



INDEPENDENT AUDITOR'S REPORT

To,

The Members

Creating Resources for Empowerment in Action (CREA)

We have audited the accompanying financial statements of Creating Resources for Empowerment in Action (CREA) ("Society"), which comprise the Balance Sheet as at 31st March, 2021, Income & Expenditure Account, along with supporting schedules for the year ending on the same date and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management of Creating Resources for Empowerment in Action (CREA) is responsible for the preparation and presentation of these financial statements giving a true and fair view of the financial position and financial performance in accordance with the generally accepted accounting principles in India. This responsibility also includes maintenance of adequate accounting records and safeguarding the assets of Creating Resources for Empowerment in Action (CREA) and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal controls relevant to the Society's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information so required to give a true and fair view and are in conformity with the accounting principles generally accepted in India:

- In the case of the Balance Sheet of the state of affairs of the Society as at 31st March, 2021; and
- In the case of the Income & Expenditure Account and of surplus of the Society for the year from 1st April, 2020 to 31st March, 2021.

for Subhash Mittal & Associates
Chartered Accountants

F/R No. 009976N



S. Mittal, FCA

Partner,

M.No. 083619

UDIN: 21083619AAAACG6663

Place : New Delhi

Date : 24-09-2021

CREATING RESOURCES FOR EMPOWERMENT IN ACTION (CREA)

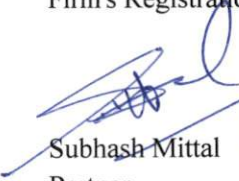
Balance Sheet as at March 31, 2021

			Amount in INR
	Notes	Current Year	Previous Year
Liabilities			
General Fund	1	98,965,839	95,915,173
Restricted Grants	2	25,450,502	12,963,434
Deferred Revenue Fund	3	123,132,413	1,930,114
Current Liabilities & Provisions			
Current Liabilities	4	5,010,454	3,797,862
Provisions	5	8,773,573	7,395,681
Total		261,332,781	122,002,264
Assets			
Property, Plant and Equipment	6	154,323,901	2,000,279
Current Assets, Loans, Advances, etc.			
Cash and Bank Balances	7	81,398,176	85,232,136
Loans, Advances and Other Assets	8	23,448,909	7,117,079
Grants Receivable	2	2,161,794	27,652,770
Total		261,332,781	122,002,264
Significant Accounting Policies and Notes on Accounts	15		

The notes referred to above form an integral part of the accounts

As per our audit report of even date attached

for Subhash Mittal & Associates
Chartered Accountants
Firm's Registration No. 009976N


Subhash Mittal
Partner
M. No. 083619

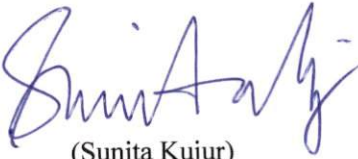



UDIN: 21083619AAAACG6663

Place : New Delhi

Date :24-09-2021

for Creating Resources for Empowerment in Action


(Sunita Kujur)
Senior Director


(Geetanjali Misra)
Executive Director

CREATING RESOURCES FOR EMPOWERMENT IN ACTION (CREA)

Income and Expenditure Account for the Year Ended March 31, 2021

		Amount in INR	
	Notes	Current Year	Previous Year
Income			
Restricted Grants	2	78,446,192	95,849,868
Unrestricted Grant and Other Project Receipts		-	120,991
Interest Income	9	3,582,026	5,668,683
Other Income	10	40,057	867
Appropriation from the Deferred Revenue Fund	3	4,589,469	1,212,055
Total		86,657,744	102,852,463
Expenditure			
Program Expenditures - Personnel	11	25,457,822	26,682,376
Program Expenditures - Others	12	29,649,075	47,191,741
Administrative Expenditures - Personnel	13	16,107,190	12,566,538
Administrative Expenditures - Others	14	7,755,473	10,019,437
Depreciation	6	4,637,519	735,503
Total		83,607,079	97,195,595
Surplus carried forward to the General Fund		3,050,665	5,656,868

