

# **SINGH KRISHNA & ASSOCIATES**

**Chartered Accountants**

8, Second Floor, Krishna Market, Kalkaji, New Delhi - 110 019  
Tele./ Fax: 40590344, e-mail: skacamail@gmail.com

## **AUDITORS' REPORT**

To the Members of the General Body of  
**Creating Resources for Empowerment in Action**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Creating Resources for Empowerment in Action (CREA), a society registered under the Societies Registration Act, 1860, which comprise the Balance Sheet as at March 31, 2018 and the Income and Expenditure Account for the year then ended and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Society in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of 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.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We 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 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 disclosures in the financial statements. The procedures selected depend on the auditors' 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 auditors consider internal financial control relevant to the entity's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal financial control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by 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.

### **Auditors' Report and Opinion**


We report that:

- (i) we have sought and 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 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 account;
- (iv) in our opinion, the Balance Sheet and the Income and Expenditure Account dealt with by this report comply with the applicable accounting standards issued by the Institute of Chartered Accountants of India;
- (v) in our opinion and to the best of our information and according to the explanations given to us, the said statements give a true and fair view in conformity with the accounting principles generally accepted in India:
  - a) in the case of the Balance Sheet of the state of affairs of the Society as at March 31, 2018; and
  - b) in the case of the Income and Expenditure Account, of the surplus for the year ended on that date.

for Singh Krishna & Associates  
Chartered Accountants  
Firm's Registration No. 008714C

  
(Krishna Kumar Singh)  
Partner  
M. No. 077494

Place : New Delhi  
Date : 25/10/2018



**CREATING RESOURCES FOR EMPOWERMENT IN ACTION (CREA)**

REGISTERED OFFICE: 7 MATHURA ROAD, JANGPURA B, NEW DELHI 110 014

BALANCE SHEET AS AT MARCH 31, 2018

Amount in ₹

LIABILITIES	AMOUNT	ASSETS	AMOUNT
<b>GENERAL FUND</b>		<b>FIXED ASSETS (Refer to Schedule 2)</b>	1,120,732.00
Opening Balance	81,107,439.94		
Add: Surplus brought forward from the Income and Expenditure Account	4,221,078.11	<b>CURRENT ASSETS, LOANS, ADVANCES, ETC.</b>	
		<b>CURRENT ASSETS</b>	
<b>RESTRICTED GRANTS (Refer to Schedule 1)</b>	21,871,588.11	Grants Receivable (Refer to Schedule 1)	11,099,335.63
		Cash and Bank Balances:	
<b>DEFERRED REVENUE FUND</b>		Cash in Hand	47,048.50
Opening Balance	1,672,485.00	Foreign Currency in Hand	9,683.00
Add: Fixed Assets Acquired out of Project Funds	42,292.00	Standard Chartered Bank (A/c No. - 52011027521)	3,863,032.37
Less: Amount equivalent to depreciation charged on such assets transferred to Income and Expenditure A/c	989,281.00	ICICI Bank (A/c No. - 006501100964)	6,024,408.46
		Standard Chartered Bank (A/c No. - 52011027505)	41,443,528.21
		Standard Chartered Bank (A/c No. - 52011124241)	5,074,841.39
		Fixed Deposits (Incl. Accrued Interest thereon)	49,311,180.00
<b>CURRENT LIABILITIES AND PROVISIONS</b>			105,773,721.93
TDS Payable	1,006,799.00	<b>LOANS, ADVANCES AND OTHER ASSETS</b> (recoverable in cash or in kind or for value to be received)	
EPF Payable	4,500.00	Advances	1,725,985.49
Sundry Creditors for Expenses	7,646,090.46	Security Deposits	68,091.00
Provision for Gratuity	5,207,148.00	Prepaid Expenses	33,171.00
		Income Tax Recoverable	1,969,102.57
			3,796,350.06
<b>Total</b>	<b>121,790,139.62</b>	<b>Total</b>	<b>121,790,139.62</b>

Accounting Policies and Notes on Accounts (Refer to Schedule 3)

