

ANNUAL AUDIT REPORT

**Creating Resources for Empowerment
In Action, (CREA)**

Period: April'2023 - March'2024

Audited by:



Subhash Mittal & Associates

Chartered Accountants

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Auditor's Report



INDEPENDENT AUDITOR'S REPORT

To,

The Members

Creating Resources for Empowerment in Action (CREA)

Report on the Financial Statements

We have audited the accompanying Consolidated financial statements (covering local & FCRA funds) of **Creating Resources for Empowerment in Action (CREA)**(Society), which comprise the Balance Sheet as at 31st March, 2024, Income & Expenditure and Receipt & Payment Statements along with supporting schedules for the year ending on the same date and a summary of the significant accounting policies and other explanatory information.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Law in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Society as at March 31, 2024, and its Statement of Income & Expenditure and surplus for the year ended on that date and of Receipt & Payment Statement for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified by the Institute of Chartered Accountants of India. 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 **CREA** in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the relevant laws and rules thereunder, and we have fulfilled our other 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.



Management's Responsibility for the Financial Statements

Management of **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 **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. The management of **CREA** is responsible for overseeing the financial reporting process.

Auditor's 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.

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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the **CREA** 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 CREA 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.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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, 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.

For Subhash Mittal & Associates

(Chartered Accountants)

Firm Registration No.: 009976N


Subhash Mittal
(Partner)

M. No. 083619

UDIN:24083619BKDHFG7644

Place: New Delhi

Dated:30/09/2024



Financial Statements

CREATING RESOURCES FOR EMPOWERMENT IN ACTION (CREA)
Consolidated Balance Sheet as at March 31, 2024

Amount in INR

| PARTICULARS | Note | As at March 31, 2024 | As at March 31, 2023 |
|---|------|-------------------------|-------------------------|
| I. LIABILITIES | | | |
| Reserves & Funds | | | |
| General Fund | 1 | 106,569,102 | 102,476,735 |
| Non-Current Liabilities | | | |
| Provisions | 2 | 9,200,019 | 9,748,541 |
| Capital Reserve Fund | 3 | 105,550,259 | 111,489,995 |
| Current Liabilities | | | |
| Restricted Grants | 4 | 36,084,988 | 80,984,165 |
| Sundry Creditors and Duties & Taxes | 5 | 2,092,936 | 2,467,658 |
| Total | | 259,497,304 | 307,167,094 |
| II. ASSETS | | | |
| Non-Current Assets | | | |
| Property, Plant and Equipment(Fixed Assets) | 6 | 131,693,828 | 138,987,368 |
| Investments | | | |
| Fixed Deposits | 7 | 68,387,217 | 64,274,884 |
| Current Assets | | | |
| Cash and cash equivalents | 8 | 44,332,977 | 101,593,438 |
| Loans, Advances and Other Assets | 9 | 4,782,568 | 3,109,550 |
| Grants Receivable | 4 | 11,098,860 | - |
| Less: Provision against doubtful debit balances -Note 16 1(i) | | (798,146) | (798,146) |
| Total | | 259,497,304 | 307,167,094 |

Significant Accounting Policies and Notes on Accounts
The notes referred to above form an integral part of the accounts

16

As per our audit report of even date attached

For Subhash Mittal & Associates
(Chartered Accountants)
Firm's Registration No. 009976N

S. Mittal, FCA
(Partner)
M. No. 083619
UDIN: 24083619BKDHFG7644
Place : New Delhi
Date : 30-09-2024



For & on behalf of
Creating Resources for Empowerment in Action

Anuradha Chatterji
(Executive Director)

Shalini Singh
Team Lead -
Programs & Innovation

CREATING RESOURCES FOR EMPOWERMENT IN ACTION (CREA)
Consolidated Statement of Income and Expenditure
for the Year Ended March 31, 2024

Amount in INR

| PARTICULARS | Note | For the Year Ended March 31, 2024 | For the Year Ended March 31, 2023 |
|---|------|--------------------------------------|--------------------------------------|
| INCOMES | | | |
| Restricted Grants | 4 | 142,638,184 | 109,229,921 |
| Interest Income | 10 | 5,509,226 | 4,471,138 |
| Other Income | 11 | 1,307 | 431,749 |
| Transferred from the Capital Reserve Fund | 3 | 8,765,921 | 9,989,906 |
| Total Income | | 156,914,638 | 124,122,714 |
| EXPENDITURES | | | |
| Program Expenditures - Personnel | 12 | 51,517,381 | 37,321,629 |
| Program Expenditures - Others | 13 | 73,832,740 | 50,699,991 |
| Administrative Expenditures - Personnel | 14 | 12,969,337 | 15,629,139 |
| Administrative Expenditures - Others | 15 | 4,480,708 | 5,020,852 |
| Depreciation/Amortization | 6 | 10,022,105 | 11,399,841 |
| Total Expenditure | | 152,822,271 | 120,071,452 |
| Excess of Income over Expenditure / (Deficit of Income Over Expenditure) | | 4,092,367 | 4,051,262 |