Accounting Policies and Notes on Accounts

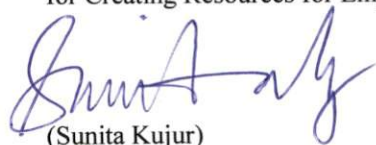
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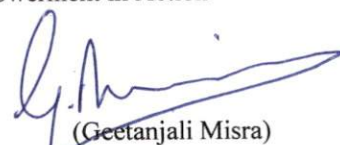
The notes referred to above form an integral part of the accounts

As per our audit report of even date attached

for Subhash Mittal & Associates
Chartered Accountants
Firm's Registration No. 009976N

for Creating Resources for Empowerment in Action


(Sunita Kujur)
Senior Director


(Geetanjali Misra)
Executive Director


Subhash Mittal
Partner
M. No. 083619



UDIN: 21083619AAAACG6663

Place : New Delhi
Date :24-09-2021

CREATING RESOURCES FOR EMPOWERMENT IN ACTION (CREA)

Notes forming part of the Balance Sheet as at March 31, 2021

	Current Year	Amount in INR Previous Year
Notes - 1		
General Fund		
Opening Balance	9,59,15,173	9,02,58,306
Add: Surplus brought forward from the Income and Expenditure Account	30,50,665	56,56,868
Total	9,89,65,839	9,59,15,173
Notes - 3		
Deferred Revenue Fund		
Deferred Revenue Fund - Property, Plant and Equipment		
Opening Balance	19,18,332	12,71,531
Add: Assets acquired out of Project Funds	92,54,651	13,09,543
Less: Amount equivalent to depreciation charged on such assets transferred to the Income and Expenditure A/c	5,96,496	6,62,742
Less: Written down value of such assets disposed off	-	-
Total	1,05,76,487	19,18,332
Grant received against Property		
Opening Balance	-	-
Add: Assets acquired out of General Funds	11,65,37,117	-
Less: Amount equivalent to depreciation charged on such assets transferred to the Income and Expenditure A/c	39,81,191	-
Total	11,25,55,926	-
Deferred Revenue Fund - Prepaid Expenditure		
Opening Balance	11,782	5,49,313
Add: Prepaid expenditure incurred during the year	-	11,782
Less: Amount transferred to Income & Expenditure Account	11,782	-
Total	12,31,32,413	5,49,313
Notes - 4		
Current Liabilities		
Sundry Creditors for Expenses	35,24,450	24,45,569
TDS Payable	13,83,490	12,46,099
EPF Payable	1,02,514	1,06,194
Total	50,10,454	37,97,862
Notes - 5		
Provisions		
Provisions for Gratuity	87,73,573	73,95,681
Total	87,73,573	73,95,681
Notes - 7		
Cash and Bank Balances		
Cash in Hand	72,381	90,941
Foreign Currency in Hand	10,986	11,265
Balance with ICICI Bank	60,32,607	21,80,647
Balance with Standard Chartered Bank	4,98,37,195	2,63,32,809
Fixed Deposits (Including Accrued Interest Thereon)	2,54,45,007	5,66,16,473
Total	8,13,98,176	8,52,32,136
Notes - 8		
Loans, Advances and Other Assets		
(recoverable in cash or in kind or for value to be received)		
Security Deposits	72,591	1,64,591
Prepaid Expenses	86,694	89,257
Income Tax Recoverable	14,32,402	16,21,405
Advances	2,15,23,471.14	52,41,826
Advances to Partners	3,33,751.00	-
Total	2,34,48,909	71,17,079



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CREATING RESOURCES FOR EMPOWERMENT IN ACTION (CREA)

