	
Other Current Assets	6	88,31,955	2,07,80,904	58,09,168	78,93,272
<b><u>Cash and Bank Balances</u></b>					
Cash in hand		34,045		512	
Bank Balances	8	40,54,15,047	40,54,49,092	21,36,70,088	21,36,70,600
<b>Advances recoverable in cash or in kind or for value to be received</b>	9		37,31,572		38,30,548
<b>TOTAL</b>			<b>43,40,96,884</b>		<b>22,94,15,607</b>
<b>Accounting Policies and Notes to Accounts</b>	12				

As per our report of even date attached

For T R Chadha & Co LLP  
Chartered Accountants  
Firm Registration Number: 006711N/NS00628

Aashish Gupta  
(Partner)  
Membership No. 097343



Place : Gurugram  
Date : This 26<sup>th</sup> day of September, 2018

For Centre for Catalyzing Change

Dr. Aparajita Gogoi  
Executive Director

Mr. Arun Kumar  
Director - Operations

Mr. Sali Kumar  
Member and Treasurer Governing Board

**CENTRE FOR CATALYZING CHANGE (formerly CEDPA INDIA)**  
**C-1, HAUZ KHAS, NEW DELHI - 110 016**  
**INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED MARCH 31, 2018**

PARTICULARS	Sch No.	Year ended March 31, 2018 Amount (Rs.)	Year ended March 31, 2017 Amount (Rs.)
<b><u>INCOME</u></b>			
Income from Programs	4	13,00,75,533	9,68,86,710
Interest income	10	1,21,05,409	1,33,86,607
Donation/ Miscellaneous Income		38,462	31,00,665
Exchange Gain		-	3,40,780
Appropriation from Designated Fund	2	39,53,431	5,60,848
<b>TOTAL</b>		<b>14,61,72,835</b>	<b>11,42,75,610</b>
<b><u>EXPENDITURE</u></b>			
Communication Expenses	11	12,10,445	12,73,231
Consultancy Expenses		1,99,39,664	1,58,33,008
Establishment Expenses		1,15,35,536	95,73,450
Information Dissemination Expenses		43,02,402	16,85,566
Salaries and Benefits			
-Program		3,80,48,003	3,27,83,800
-General and Administrative		1,53,69,247	76,24,600
Subgrant expenses		2,83,21,917	1,12,75,742
Travel Expenses		81,66,776	79,13,007
Workshop & Seminar Expenses		1,20,22,810	69,05,911
<b>TOTAL</b>		<b>13,89,16,800</b>	<b>9,48,68,315</b>
Excess of Income over Expenditure		72,56,035	1,94,07,295
<b><u>APPROPRIATIONS</u></b>			
Transfer to Building Fund		28,76,000	84,17,000
Transfer to Program Innovation and Staff Development Fund		14,38,000	42,09,000
Transfer to Asset Replacement Fund		2,40,000	7,01,000
Transfer to C3-Unniti Small Grants Endowment Fund		24,63,000	22,98,000
Transfer to Program Support and Infrastructure Fund		-	30,80,765
Transfer to General Reserve Fund		2,39,035	7,01,531
<b>TOTAL</b>		<b>72,56,035</b>	<b>1,94,07,296</b>

As per our report of even date attached

**For T R Chadha & Co LLP**  
Chartered Accountants  
Firm Registration Number: 006711N/N500028

*Aashish*  
Aashish Gupta  
(Partner)  
Membership No. 097343



Place : Gurgaon  
Date : This 26<sup>th</sup> day of September 2018

**For Centre for Catalyzing Change**

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

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

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

**CENTRE FOR CATALYZING CHANGE (formerly CEDPA INDIA)**  
**C-1, HAUZ KHAS, NEW DELHI - 110 016**  
**RECEIPT AND PAYMENT ACCOUNT**  
**FOR THE YEAR ENDED MARCH 31, 2018**