Accounting Policies and Notes on Accounts 16

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

S. Mittal, FCA
(Partner)

M. No. 083619

UDIN: 24083619BKDHFG7644

Place : New Delhi

Date : 30-09-2024



For & on behalf of

Creating Resources for Empowerment in Action

Anuradha Chatterji
(Executive Director)

Shalini Singh
Team Lead -
Programs & Innovation

Notes to Financial Statements

CREATING RESOURCES FOR EMPOWERMENT IN ACTION (CREA)
Notes forming part of the Consolidated Financial Statements
as at March 31, 2024

Amount in INR

| NOTE | PARTICULARS | As at 31st March, 2024 | As at 31st March, 2023 |
|------|--|---------------------------|---------------------------|
| 1 | General Fund | | |
| | Opening Balance | 102,476,735 | 98,425,472 |
| | Add: Surplus brought forward from the Income and Expenditure Account | 4,092,367 | 4,051,263 |
| | Total | 106,569,102 | 102,476,735 |
| 2 | Provisions | | |
| | Provisions for Gratuity | 9,200,019 | 9,748,541 |
| | Total | 9,200,019 | 9,748,541 |
| 3 | Capital Reserve Fund | | |
| | Deferred Revenue Fund (Property, Plant and Equipments) | | |
| | Opening Balance | 8,871,950 | 12,258,748 |
| | Add: Assets acquired out of Project Funds | 2,826,185 | 1,348,633 |
| | Less: Amount transferred to Income & Expenditure | | |
| | - Depreciation charged on such assets | 3,683,842 | 4,732,681 |
| | - Written down value of such assets disposed off | 83,550 | 2,750 |
| | | 7,930,743 | 8,871,950 |
| | Assets Acquired out of Grant Received for Property | | |
| | Opening Balance | 102,618,045 | 107,872,520 |
| | Less: Amount transferred to Income & Expenditure | | |
| | - Depreciation charged on such assets | 4,998,529 | 5,254,475 |
| | | 97,619,516 | 102,618,045 |
| | Total | 105,550,259 | 111,489,995 |
| 4 | Restricted Grant- On separate page | | |
| 5 | Sundry Creditors and Duties Taxes | | |
| | Sundry Creditors for Expenses | 1,835,798 | 2,079,091 |
| | TDS Payable | - | 159,840 |
| | EPF Payable | 198,965 | 119,784 |
| | Expenses Payable | 58,173 | 108,942 |
| | Total | 2,092,936 | 2,467,658 |

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CREATING RESOURCES FOR EMPOWERMENT IN ACTION (CREA)