As per our report of even date attached

for Singh Krishna & Associates  
Chartered Accountants  
Firm's Registration No. 008714C

*Krishna Kumar Singh*  
Krishna Kumar Singh  
Partner  
M. No. 077494

Place : New Delhi  
Date : 25/10/2018



for Creating Resources for Empowerment in Action

*Sunita Kujur*  
Sunita Kujur  
Senior Director - Programs and Operations  
New Delhi  
25/10/2018

*Geetanjali Misra*  
Geetanjali Misra  
Executive Director  
New York  
15/10/2018

**CREATING RESOURCES FOR EMPOWERMENT IN ACTION (CREA)**

REGISTERED OFFICE: 7 MATHURA ROAD, JANGPURA B, NEW DELHI 110 014

**INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2018**

Amount in ₹

PARTICULARS	AMOUNT	PARTICULARS	AMOUNT
<b>PROGRAM EXPENDITURES</b>		<b>INCOME</b>	
Books and Periodicals	5,347.00	Grants :	
Travelling Expenses	6,052,340.00	Restricted Grants Availed/ Utilised (Refer to Schedule 1)	83,983,055.81
Local Conveyance	510,026.00	Unrestricted Grant and Other Project Receipts	1,041,815.58
Salaries and Allowances	21,219,760.00	Other Income :	
Gratuity	837,193.00	Interest on Savings Bank Accounts	1,025,243.00
Other Staff Benefits	2,361,476.00	Interest on Fixed Deposits	4,275,556.44
Technical and Professional Services	9,363,217.00	Appropriation from Deferred Revenue Fund	989,281.00
Workshop/ Seminar/ Meetings	16,057,595.39	Misc. Income	2,500.00
Publication Costs	798,158.00		
Sub-grants to partner NGOs	14,440,953.00		
Website Development and Maintenance	38,701.00		
	71,684,766.39		6,292,580.44
<b>ADMINISTRATIVE EXPENDITURES</b>			
Bank Charges	34,854.18		
Local Conveyance	68,965.00		
Electricity and Water	318,115.45		
Office Expenses	409,499.38		
Office Rent	2,396,000.00		
Postage & Courier	191,045.00		
Telephone, Fax and Internet Charges	834,612.08		
Printing & Stationary Charges	117,748.00		
Repairs and Maintenance - Office	378,741.00		
Repairs and Maintenance - Computer	179,933.00		
Repairs and Maintenance - Equipment	60,483.00		
Office Insurance	23,425.00		
Salaries and Allowances	7,429,166.00		
Gratuity	376,985.00		
Other Staff Benefits	441,908.00		
Professional Charges	263,312.00		
Audit Fees	149,494.00		
Depreciation	1,439,240.00		
Advance/ recoverable Written Off	2,487.00		
Foreign Exchange Loss	191,773.24		
Interest on TDS	463.00		
Registration Fees	103,358.00		
	15,411,607.33		
Surplus carried forward to General Fund	4,221,078.11		
<b>Total</b>	<b>91,317,451.83</b>	<b>Total</b>	<b>91,317,451.83</b>

Accounting Policies and Notes on Accounts (Refer to Schedule 3)

As per our report of even date attached

for Singh Krishna & Associates  
Chartered Accountants  
Firm's Registration No. 008714C