RECEIPTS	Amount (Rs.)	PAYMENTS	Amount (Rs.)
<b>OPENING BALANCE</b>		<b>PAYMENTS</b>	
Cash in Hand	512	Workshop & Seminar Expenses	1,20,06,730
Balance with Bank:		Subgrant expenses	2,79,73,855
--in Fixed Deposit	19,76,67,889	Information Dissemination Expenses	42,36,533
--in Designated Bank Account (FCRA)	1,49,86,978	Travel Expenses	80,41,092
--in Other Bank Accounts	10,15,221	Consultancy Expenses	1,85,75,571
<b>Voluntary Contribution</b>		Personnel Expenses	4,79,46,525
<b>(i) Local Contribution - Restricted Funds</b>		Communication Expenses	11,69,151
Indian Council of Medical Research	75,000	Establishment Expenses	94,06,450
Azim Premji Philanthropic Initiatives	9,80,874	Computers and other office equipments	20,71,250
World Health Organization	3,47,724	Advances to project partners, staff etc.	55,85,629
<b>(ii) Foreign Contribution - Restricted Funds</b>		Previous years liability paid	56,03,762
Population Council	6,05,400		
Bill and Melinda Gates Foundation	20,76,16,838		
David and Lucile Packard Foundation	4,82,09,019		
Plan India	61,798		
The John D. and Catherine T. MacArthur Foundation	95,69,043		
JHPIEGO	2,03,98,457		
White Ribbon Alliance	33,63,487		
Population Action International	41,76,295		
BARR Foundation	96,47,132		
Chairities Aid Foundation India	51,15,323		
Impact Foundation India	20,00,000		
Interest from the Bank	1,69,40,413		
Miscellaneous Receipts	38,462		
Interest on TDS Refund	1,13,390		
Last years advances recovered	51,36,387		
		<b>CLOSING BALANCE</b>	
		Cash in Hand	34,045
		Balance with Bank:	
		--in Fixed Deposit	39,46,66,749
		--in Designated FCRA Bank A/c	62,62,798
		--in Other Bank Accounts	44,85,500
<b>TOTAL</b>	<b>54,80,65,641</b>		<b>54,80,65,641</b>

As per our report of even date attached

For T R Chadha & Co LLP  
Chartered Accountants  
Firm Registration Number: 006711N/N500028

*Aashish*  
Aashish Gupta  
(Partner)  
Membership No. 097343



Place : Gurgaon  
Date : This... 26<sup>th</sup> day of September 2018

For 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

**CENTRE FOR CATALYZING CHANGE (formerly CEDPA INDIA)  
SCHEDULES FORMING PART OF THE BALANCE SHEET**

**SCHEDULE 1 - GENERAL RESERVE FUNDS**

Particular	As At 31/03/2018 Amount (Rs.)		As At 31/03/2017 Amount (Rs.)	
	Opening Balance	16,31,520		9,29,989
Add: Excess of Income over Expenditure	2,39,035	18,70,555	7,01,531	16,31,520
<b>TOTAL</b>		<b>18,70,555</b>		<b>16,31,520</b>

**SCHEDULE 2 - DESIGNATED FUNDS**

Particular	As At 31/03/2018 Amount (Rs.)		As At 31/03/2017 Amount (Rs.)	
	Deferred Revenue Fund - Assets under projects			
Opening Balance	12,34,933		12,44,952	
Add: Additions during the year	4,10,314		5,50,829	
Less: Utilized during the year	-	16,45,247	(5,60,848)	12,34,933
Building Fund				
Opening Balance	4,26,84,000		3,42,67,000	
Appropriation from I&E Account	28,76,000	4,55,60,000	84,17,000	4,26,84,000
Program, Innovation and Staff Development Fund				
Opening Balance	1,25,92,000		83,83,000	
Less : Utilized during the year	(27,33,922)		-	
Appropriation from I&E Account	14,38,000	1,12,96,078	42,09,000	1,25,92,000
Asset Replacement Fund				
Opening Balance	17,65,000		10,64,000	
Appropriation from I&E Account	2,40,000	20,05,000	7,01,000	17,65,000
Program Support and Infrastructure Fund				
Opening Balance	30,80,765		-	30,80,765
Addition during the year	-	30,80,765	30,80,765	
<b>TOTAL</b>		<b>6,35,87,090</b>		<b>6,13,56,698</b>