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024

| Particulars | Opening Balance as at April 1, 2023 | | Received during the year | Total Fund (Opening+Rece'd) | Availed/ Utilised and Credited to the Income and Expenditure Account | Refund during the year | Utilised for Assets and Credited to the Deferred Revenue Fund | Total | Closing Balance as at March 31, 2024 | |
|--|-------------------------------------|-------------------|--------------------------|-----------------------------|--|------------------------|---|--------------------|--------------------------------------|-------------------|
| | Unutilised Grants | Grants Receivable | | | | | | | Unutilised Grants | Grants Receivable |
| | | | | | | | | | | |
| FCRA | | | | | | | | | | |
| American Jewish World Service (AJWS) | - | - | 1,431,216 | 1,431,216 | 1,431,216 | - | - | 1,431,216 | - | - |
| American Jewish World Service (AJWS) Interest on Grant | - | - | 20,611 | 20,611 | 20,611 | - | - | 20,611 | - | - |
| International Labor Rights Forum | - | - | 588,153 | 588,153 | 588,153 | - | - | 588,153 | - | - |
| FOS FEMINISTA | 716,477 | - | 2,950,766 | 3,667,243 | 3,667,243 | - | - | 3,667,243 | - | - |
| Creating Resources for Empowerment and Action Inc. | 32,536,875 | - | 43,401,750 | 75,938,625 | 82,390,526 | - | 2,792,185 | 85,182,711 | - | 9,244,085 |
| Medicus Mundi Gipuzkoa - 2 Interest on Grant | 41,190 | - | - | 41,190 | 41,190 | - | - | 41,190 | - | - |
| Medicus Mundi Gipuzkoa - 3 | 11,433,931 | - | 9,951,091 | 21,385,022 | 22,983,379 | - | - | 22,983,379 | - | 1,598,359 |
| Medicus Mundi Gipuzkoa - 3 Interest on Grant | 340,926 | - | 148,988 | 489,914 | 489,914 | - | - | 489,914 | - | - |
| Bill & Melinda Gates Foundation (BMGF) | 31,078,053 | - | 24,526,211 | 55,604,264 | 23,347,604 | - | - | 23,347,604 | - | - |
| Bill & Melinda Gates Foundation (BMGF) - Interest on Grant | 2,800,172 | - | 1,028,155 | 3,828,327 | 3,828,327 | - | - | 3,828,327 | - | - |
| International Planned Parenthood Federation | 2,036,541 | - | 3,719,453 | 5,755,994 | 5,755,994 | - | 34,000 | 5,755,994 | - | - |
| Sub-Total (FCRA) | 80,984,165 | - | 87,766,394 | 168,750,559 | 140,681,830 | - | 2,826,185 | 143,508,015 | 36,084,988 | 10,842,444 |
| Non FCRA | | | | | | | | | | |
| United Nations Population Fund | - | - | 1,761,150 | 1,761,150 | 1,939,812 | 77,754 | - | 2,017,566 | - | 256,416 |
| United Nations Population Fund Interest | - | - | 16,541 | 16,541 | 16,541 | - | - | 16,541 | - | - |
| Sub-Total (Non-FCRA) | - | - | 1,777,691 | 1,777,691 | 1,956,353 | 77,754 | - | 2,034,107 | - | 256,416 |
| TOTAL (FCRA+Non-FCRA) | 80,984,165 | - | 89,544,085 | 170,528,250 | 142,638,183 | 77,754 | 2,826,185 | 145,542,122 | 36,084,988 | 11,098,860 |

Note- 4 : Restricted Grants

Amount in INR



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CREATING RESOURCES FOR EMPOWERMENT IN ACTION (CREA)
Notes forming part of the Consolidated Financial Statements
as at March 31, 2024

Amount in INR

| NOTE | PARTICULARS | As at 31st March, 2024 | As at 31st March, 2023 |
|------|--|---------------------------|---------------------------|
| 6 | Property, Plant and Equipment(Fixed Assets)- On separate Page | | |
| 7 | Investments | | |
| | Fixed Deposits | 68,387,217 | 64,274,884 |
| | Total | 68,387,217 | 64,274,884 |
| 8 | Cash and cash equivalents | | |
| | Cash in Hand | 33,312 | 22,096 |
| | Foreign Currency in Hand | 12,501 | 12,323 |
| | Balance with ICICI Bank | 36,694 | 2,464 |
| | SCB - A/c No. - 52011027521 | 2,053,894 | 2,012,144 |
| | Standard Chartered Bank - includes FCRA Utilisation A/c | | |
| | SCB - A/c No. - 52011027505 | 6,524,292 | 48,354,311 |
| | SCB - A/c No. - 52011124241 | 35,327,894 | 34,166,708 |
| | SCB - A/c No. - 52011227717 | 596 | 85,168 |
| | SCB - A/c No. - 52011227814 | 40,461 | 12,087,900 |
| | Balance with State Bank of India - FCRA Designated | 303,334 | 4,850,325 |
| | Total | 44,332,977 | 101,593,438 |
| 9 | Loans, Advances and Other Assets <i>(recoverable in cash or in kind for or value to be received)</i> | | |
| | Security Deposits | 57,591 | 57,591 |
| | Prepaid Expenses | 34,756 | 55,368 |
| | Income Tax Recoverable | 1,603,661 | 1,504,793 |
| | Advances | 2,364,311 | 1,048,720 |
| | Accrued Interest | 451,256 | 443,078 |
| | TDS Paid | 270,993 | - |
| | Total | 4,782,568 | 3,109,550 |



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CREATING RESOURCES FOR EMPOWERMENT IN ACTION (CREA)