*Krishna Kumar Singh*  
Krishna Kumar Singh

Partner  
M. No. 077494

Place : New Delhi  
Date : 25/10/2018



for Creating Resources for Empowerment in Action

*Sunita Kujur*  
Sunita Kujur  
Senior Director - Programs and Operations

New Delhi  
25/10/2018

*Gectanjali Misra*  
Gectanjali Misra  
Executive Director

NEW YORK  
15/10/2018

**CREATING RESOURCES FOR EMPOWERMENT IN ACTION (CREA)**

**SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2018**

**Schedule 1 - Restricted Grants**

Amount in ₹

Particulars	Opening Balance as at April 1, 2017		Received during the year	Total	Availed/ Utilised and Credited to the Income and Expenditure Account	Availed/ Utilised and Credited to the Deferred Revenue Fund	Total	Closing Balance as at March 31, 2018	
	Unutilised Grants	Grants Receivable						Unutilised Grants	Grants Receivable
The Ford Foundation	5,123,214.70	-	-	5,123,214.70	5,123,214.70	-	5,123,214.70	-	-
Reproductive Health Matter (RHM)	644,094.40	-	-	644,094.40	582,418.00	-	582,418.00	61,676.40	-
EMpower - The Emerging Markets Foundation Ltd.	1,593,908.28	-	2,814,970.00	4,408,878.28	2,400,340.28	-	2,400,340.28	2,008,538.00	-
Comic Relief	-	1,274,002.58	835,885.25	(438,117.33)	-	-	-	-	438,117.33
American Jewish World Service (AJWS)	61,778.81	-	2,813,175.00	2,874,953.81	3,290,596.81	-	3,290,596.81	-	415,643.00
American Jewish World Service (AJWS) - Interest on Grant	36,848.00	-	21,823.00	58,671.00	-	-	-	58,671.00	-
Oak Foundation	8,784,521.00	-	14,320,310.00	23,104,831.00	12,420,908.68	-	12,420,908.68	10,683,922.32	-
International Planned Parenthood Federation	1,442,727.94	-	297,628.98	1,740,356.92	1,740,356.92	-	1,740,356.92	-	-
International Women's Health Coalition	4,163,159.13	-	-	4,163,159.13	4,141,343.13	21,816.00	4,163,159.13	-	-
CREA New York (MacArthur Foundation)	34,281.48	-	-	34,281.48	34,281.48	-	34,281.48	-	-
CREA New York (FLOW)	-	525,567.19	4,228,308.19	3,702,741.00	5,196,104.00	-	5,196,104.00	-	1,493,363.00
CREA New York (Mama Cash - CMI)	-	3,618,346.37	14,833,980.07	11,215,633.70	14,138,207.30	8,835.00	14,147,042.30	-	2,931,408.60
CREA New York (SIDA)	-	3,493,118.46	6,303,442.17	2,810,323.71	5,630,540.53	11,641.00	5,642,181.53	-	2,831,857.82
CREA New York (Ford Foundation)	-	-	-	-	2,442,729.88	-	2,442,729.88	-	2,442,729.88
Global Fund For Women	-	751,561.00	1,938,945.00	1,187,384.00	1,733,600.00	-	1,733,600.00	-	546,216.00
Medicus Mundi Gipuzkoa	2,676,565.09	-	12,110,237.40	14,786,802.49	10,412,175.10	-	10,412,175.10	4,374,627.39	-
Medicus Mundi Gipuzkoa - Interest on Grant	26,714.00	-	86,148.00	112,862.00	-	-	-	112,862.00	-
Global Health Strategies Emerging Economies	-	-	287,000.00	287,000.00	287,000.00	-	287,000.00	-	-
Azim Premji Philanthropic Initiatives	4,805,530.00	-	14,175,000.00	18,980,530.00	14,409,239.00	-	14,409,239.00	4,571,291.00	-
<b>Total</b>	<b>29,393,342.83</b>	<b>9,662,595.60</b>	<b>75,066,853.06</b>	<b>94,797,600.29</b>	<b>83,983,055.81</b>	<b>42,292.00</b>	<b>84,025,347.81</b>	<b>21,871,588.11</b>	<b>11,099,335.63</b>