**SCHEDULE 3 - C3-UNNITI SMALL GRANT ENDOWMENT FUND**

Particular	As At 31/03/2018 Amount (Rs.)		As At 31/03/2017 Amount (Rs.)	
	Opening Balance	6,42,01,639		6,36,30,483
Less: Utilized during the year	-		(17,26,844)	
Add: Appropriation from I&E Account	24,63,000	6,66,64,639	22,98,000	6,42,01,639
<b>TOTAL</b>		<b>6,66,64,639</b>		<b>6,42,01,639</b>

As per our report of even date attached

For T R Chadha & Co LLP  
Chartered Accountants  
Firm Registration Number: 006711N/N500028

*Aashish*  
Aashish Gupta  
(Partner)  
Membership No. 097343



Place: Gurgaon  
Date: This... 26th day of September 2018

For Centre for Catalyzing Change

*Aparajita*  
Dr. Aparajita Gogoi  
Executive Director

*Sanjay*  
Mr. Sanj Kumar  
Member and Treasurer Governing Board

*Arun*  
Mr. Arun Kumar  
Director - Operations



**SCHEDULE 4 - GRANTS AND CONTRIBUTIONS**

Programs	Opening Balance	Received		Availed/Utilized during the year against		Closing Balance
		Grants	Interest on grant funds	Income	Assets	
Gender Equity and Governance	2,97,22,213	20,82,21,273	45,17,766	3,49,86,425	3,59,113	20,71,15,714
Reproductive Health	3,42,43,041	6,97,64,079	14,34,856	6,24,96,333	5,40,045	4,24,05,598
Girls Education and Youth Development	2,57,65,751	3,41,81,037	7,53,283	3,21,91,638	7,30,665	2,77,77,768
Small Grants Programs	4,01,137	-	-	4,01,137	-	(0.00)
<b>TOTAL</b>	<b>9,01,32,142</b>	<b>31,21,66,389</b>	<b>67,05,905</b>	<b>13,00,75,533</b>	<b>16,29,823</b>	<b>27,72,99,080</b>
Restricted Funds - Grants and Contributions	9,22,16,246					28,92,48,029
Current Assets - Grants and Contributions	(20,84,104)					(1,19,48,949)

**SCHEDULE 5 - CURRENT LIABILITIES AND PROVISIONS**

Particular	As At 31/03/2018	As At 31/03/2017
Sundry Creditors	3,48,062	17,93,649
Statutory Liability		
TDS Payable	11,90,285	5,81,047
Professional Tax	16,100	-
PF Payable	5,82,621	4,52,562
Expenses Payable	13,79,597	1,06,311
Provisions for Employee Benefits		
- Provisions for Gratuity	59,55,758	45,36,353
- Provisions for Compensated Absences	32,54,148	25,39,582
<b>TOTAL</b>	<b>1,27,26,571</b>	<b>1,00,09,504</b>

**SCHEDULE 6 - OTHER CURRENT ASSETS**

Particular	As At 31/03/2018	As At 31/03/2017
Security Deposits	6,92,185	4,37,570
Accrued Interest	36,82,429	19,24,918
TDS Receivables	44,57,341	34,46,680
<b>TOTAL</b>	<b>88,31,955</b>	<b>58,09,168</b>

As per our report of even date attached

For T R Chadha & Co LLP  
Chartered Accountants  
Firm Registration Number: 006711N/N500028

*Aashish Gupta*  
Aashish Gupta  
(Partner)  
Membership No. 097343



Place : Gurugram  
Date : This 26th day of September 2018

For Centre for Catalyzing Change

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

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

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

**CENTRE FOR CATALYZING CHANGE (formerly CEDPA INDIA)  
SCHEDULES FORMING PART OF THE BALANCE SHEET  
SCHEDULE 7 - SCHEDULE OF FIXED ASSETS**