Notes forming part of the Balance Sheet as at March 31, 2021

Note - 2

Restricted Grants

Amount in INR

Particulars	Opening Balance as at		Received during the year	Total	Availed/ Utilised and Credited to the Income and Expenditure Account	Utilised for Assets and Credited to the Deferred Revenue Fund	Utilised for Prepaid Expenses and Credited to the Deferred	Total	Closing Balance as at	
	Unutilised Grants	Grants Receivable							Unutilised Grants	Grants Receivable
EMpower - The Emerging Markets Foundation Ltd.	1,413,085	-	-	1,413,085	3,574,879	-	-	3,574,879	-	2,161,794
Comic Relief - 2	1,366,732	-	2,345,543	3,712,276	1,615,294	181,189	-	1,796,483	1,915,792	-
American Jewish World Service (AJWS)	226,461	-	-	226,461	226,461	-	-	226,461	-	-
American Jewish World Service (AJWS) - Interest on Grant	1,807	-	2,550	4,357	4,357	-	-	4,357	-	-
Oak Foundation	-	439,216	9,903,332	9,464,116	7,858,943	-	-	7,858,943	1,605,174	-
International Women's Health Coalition	7,110,761	-	-	7,110,761	6,125,031	533,310	-	6,658,341	452,420	-
CREA New York	-	20,038,520	65,200,897	45,162,377	36,709,426	8,452,950	-	45,162,377	0	-
Medicus Mundi Gipuzkoa - 2	-	6,736,917	35,686,052	28,949,135	13,044,554	-	-	13,044,554	15,904,580	-
Medicus Mundi Gipuzkoa - 2 Interest on Grant	175,157	-	190,397	365,554	-	-	-	-	365,554	-
Azim Premji Philanthropic Initiatives	2,669,431	-	11,912,000	14,581,431	9,287,247	87,202	-	9,374,449	5,206,982	-
Total	12,963,434	27,214,653	125,240,771	110,989,552	78,446,192	9,254,651	-	87,700,843	25,450,502	2,161,794



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CREATING RESOURCES FOR EMPOWERMENT IN ACTION (CREA)

Notes forming part of the Income and Expenditure Account for the year ended March 31, 2021

	Current Year	Amount in INR Previous Year
Notes - 9		
Interest Income		
Interest on Fixed Deposits	25,35,747	43,93,744
Interest on Savings Bank Accounts	10,33,013	11,39,995
Interest on TDS Refund	13,267	1,34,944
Total	<u>35,82,026</u>	<u>56,68,683</u>
Notes - 10		
Other Income		
Donation	26,000	-
Foreign Exchange Gain	14,057	867
Total	<u>40,057</u>	<u>867</u>
Notes - 11		
Program Expenditures - Personnel		
Salaries and Allowances	2,15,41,529	2,35,37,179
Gratuity	6,97,733	7,81,497
Other Staff Benefits	32,18,560	23,63,700
Total	<u>2,54,57,822</u>	<u>2,66,82,376</u>
Notes - 12		
Program Expenditures - Others		
Consultancy and Technical Services	1,15,30,974	1,13,77,587
Books and Periodicals	4,480	4,488
Workshop/ Seminar/ Meetings	49,35,026	1,30,56,315
Travelling Expenses	7,93,247	50,80,561
Local Conveyance	71,517	2,60,408
Sub-grants to partner NGOs	1,12,51,013	1,73,80,602
Resource Material	3,93,417	-
Postage & Courier Programme	1,60,163	-
Telephone, Fax and Internet Charges	5,09,239	-
Website Development and Maintenance	-	31,780
Total	<u>2,96,49,075</u>	<u>4,71,91,741</u>
Notes - 13		
Administrative Expenditures - Personnel		
Salaries and Allowances	1,36,99,990	1,07,20,515
Gratuity	6,80,159	6,96,601
Other Staff Benefits	17,27,041	11,49,422
Total	<u>1,61,07,190</u>	<u>1,25,66,538</u>
Notes - 14		
Administrative Expenditures - Others		
Audit Fees	1,90,897	1,59,206
Consultancy and Managerial Services	39,22,320	41,89,020
Electricity and Water	1,57,677	4,54,685
Telephone, Fax and Internet Charges	1,75,932	7,96,093
Postage & Courier	52,388	2,19,669
Repairs and Maintenance - Office	5,11,769	6,00,976
Repairs and Maintenance - Computer	2,92,953	1,70,598
Repairs and Maintenance - Equipment	88,756	56,676
Printing and Stationery Charges	1,08,652	2,47,007
Bank Charges	89,902	70,804
Membership and Registration Fee	28,084	39,055
Office Rent	8,86,656	19,66,200
Local Conveyance	73,282	1,49,006
Office Expenses	2,57,013	5,25,865
Interest on TDS	9,509	16,527
Interest on EPF	-	51,157
Office Insurance	24,416	20,648
Professional Charges	4,42,561	2,21,378
Advance/ Recoverable Written-off	4,588	64,867
Excess Unrecoverable Balance Written off	4,38,117	-
Total	<u>77,55,473</u>	<u>1,00,19,437</u>