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**CREATING RESOURCES FOR EMPOWERMENT IN ACTION (CREA)**

**SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2018**

**Schedule 2 - Fixed Assets**

Amount in ₹

Fixed Assets	Gross Block				Depreciation				Net Block	
	As at 01-Apr-17	Additions during the year	Deductions during the year	As at 31-Mar-18	As at 01-Apr-17	For the year	Depreciation written back	As at 31-Mar-18	As at 31-Mar-18	As at 31-Mar-17
<b>Fixed Assets Acquired out of Project Funds (FCRA)</b>										
Computers and Printers	2,421,345.00	26,509.00	-	2,447,854.00	2,187,484.00	138,262.00	-	2,325,746.00	122,108.00	233,861.00
Office Equipment	1,106,165.00	8,835.00	-	1,115,000.00	630,108.00	344,176.00	-	974,284.00	140,716.00	476,057.00
Furniture & Fixtures	1,455,013.00	6,948.00	-	1,461,961.00	743,911.00	408,869.00	-	1,152,780.00	309,181.00	711,102.00
<b>Total</b>	<b>4,982,523.00</b>	<b>42,292.00</b>	<b>-</b>	<b>5,024,815.00</b>	<b>3,561,503.00</b>	<b>891,307.00</b>	<b>-</b>	<b>4,452,810.00</b>	<b>572,005.00</b>	<b>1,421,020.00</b>
<b>Fixed Assets Acquired out of General Fund (FCRA)</b>										
Computers and Printers	191,507.00	318,588.00	-	510,095.00	85,348.00	161,025.00	-	246,373.00	263,722.00	106,159.00
Office Equipment	561,598.00	62,840.00	-	624,438.00	218,353.00	286,935.00	-	505,288.00	119,150.00	343,245.00
Furniture & Fixtures	-	14,363.00	-	14,363.00	-	1,999.00	-	1,999.00	12,364.00	-
<b>Total</b>	<b>753,105.00</b>	<b>395,791.00</b>	<b>-</b>	<b>1,148,896.00</b>	<b>303,701.00</b>	<b>449,959.00</b>	<b>-</b>	<b>753,660.00</b>	<b>395,236.00</b>	<b>449,404.00</b>
<b>Fixed Assets Acquired out of Project Funds (NON-FCRA)</b>										
Computers and Printers	267,876.00	-	-	267,876.00	184,462.00	51,740.00	-	236,202.00	31,674.00	83,414.00
Furniture & Fixtures	192,175.00	-	-	192,175.00	24,124.00	46,234.00	-	70,358.00	121,817.00	168,051.00
	460,051.00	-	-	460,051.00	208,586.00	97,974.00	-	306,560.00	153,491.00	251,465.00
<b>Grand Total</b>	<b>6,195,679.00</b>	<b>438,083.00</b>	<b>-</b>	<b>6,633,762.00</b>	<b>4,073,790.00</b>	<b>1,439,240.00</b>	<b>-</b>	<b>5,513,030.00</b>	<b>1,120,732.00</b>	<b>2,121,889.00</b>



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# CREATING RESOURCES FOR EMPOWERMENT IN ACTION (CREA)

SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2018

## Schedule 3 - Accounting Policies and Notes on Accounts

### A. Accounting Policies

1. Financial statements have been prepared on the basis of historical costs convention and in accordance with the applicable accounting standards and accounting practices in India.
2. The society follows accrual basis of accounting, unless otherwise stated herein. Audit fee is accounted for on cash basis.
3. The preparation of the financial statements requires estimates and assumptions that affect the reported amount of assets, liabilities, revenue and expenses during the reporting period. Although such estimates and assumptions are made on a reasonable and prudent basis taking into account all available information, actual results could differ from these estimates and assumptions and such differences are recognised in the period in which the results are crystallised.
4. Grants received for specific purposes are initially treated as a liability and adjusted for capital or revenue expenses as per utilisation during the year. Generally, grants to the extent utilised for revenue expenses are treated as income of the year. After fulfillment of obligations attached with a particular grant, any unutilised amount of the grant is refunded to the donor or transferred to the Income and Expenditure Account.
5. Expenses incurred on purchases of capital assets out of grant funds are capitalised 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.
6. Fixed assets are carried on at cost less depreciation. The cost of fixed assets includes other incidental expenses incurred for acquisition of the assets.
7. Depreciation on tangible assets is provided on written down value based on management's estimate of useful life of the assets after considering the residual value of five percent. The estimated useful life of the assets are as under:

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



8. 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 recognised as impairment loss.
9. Surplus funds are kept in fixed deposits and savings bank accounts with the scheduled banks and accordingly are shown at cost.
10. 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 recognised as an expense in the Income and Expenditure Account.
11. Liability for gratuity is calculated on the assumption that gratuity is payable to all employees at the end of the accounting year. Such amount of gratuity is charged to revenue. This is in accordance with the Accounting Standard (AS) 15 Employee Benefits issued by the Institute of Chartered Accountants of India as the average number of persons employed during the year is less than fifty.