**A- Fixed Assets**

PARTICULARS	GROSS BLOCK			- ACCUMULATED DEPRECIATION			- NET BLOCK	
	As at	Additions during	As at	As at	Depreciation	As at	As at	As at
	01.04.2017	the year	31.03.2018	01.04.2017	for the year	31.03.2018	31.03.2018	31.03.2017
Information Technology (IT) Equipments	11,88,163	2,78,912	14,67,075	11,54,703	2,67,630	14,22,333	44,742	33,460
Office Equipment	19,74,549	1,62,515	21,37,064	10,23,414	2,01,620	12,25,034	9,12,030	9,51,135
Furniture & Fixtures	3,76,236	-	3,76,236	2,56,234	16,157	2,72,391	1,03,845	1,20,002
Vehicle	26,92,048	-	26,92,048	10,10,674	2,52,206	12,62,880	14,29,168	16,81,374
Donated Assets	283	-	283	-	-	-	283	283
<b>TOTAL</b>	<b>62,31,279</b>	<b>4,41,427</b>	<b>66,72,706</b>	<b>34,45,025</b>	<b>7,37,613</b>	<b>41,82,638</b>	<b>24,90,068</b>	<b>27,86,254</b>

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

PARTICULARS	GROSS BLOCK			- ACCUMULATED DEPRECIATION			- NET BLOCK	
	As at	Additions during	As at	As at	Depreciation	As at	As at	As at
	01.04.2017	the year	31.03.2018	01.04.2017	for the year	31.03.2018	31.03.2018	31.03.2017
Information Technology (IT) Equipments	23,38,897	13,73,626	37,12,523	19,01,049	10,63,694	29,64,743	7,47,780	4,37,848
Office Equipment	1,72,625	2,12,725	3,85,350	71,241	47,110	1,18,351	2,66,999	1,01,384
Furniture & Fixtures	-	43,472	43,472	-	4,350	4,350	39,122	-
Vehicle	8,84,835	-	8,84,835	1,89,134	1,04,355	2,93,489	5,91,346	6,95,701
<b>TOTAL</b>	<b>33,96,357</b>	<b>16,29,823</b>	<b>50,26,180</b>	<b>21,61,424</b>	<b>12,19,509</b>	<b>33,80,933</b>	<b>16,45,247</b>	<b>12,34,933</b>
<b>GRAND TOTAL</b>	<b>96,27,636</b>	<b>20,71,250</b>	<b>1,16,98,886</b>	<b>56,06,449</b>	<b>19,57,122</b>	<b>75,63,571</b>	<b>41,35,315</b>	<b>40,21,187</b>

As per our report of even date attached

For T R Chadha & Co LLP  
Chartered Accountants  
Firm Registration Number: 006711N/N500028

  
Aashish Gupta  
(Partner)  
Membership No. 097343



Place : Gurugram  
Date : This 26th day of September, 2018

For Centre for Catalyzing Change

  
Dr. Apalika Goopi  
Executive Director

  
Mr. Arun Kumar  
Director - Operations

  
Mr. Sall Kumar  
Member and Treasurer Governing Board

**SCHEDULE 8- BANK BALANCES**

Particular	As At 31/03/2018	As At 31/03/2017
<b>Balance with Bank:</b>		
Designated FCRA Account	62,62,798	1,49,86,978
Other Bank Accounts	44,85,500	10,15,221
Fixed Deposit	39,46,66,749	19,76,67,889
<b>TOTAL</b>	<b>40,54,15,047</b>	<b>21,36,70,088</b>

**SCHEDULE 9 - ADVANCES RECOVERABLE IN CASH OR IN KIND OR FOR VALUE TO BE RECEIVED**

Particular	As At 31/03/2018	As At 31/03/2017
Program Partners	27,08,985	26,84,787
Advance to Vendors	1,65,382	8,83,155
Prepaid Expenses	5,52,669	1,38,939
Advance to Staff	3,04,536	1,23,667
<b>TOTAL</b>	<b>37,31,572</b>	<b>38,30,548</b>