CREATING RESOURCES FOR EMPOWERMENT IN ACTION (CREA)

Notes forming part of the Balance Sheet as at March 31, 2021

Notes - 6

Property, Plant and Equipment

Amount in INR

Particulars	Gross Block				Depreciation				Net Block	
	As at 01-Apr-20	Additions during the year	Deductions during the year	As at 31-Mar-21	As at 01-Apr-20	For the year	Depreciation written back	As at 31-Mar-21	As at 31-Mar-21	As at 31-Mar-20
Assets Acquired out of Project Funds (FCRA)										
Computers and Printers	1,560,795	332,925	-	1,893,720	1,305,101	258,458	-	1,563,559	330,162	255,695
Office Equipment	1,360,668	476,943	-	1,837,611	1,025,486	278,596	-	1,304,082	533,529	335,182
Furniture & Fixtures	1,438,640	90,690	-	1,529,330	1,244,840	59,442	-	1,304,282	225,048	193,800
Leasehold Improvement -Work in Progress	1,038,455	6,791,927	-	7,830,382	-	-	-	-	7,830,382	1,038,455
Office impovrement (7 Nizamuddin East)		1,474,964		1,474,964	-	-	-	-	1,474,964	-
Total	5,398,558	9,167,449	-	14,566,007	3,575,426	596,496	-	4,171,922	10,394,085	1,823,132
Assets Acquired out of General Fund (FCRA)										
Computers and Printers	510,095	-	-	510,095	473,913	11,744	-	485,657	24,438	36,182
Office Equipment	602,172	-	-	602,172	563,184	5,473	-	568,657	33,515	38,988
Furniture & Fixtures	14,363	-	-	14,363	7,586	1,760	-	9,346	5,017	6,777
Property (7 Nizamuddin East)		147,706,490	-	147,706,490	-	3,981,191	-	3,981,191	143,725,299	
Total	1,126,630	147,706,490	-	148,833,120	1,044,683	4,000,168	-	5,044,851	143,788,269	81,947
Assets Acquired out of Project Funds (NON-FCRA)										
Computers and Printers	287,051	87,202	-	374,253	255,872	23,243	-	279,115	95,138	31,179
Furniture & Fixtures	192,175	-	-	192,175	128,154	17,612	-	145,766	46,409	64,021
Total	479,226	87,202	-	566,428	384,026	40,855	-	424,881	141,547	95,200
Grand Total	7,004,414	156,961,141	-	163,965,555	5,004,135	4,637,519	-	9,641,654	154,323,901	2,000,279
Previous Year	5,694,871	1,309,543	-	7,004,414	4,268,632	735,503	-	5,004,135	2,000,279	



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CREATING RESOURCES FOR EMPOWERMENT IN ACTION (CREA)

Annual Accounts for the Financial Year 2020-21

NOTE-15

NOTES FORMING PART OF ACCOUNTS

1. SIGNIFICANT ACCOUNTING POLICIES

a) Accounting Convention

The Financial Statements are prepared under the historical cost convention on accrual basis in accordance with the generally accepted accounting principles followed in India, except Audit fee which is accounted for on cash basis.

b) Deferred Revenue Fund

Capital assets procured out of grants fund are capitalized and grants to that extent are treated as deferred revenue. Amount equivalent to depreciation charged on such assets is transferred to the Income and Expenditure account from the Deferred Revenue Fund.

c) Gratuity Provision

- Provision is made for Gratuity in compliance with Accounting Standard, Employee Benefits (AS-15). Accordingly, it has taken an actual estimate of gratuity payable to all employees who have been with society at least for six months. However, actual payment to the employees will be based on applicability of the Gratuity Payable Act 1972.
- Society remains liable for paying gratuity to its employees at the time of their separation from the entity. Accordingly, the company maintains gratuity liability in its books for eligible employees.

d) Grant Recognition

- Grants form the major source of revenue for the Society. Since there is no specific accounting standard for 'Other than Government grants', we have followed Accounting Standard on Government Grants (AS-12), as principles



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followed in this Accounting Standard are very much applicable to grants other than Government grants.