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024

Notes - 6 : Property, Plant and Equipment(Fixed Assets)

| Particulars | Gross Block | | | | Depreciation | | | Net Block | |
|--|--------------------|---------------------------|----------------------------|----------------------|-------------------|-------------------|---------------------------|----------------------|----------------------|
| | As at Apr 1, 2023 | Additions during the Year | Deductions during the year | As at March 31, 2024 | As at Apr 1, 2023 | For the year | Depreciation written back | As at March 31, 2024 | As at March 31, 2023 |
| Assets Acquired out of Project Funds (FCRA) | | | | | | | | | |
| Computers and Printers | 2,696,643 | 1,129,997 | 107,606 | 3,719,034 | 2,226,245 | 592,003 | 102,352 | 2,715,897 | 1,003,137 |
| Office Equipment | 2,439,270 | 247,028 | 368,439 | 2,317,859 | 1,896,055 | 294,694 | 350,017 | 1,840,732 | 477,128 |
| Furniture & Fixtures | 1,609,400 | - | 856,229 | 753,171 | 1,409,513 | 37,943 | 806,475 | 640,981 | 112,190 |
| Leasehold Improvement | 8,660,983 | - | - | 8,660,983 | 3,262,883 | 2,461,356 | - | 5,724,239 | 2,936,744 |
| Office Imporvement (7 Nizamuddin East) | 1,693,714 | 42,600 | - | 1,736,314 | 142,061 | 77,196 | - | 219,257 | 1,551,653 |
| CAR | 1,106,839 | - | - | 1,106,839 | 447,471 | 207,018 | - | 654,489 | 452,350 |
| Office Imporvement (7 Nizamuddin East)-WIP | - | 1,406,560 | - | 1,406,560 | - | - | - | - | 1,406,560 |
| Sub-Total | 18,206,849 | 2,826,185 | 1,332,274 | 19,700,760 | 9,384,228 | 3,670,210 | 1,258,844 | 11,795,594 | 7,905,166 |
| Assets Acquired out of Grant Received for Property (FCRA) | | | | | | | | | |
| Property (7 Nizamuddin East) | 116,537,117 | - | - | 116,537,117 | 13,919,072 | 4,998,529 | - | 18,917,601 | 97,619,516 |
| Sub-Total | 116,537,117 | - | - | 116,537,117 | 13,919,072 | 4,998,529 | - | 18,917,601 | 102,618,045 |
| Assets Acquired out of General Fund (FCRA) | | | | | | | | | |
| Computers and Printers | 335,326 | - | 257,795 | 77,531 | 317,348 | 2,098 | 245,761 | 73,685 | 3,846 |
| Office Equipment | 602,172 | - | - | 602,172 | 572,063 | - | - | 572,063 | 30,109 |
| Furniture & Fixtures | 14,363 | - | 14,363 | - | 11,614 | 714 | 12,328 | - | 2,749 |
| Property (7 Nizamuddin East) | 31,169,373 | - | - | 31,169,373 | 3,722,837 | 1,336,922 | - | 5,059,759 | 26,109,614 |
| Sub-Total | 32,121,234 | - | 272,158 | 31,849,076 | 4,623,862 | 1,339,734 | 258,089 | 5,705,507 | 27,497,372 |
| GRAND TOTAL(FCRA) - (A) | 166,865,200 | 2,826,185 | 1,604,432 | 168,089,953 | 27,927,162 | 10,008,473 | 1,516,933 | 36,418,702 | 138,938,039 |
| Assets Acquired out of Project Funds (NON-FCRA) | | | | | | | | | |
| Computers and Printers | 281,376 | - | - | 281,376 | 262,071 | 4,360 | - | 266,431 | 19,305 |
| Furniture & Fixtures | 192,175 | - | 103,515 | 88,660 | 167,779 | 6,706 | 93,395 | 81,090 | 24,396 |
| Office Equipments | 12,749 | - | - | 12,749 | 7,121 | 2,566 | - | 9,687 | 5,628 |
| Sub-Total | 486,300 | - | 103,515 | 382,785 | 436,971 | 13,632 | 93,395 | 357,208 | 49,329 |
| GRAND TOTAL(Non FCRA) - (B) | 486,300 | - | 103,515 | 382,785 | 436,971 | 13,632 | 93,395 | 357,208 | 49,329 |
| GRAND TOTAL(A+B) | 167,351,500 | 2,826,185 | 1,707,947 | 168,469,738 | 28,364,133 | 10,022,105 | 1,610,328 | 36,775,910 | 138,987,368 |
| PREVIOUS YEAR | 166,057,867 | 1,348,633 | 55,000 | 167,351,500 | 17,016,542 | 11,399,841 | 52,250 | 28,364,133 | 138,987,368 |