**SCHEDULE 10 - INTEREST INCOME**

Particular	For the year ended	
	31/03/2018	31/03/2017
Interest on Savings Account	19,21,329	10,61,125
Interest on Term Deposit	1,67,76,595	1,48,31,865
Interest on Income Tax Refund	1,13,390	78,122
Less: Interest allocated to Donor	(67,05,905)	(25,84,506)
<b>TOTAL</b>	<b>1,21,05,409</b>	<b>1,33,86,607</b>

**SCHEDULE 11 - BREAKUP OF EXPENDITURE**

For the year ended 31-03- 2018

Natural Heads of Accounts.	Gender and Governance	Reproductive Health	Girls Education and Youth Development	Small Grants Program	Program Support	TOTAL
Communication Expenses	1,89,631	3,72,109	2,03,976	25,157	4,19,572	12,10,445
Consultancy Expenses	55,71,850	70,25,355	59,88,232	48,835	13,05,392	1,99,39,664
Establishment Expenses	9,28,505	10,58,854	4,46,423	15,541	90,86,214	1,15,35,536
Information Dissemination Expenses	1,16,889	3,13,527	36,38,716	3,620	2,29,650	43,02,402
Salaries and Benefits	85,50,291	1,60,24,499	1,22,13,891	12,59,322	1,53,69,247	5,34,17,250
Subgrant expenses	1,07,37,094	1,47,21,658	-	28,63,165	-	2,83,21,917
Travel Expenses	13,09,737	40,00,788	20,61,080	70,674	7,24,497	81,66,776
Workshop & Seminar Expenses	13,88,333	74,30,952	29,12,916	835	2,89,774	1,20,22,810
<b>TOTAL</b>	<b>2,87,92,330</b>	<b>5,09,47,742</b>	<b>2,74,65,234</b>	<b>42,87,149</b>	<b>2,74,24,346</b>	<b>13,89,16,800</b>

As per our report of even date attached

For T R Chadha & Co LLP  
Chartered Accountants  
Firm Registration Number: 006711N/N500028

Aashish Gupta  
(Partner)  
Membership No. 097343



Place : Gurgaon  
Date : This 26th day of September, 2018

For Centre for Catalyzing Change

Dr. Aparajita Gogoi  
Executive Director

Mr. Sali Kumar  
Member and Treasurer Governing Board

Mr. Arun Kumar  
Director - Operations



**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS FOR THE YEAR  
ENDING 31.03.2018**

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**SCHEDULE – 12**

**A. SIGNIFICANT ACCOUNTING POLICIES**

**1 Organization**

Centre for Catalyzing Change (C3) (formerly Centre for Development and Population Activities-CEDPA India) is registered as a society under the Societies Registration Act 1860 vide registration number S - 42102 of 2002. It is also registered as under: -

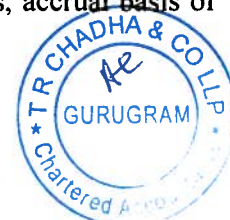
- i) Under section 12A of the Income Tax Act, 1961 vide registration number DIT (E)/2002-03/T-830/03/1415 dated January 23, 2004 w.e.f. November 01, 2003;
- ii) Under section 80G of the Income Tax Act, 1961 vide number – F.No.DIT(E)/ 80G/2012-13/T-830/5702 dated 27/03/2012 w.e.f. A.Y.2012-13;
- iii) Under the Foreign Contribution Regulations Act, 1976 vide registration number 231661003 valid upto October 31, 2021; and having PAN - AAATT6660R and TAN - DELT04972C;
- iv) Under Department of Labour. Government of National Capital Territory of Delhi vide registration no – 2018003807 dated January 23, 2018.
- v) Under the Bihar Tax on Professions, Trade, Calling and Employments Act, 2011 vide registration number – 10AAATT6660R

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 organization 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 Basis of Preparation of Financial Statements**

The financial statements have been prepared in accordance with the generally accepted accounting principles in India and in compliance with the Accounting Standards issued by The Institute of Chartered Accountants of India and the relevant presentational requirements and are based on the historical cost convention. In preparing these financial statements, accrual basis of accounting has been followed, unless otherwise stated.