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A handwritten signature in black ink, appearing to be "G. M.", written at the bottom right corner of the page.

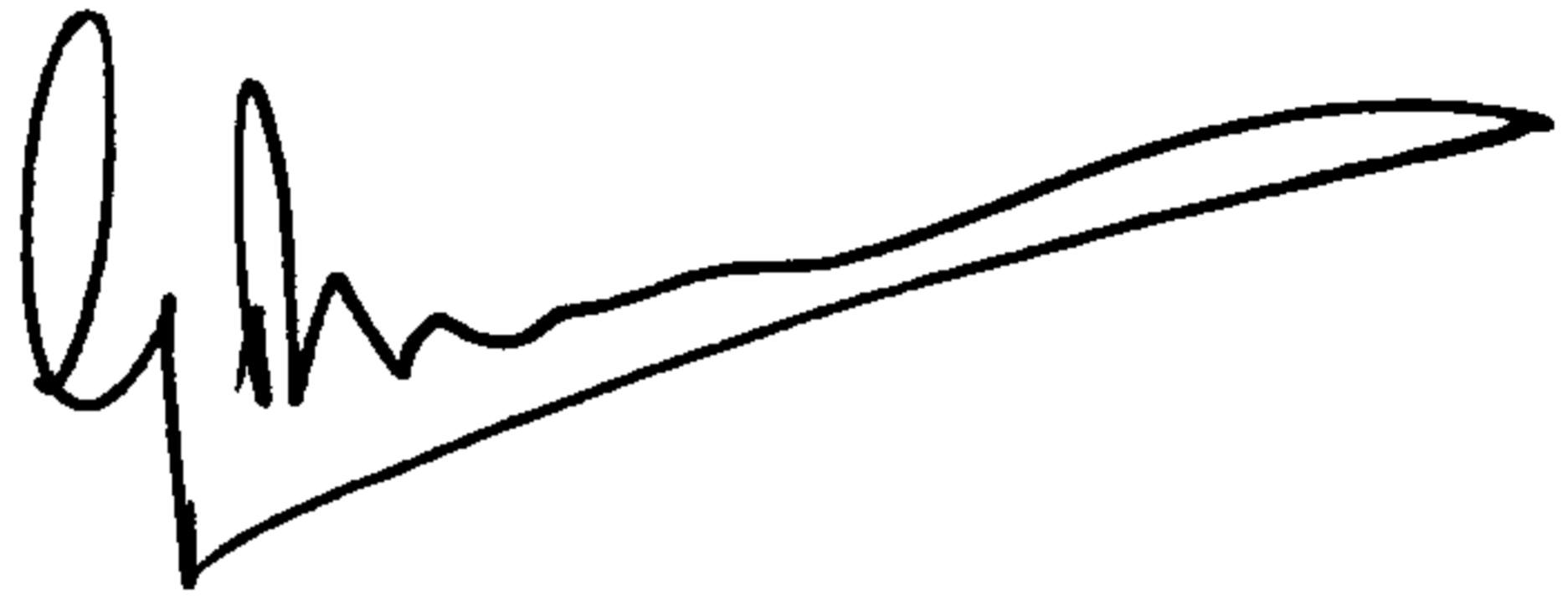
Short term employee benefits are recognised as an expense in the Income and Expenditure Account of the year in which the related service is rendered.

12. Foreign currency transactions are recorded 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 there from are recognised in the Income and Expenditure Account.