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CREATING RESOURCES FOR EMPOWERMENT IN ACTION (CREA)
Notes forming part of the Consolidated Financial Statements
for the year ended March 31, 2024

Amount in INR

| NOTE | PARTICULARS | For the Year Ended March 31, 2024 | For the Year Ended March 31, 2023 |
|------|---|--------------------------------------|--------------------------------------|
| 10 | <u>Interest Incomes</u> | | |
| | Interest on Fixed Deposits | 4,578,350 | 3,206,716 |
| | Interest on Savings Bank Accounts | 900,891 | 1,264,422 |
| | Interest on TDS Refund | 29,985 | - |
| | Total | 5,509,226 | 4,471,138 |
| 11 | <u>Other Incomes</u> | | |
| | Donation | - | 125,060 |
| | Foreign Exchange Gain | 178 | 996 |
| | Misc. Income | 1,129 | 305,693 |
| | Total | 1,307 | 431,749 |
| 12 | <u>Program Expenditures - Personnel</u> | | |
| | Salaries and Allowances | 47,418,294 | 33,846,790 |
| | Gratuity | 802,348 | 774,725 |
| | Other Staff Benefits | 3,296,739 | 2,700,114 |
| | Total | 51,517,381 | 37,321,629 |
| 13 | <u>Program Expenditures - Others</u> | | |
| | Consultancy and Technical Services | 33,244,295 | 22,853,734 |
| | Books and Periodicals | 1,830 | 2,350 |
| | Workshop/ Seminar/ Meetings | 25,877,582 | 19,319,901 |
| | Travelling Expenses | 11,644,656 | 6,482,722 |
| | Local Conveyance | 292,259 | 250,285 |
| | Sub-grants to partner NGOs | - | 324,385 |
| | Resource Material | 2,233,162 | 789,304 |
| | Telephone, Fax and Internet Charges | 529,455 | 652,470 |
| | Website Development and Maintenance | 9,500 | 24,840 |
| | Total | 73,832,740 | 50,699,991 |
| 14 | <u>Administrative Expenditures - Personnel</u> | | |
| | Salaries and Allowances | 8,456,613 | 12,368,280 |
| | Gratuity | 1,815,746 | 1,225,134 |
| | Other Staff Benefits | 2,696,978 | 2,035,725 |
| | Total | 12,969,337 | 15,629,139 |



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CREATING RESOURCES FOR EMPOWERMENT IN ACTION (CREA)

Notes forming part of the Consolidated Financial Statements
for the year ended March 31, 2024

Amount in INR

| NOTE | PARTICULARS | For the Year Ended March 31, 2024 | For the Year Ended March 31, 2023 |
|------|---|--------------------------------------|--------------------------------------|
| 15 | <u>Administrative Expenditures - Others</u> | | |
| | Audit Fees | 251,010 | 218,975 |
| | Consultancy and Managerial Services | 2,278,744 | 2,384,978 |
| | Electricity and Water | 286,080 | 296,079 |
| | Telephone, Fax and Internet Charges | 131,709 | 83,567 |
| | Postage & Courier | 29,408 | 27,084 |
| | Repairs and Maintenance - Office | 153,039 | 283,051 |
| | Repairs and Maintenance - Computer | 67,338 | 76,655 |
| | Repairs and Maintenance - Equipment | 70,155 | 92,313 |
| | Printing and Stationery Charges | 25,420 | 21,612 |
| | Bank Charges | 52,077 | 66,891 |
| | Membership and Registration Fee | 39,084 | 29,322 |
| | Office Rent | 330,000 | 645,000 |
| | Local Conveyance | 98,447 | 93,602 |
| | Office Expenses | 455,729 | 558,838 |
| | Interest on TDS | 2,737 | 325 |
| | Office Insurance | 39,411 | 17,238 |
| | Prior Period Expenses | 18,065 | 15,770 |
| | Property Tax | 54,636 | 108,704 |
| | Advance/ Recoverable Written-off | - | 849 |
| | Loss on Sale of Assets | 97,619 | - |
| | Total | 4,480,708 | 5,020,852 |



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CREATING RESOURCES FOR EMPOWERMENT IN ACTION (CREA)

Notes forming part of the Consolidated Financial statement
for the year ended March 31, 2024