- Grant agreements entered into are subject to specific terms & conditions, which if not complied with could result in cancellation or even refund of grants received. In view of the same and following the matching principles, only grant utilized is recognised as income of the Trust and the grant received but not utilized is treated as liability.
- Where expenditures have been properly incurred but grants have not been received, following accrual basis of accounting, the amount so incurred is accounted as recoverable from the donor, unless recoverability of the same is not certain.

e) Interest Income

- Interest on savings account is recognized on actual receipt basis.
- Interest on Fixed Deposits has been recognized on accrual basis to the extent TDS has been deducted and deposited by the bank, and if appearing in the 26AS as of 31st March 2021.

f) Fixed Assets

- Fixed assets procured out of a grant are charged off against the said grant as per the terms and conditions set out under the Grant agreement. Following Accounting Standard on Government Grants (AS-12), fixed assets procured out of donor grant are treated as Deferred income by transferring equivalent amount of grant to deferred revenue fund.

g) Depreciation

- Assets reflected in Balance sheet, including that procured out of capital grant, have been brought down by the Depreciation amount so calculated to reflect reduction in the value of assets due to wear & tear.
- Depreciation has been provided in the books of accounts using Written down value Method based on management's estimate of useful life of the assets after considering the residual value of five percent. the estimated useful life of assets is disclosed below.

Asset description	Useful life
Computers and Printers	3 years
Furniture and Fixtures	10 years
Office Equipment	5 years
Building	60 years



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- Management periodically assesses whether there is an indication that an asset may be impaired. In case of such an indication, the management estimates the recoverable amount of the asset. If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the difference is recognized as impairment loss.

h) Lease

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Operating lease payments are recognized as an expense in the Income and Expenditure Account.

i) Classification of Expenditure

Generally, expenditures under Income & Expenditure Account are disclosed as program and Admin expenditures incurred against specific donor program Expenditure, if any, not charged against any of these grants has been disclosed separately.

j) Foreign Currency Transaction

Foreign currency transactions are recorded as per the Accounting Standard the Effects of Changes in Foreign Exchange Rates AS-11 at the exchange rate prevailing on the date of the transaction. Differences arising out of foreign currency transactions settled during the year are recognised in the Income and Expenditure Account.

Monetary items outstanding at the balance sheet date and denominated in foreign currencies are recorded at the exchange rate prevailing at the end of the year. Differences arising therefrom are recognised in the Income and Expenditure Account.

- k)** The Society is registered with the Income-Tax Department under Section 12A of the Income-Tax Act, 1961 vide a certificate No. DIT (E)/ 2001-02/ C-625/ 2001/447 dated October 05, 2001, which is under process for revalidation. The management is confident that this exemption would be further revalidated. Accordingly all activities undertaken by the Society during the year are within the purview of the said section. Hence, no provision for the current income-tax and deferred tax has been made in these financial statements.

- l)** In the opinion of the Management of the Society, current assets, loans and advances have a value on realisation in the ordinary course of the business at least equal to the amount at which they are stated in the balance sheet and provision for all known liabilities have been made in the financial statement.



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2. NOTES TO ACCOUNTS & NECESSARY DISCLOSURES

i. Bank Funds

- The society has maintained proper accounts of all bank funds for which balance confirmation from bank have been received.
- Surplus funds are kept in fixed deposits and savings bank accounts with the scheduled banks and accordingly are shown at cost. All the fixed deposits as at March 31, 2021 are for more than one year period but less than two years period.

ii. Contingent Liabilities


As certified by the management, there are no contingent liabilities of the society at the end of the financial year, i.e. as at 31 March 2021.

iii. Operating Leases

The Society leases certain office premises under cancellable operating lease arrangements. The rent expense under these agreements for the year is INR.20,92,200 (Previous Year INR.19,66,200/-).


- iv. Previous year figures have been regrouped or recast as considered necessary.


For **Subhash Mittal & Associates**
Chartered Accountants
(F.R.N. 009976N)


Subhash Mittal
Partner
M. No. 083619



For & on behalf of:
Creating Resources for Empowerment and Action


(Sunita Kujur)
Senior Director


(Geetanjali Misra)
Executive Director

UDIN: 21083619AAAACG6663

Place : New Delhi
Date : 24-09-2021