### **3 Going Concern**

The accounts of the Society have been prepared on going concern basis.

### **4 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.

### **5 Restricted Funds (Grants & 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.

### **6 Designated Funds**

Designated funds are those funds, which are specifically mandated by applicable law and/or established by C3, 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 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.

### **7 Foreign Currency Transactions**

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction.

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.



## **8 Fixed Assets and Depreciation**

### **8.1 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.

### **8.2 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 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.

### **8.3 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.

### **8.4 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.
- In respect of additions to the fixed assets, full depreciation is provided on additions over 6 months and at 50% of the rate on additions less than 6 months as on the Balance Sheet date.
- No depreciation is provided in the year of disposal of asset
- Assets acquired during the year costing Rs. 5,000/- or less, as well as existing assets as at April 01 whose written down value is less than Rs. 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.

## **9 Accounting of Income and Expenditure**

Incomes and expenditures are recognized 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 C3 is legally entitled to receive and/or pay, as the case may be.

## **10 Investments**

During the year investment in fixed deposit with the bank are stated at net realizable value and reported in the Balance Sheet under Cash and Bank Balance.

## **11 Retirement Benefits**

Gratuity has been provided for in accordance with the payment of Gratuity Act. Leave encashment is provided for on accrual basis on the basis of actual calculations.

## **12 Provisions**

Provision is recognized when an organization has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are determined based on management estimates required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimate.

## **13 Income and accumulation/set apart of Income as per Income Tax Act 1961**

An organization is required to utilize minimum 85% of its current year's income towards its aims and objectives and is permitted to accumulate/ set apart up to maximum of 15% of its current year's income to be utilized later on.

In the event, the organization, for whatever reasons does not meet the requirement of utilizing 85% of its current year's income, then it is permitted to accumulate/set apart the resultant shortfall for a maximum period of five subsequent financial years. If the organization does not utilize the amount so accumulated/set-apart in the subsequent five financial years, then the amount remaining unutilized will be subject to applicable Income Tax.

Accordingly, the organization follows the due process for accumulation, as prescribed under the Income Tax Act 1961; in case of utilization is less than 85% of the current year's income towards its aims and objectives.



## B. NOTES TO ACCOUNTS

### 1 Contingent Liabilities

The Income Tax Department has issued a notice under section 143(1) dated March 17, 2018 in which it has denied the benefit of accumulation under section 11(2) & 11(5) of the Income Tax Act for the financial year 2015-16 and consequently raised an income tax demand of Rs.1,75,32,108/- against an accumulation of Rs. 4,40,00,000/-. This demand is primarily on the grounds that C3 did not submit the required FORM 10 through the online filing process in accordance with the amended provisions of the Income Tax Act in force with effect from April 01, 2016. C3 has instead initially filed the FORM 10 through the conventional process directly with the office of the concerned Officer on September 23, 2016 which was within the due date for filing and has properly completed all processes related to Accumulation as required by the provisions of section 11(2) of the Income Tax Act. Furthermore, C3 has also separately filed the FORM 10 through the online process on March 27, 2018 as a late filing. On June 19, 2018, C3 has filed an appeal with the Commissioner of Income Tax (Appeal) against the order received u/s 154 of the Income Tax Act and also filed an application, on August 28, 2018, before the Commissioner of Income Tax (E) for condoning the delay of online filing of Form-10. The liability to pay tax demand is contingent on the outcome of our applications filed with the Income Tax Department, as stated above.