NOTE: 16- Accounting Policies and Disclosures

1. SIGNIFICANT ACCOUNTING POLICIES

a) Accounting Convention

The Consolidated 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 in the year such depreciation is charged.

c) Gratuity Provision

- The Society has made Gratuity provision for all employees, however, actual payment to the employees will be based on applicability of the Gratuity Payable Act 1972.
- No Funds have been earmarked against the Gratuity provision.

d) Grant Recognition

- Grants from the major source of revenue for the Society. Based on AS12 and Technical Guide on Accounting for NPOs issued by ICAI, the Society recognizes its grant income only when it considers there is reasonable assurance that it has fulfilled all commitments associated with execution of Grant conditions. Accordingly, only grant utilized is recognized as income of the Society 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

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accounted as recoverable from the donor, unless recoverability of the same is not certain. There are no such recoverable grants identified during the year.

- Donations received from individual donors, generally without any restrictions, are treated as income on receipt basis.

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 2024.

f) Property, Plant & Equipments (Fixed Assets)

- Property, plant and equipments (PPE) 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), PPE procured out of donor grant are treated as deferred income by transferring equivalent amount of grant to deferred revenue fund.

g) Depreciation or Amortization

- 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 |
| Leasehold improvements | 6 years |
| Building - Freehold | 60 years |
| Office improvements - Freehold Building | 60 years |

Atulya Ghosh



- **Impairment of Assets:**

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) Operating Lease Agreement

The company is into operating lease agreements for office spaces at

(a) 7 Mathura Road, Jangpura-B, New Delhi 110014 for a period of 3 years effective 1st April 2023, and

(b) 20, Nizamuddin East, New Delhi for a period for 11 months starting from 1st January, 2024.

Future Lease Payments:

(Amount in ₹)

| Categories | As at 31-3-24 | As at 31-3-23 |
|---|---------------|---------------|
| <i>Not Later than one Year</i> | 2,180,000 | 2,060,400 |
| <i>Later than one year but not later than 5 years</i> | 1,620,000 | 0 |
| <i>More than 5 years</i> | - | - |

i) Provision for doubtful debts

While the Society makes all efforts to recover all its debts, however wherever it is not possible to recover the same, it makes provision for any debts considered doubtful of recovery. During the previous year, a provision of INR 798,146/- was made towards the same. No provision is considered necessary for the current year.

j) Classification of Expenditure

Generally, expenditures under Income & Expenditure Account are disclosed as Program and Administrative expenditures.

k) 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

Atul K. Singh *Shalini*



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.

- l) 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. The registration under section 12A has been revalidated vide unique registration number AAATC2961QE20013 dated 23 September 2021 for five years from AY 2022-23 to AY 2026-27. 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.
- m) 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.

2. NOTES TO ACCOUNTS & NECESSARY DISCLOSURES

i. Bank Funds

- Surplus funds are kept in fixed deposits and savings bank accounts with the scheduled banks. The society has maintained proper accounts of all bank funds for which balance confirmation from the bankers are taken have been received.
- Funds which are not immediately required re kept in Fixed Deposits with the scheduled bankers and are reflected under Cash & Cash Equivalents in the Balance Sheet.

ii. Contingent Liabilities

- a. The Society has capital commitment for renovation of its Office Building at 7 Nizamuddin East for an amount of INR 7,446,184/- This amount is in addition to the amount not yet provided at the year-end, as the renovation work is in progress.
- b. As certified by the management, there are no other contingent liabilities of the society at the end of the financial year, i.e. as at 31 March 2024.

Abhijit Shrivastava



iii. Auditors' Remunerations

Legal and professional charges include Auditors' Remuneration as follows.

| Particulars | For the Year Ended March 31, 2024 | For the Year Ended March 31, 2024 |
|---|--------------------------------------|--------------------------------------|
| • Audit Fee | 297,400 | 261,000 |
| • For Tax Related work | 30,250 | 27,500 |
| • Other (Excluding applicable Taxes) | 48,400 | 44,000 |

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

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

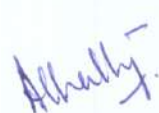
For & on behalf of:
Creating Resources for Empowerment in Action


S. Mittal, FCA
(Partner)

M. No. 083619

UDIN: 24083619BKDHFG7644




Anuradha Chatterji
(Executive Director)


Shalini Singh

Team Lead -

Programs & Innovation

Place: New Delhi ss

Date: 30th September, 2024