13. Provisions are recognised when the Society has a present obligation as a result of past events for which it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provision required settling the obligation are reviewed regularly and are adjusted where necessary to reflect the current best estimate of the obligation.
14. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may but probably will not require an outflow of resources. Disclosure is also made in respect of a present obligation that probably requires an outflow of resources, where it is not possible to make a reliable estimate of the related outflow.



*Singh Krishna* 



## B. Notes on Accounts

1. Contingent Liability – Nil
2. Capital Commitment – Nil
3. 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. In the opinion of the management of the Society, 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.
4. As per the information available, there are no amounts due that require disclosure/ provisioning as per the requirements of the Micro Small and Medium Enterprises Development Act, 2006.
5. 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.
6. All the fixed deposits as at March 31, 2018 are for more than one year period but less than two years period.
7. Due to change in estimated useful life of fixed assets acquired prior to April 1, 2017, additional depreciation of Rs. 8,47,821 has been charged on such assets.
8. The Society leases certain office premises under cancellable operating lease arrangements. The rent expense under these agreements for the year is ₹ 23,96,000.

Signatories to Schedule 1 to 3

As per our report of even date attached

for Singh Krishna & Associates  
Chartered Accountants  
Firm's Registration No. 008714C

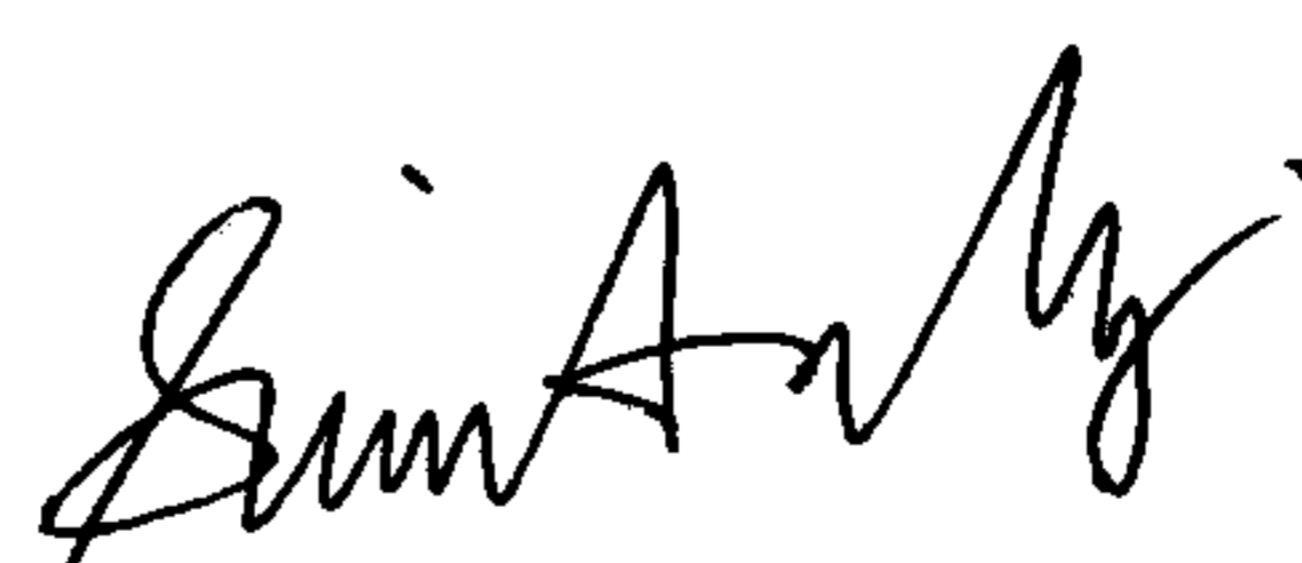
for Creating Resources for Empowerment in Action



(Krishna Kumar Singh)  
Partner  
M. No. 077494

Place : New Delhi  
Date : 25/10/2018





(Sunita Kujur)  
Senior Director  
- Programs and Operations

New Delhi  
25/10/2018



(Geetanjali Misra) New York  
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