2 Previous year's figures have been regrouped and rearranged wherever necessary.

### 3 a) Foreign Contribution Received

Particulars	Current Year Amount in Rs.	Previous Year Amount in Rs.
Foreign Contribution		
- in Cash	32,75,64,092	11,36,91,653
- in Kind	-	-
<b>Total</b>	<b>32,75,64,092</b>	<b>11,36,91,653</b>

### b) Expenditure in Foreign Currency

Particulars	Current Year Amount in Rs.	Previous Year Amount in Rs.
Expenditure in Foreign Exchange	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>

4 As per the Internal Assessment of the Society there is no asset requiring provision for impairment as on 31-03-2018 as per AS 28 issued by the Institute of Chartered Accountants of India.

### 5 Income and accumulation/set apart of Income as per Income Tax Act 1961

During the current year C3 has a shortfall in utilization to the tune of 57.40% i.e. Rs. 19,00,00,000/- of its current year's income, consequently the Governing Body has resolved, through circular resolution on September 25, 2018 to accumulate/ set apart the shortfall of Rs. 19,00,00,000/- i.e.57.40% of its current year's income, for utilization within the next five years, for the following purposes:





Purposes	Amount (Rs.)
To be utilized on the aims and objectives of the organization including but not limited to programs and activities on Gender and Governance, Reproductive Health and Rights and Girls Education and Youth Development	19,00,00,000
<b>Amount to be accumulated</b>	<b>19,00,00,000</b>

Accordingly, the cumulative position within the meaning of section 11(2) of the Income Tax Act – 1961 is give below:

Sl No	Year of accumulation	Amount accumulated in the year of accumulation	Purpose of accumulation	Amount applied for charitable/ religious purposes upto the beginning of previous year	Amount invested or deposited in the modes specified in Section -11	Amount applied for charitable/ religious purposes during the previous year	Balance amount available for application	Amount deemed to be income within meaning of sub-section (3) of section 11
1	2015-16	1,00,00,000	To transition the school based adolescent life skill education program in Jharkhand and to test an integrated resilience and adolescent health curriculum in Bihar	35,14,999	-	64,85,001	-	NIL
2	2015-16	3,00,00,000	Public and Political Prioritization of RMNCH+A+N in Bihar (India National MNCH Advocacy - Quality of Care	1,61,88,226	7,25,396	1,30,86,378	7,25,396	NIL



3	2016-17	2,40,00,000	Improved quality of care in maternal health : Addressing gaps in human resources, infrastructure and better allocation and utilization of funds	-	90,33,373	1,49,66,627	90,33,373	NIL
4	2016-17	1,50,00,000	To consolidate and scale up PAHAL a program that builds the leadership skills of elected representatives to improve the quality of reproductive health and maternal health services.		80,86,470	69,13,530	80,86,470	NIL
5	2016-17	40,00,000	Each - Equal Access for change - Harnessing opportunities			40,00,000	-	NIL
6	2017-18	19,00,00,000	To be utilized on the aims and objectives of the organization including but not limited to programs and activities on Gender and Governance, Reproductive Health and Rights and Girls Education and Youth Development	-	19,00,00,000	-	19,00,00,000	NIL
TOTAL		27,30,00,000		1,97,03,225	20,78,45,239	4,54,51,536	20,78,45,239	

6 Debit / Credit balances included in Loans and Advances, Current Liabilities are pending confirmation and consequential reconciliation. Adjustments in this respect, in the opinion of the management are not likely to be material and would be carried out as and when ascertained.



7 In the opinion of the management, current assets, loans and advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.

**For T R Chadha & Co LLP**

Chartered Accountants

Firm Registration Number: 006711N/N500028

*Aashish*

Aashish Gupta  
(Partner)

Membership No. 097343



Place: Gurgaon

Date: This 26<sup>th</sup> day of September, 2018

**For Centre for Catalyzing Change**

*Dr. Aparajita Gogoi*

Dr. Aparajita Gogoi  
Executive Director

*Mr. Arun Kumar*

Mr. Arun Kumar  
Director - Operations

*Mr. Sali Kumar*

Mr. Sali Kumar  
Member and Treasurer Governing Board