

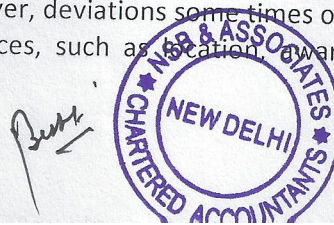
Schedule 7: Significant Accounting Policies and Notes on Accounts:

1. **OVERVIEW OF THE SOCIETY'S OPERATIONS:** In conformity with its aims and objects, the Society
- To Promote and protect the medium, Small & Tiny Industries and Micro Enterprises.
 - To take all steps to protect and promote the general interests of the persons engaged in Medium, Small & Tiny Industries and Micro Enterprises.
 - To Provide Consultancy Services to Govt, Government agencies, Public Sector Organisations, NGO and Private Sector.
 - To Consider and formulate opinions upon all matters connected with the Medium, small and Tiny Industries and Micro Enterprises.
 - To adjust and settle disputes or controversies between the member of the association.
 - To Organise and establish vocational Institutes where theoretical and practical training will be provided.
 - To Maintain a list of skilled workmen and to get into contact with small scale Industrial Establishment all over the country and to provide suitable employment for such persons.

2. **SIGNIFICANT ACCOUNTING POLICIES**

- a. **BASIS OF ACCOUNTING:** The financial statements have been prepared to comply in all material respects in respects with the accounting standards issued by the Institute of Chartered Accountants of India ('ICAI'),. The financial statements have been prepared under the historical cost convention and on accrual basis except stated otherwise. The accounting policies have been consistently applied by the society and except for the changes in accounting policy discussed more fully below, are consistent with those used in the previous year.
- b. **REVENUE/EXPENDITURE RECOGNITION:** All grants are recognized on cash basis and expenditure and liabilities are recognized on accrual basis. In the case of a programme undertaken with the support of some Government and other agencies, though the funds received are in the nature of Program Execution Charges under a contract, the same is reported as grant in view of the restriction on the expenditure and is in the nature of reimbursement of cost.
- c. **FORMAT OF ACCOUNTS:** The Income and Expenditure has been classified based on the natural head of expense, though in receipt and payment accounts expenditures are classified based on line item of expenses as per funding agency project activities.
- d. **CLASSIFICATION OF EXPENSES:** Of the various activities carried on by the Society, expenses incurred directly in working with and rendering services have been treated as Program Expenditures and expenditures incurred to support various programs and project has been classified as Administration Expenses.
- e. **TREATMENT OF ASSETS:** Fixed assets are stated at Cost, after reducing opening accumulated depreciation. Acquisitions of assets though they are charged to the Funding Agency's grants are retained in the books by creating a fixed assets utilization reserve. Direct Costs are capitalized until the assets are ready for use.
- f. **TREATMENT OF RESTRICTED FUNDS, BUDGET BASED EXPENDITURE ACCORDED BY FUNDING:**

The expenditure on projects taken up with the support of donor agencies is, as far as possible, incurred according to the plans and budgets agreed upon. However, deviations some times occur at the time of project execution depending upon various circumstances, such as location, awareness among the



beneficiaries, local customs, availability of inputs, legal restrictions, etc. Such variations, monitored regularly, are generally intimated to the donor in advance.

3. NOTES ON ACCOUNTS

- a. **Fixed Assets:** During the year the Society has not any acquired Fixed Assets of (Previous Year NIL) and depreciation is provided on fixed assets held by the Society is Rs. 84,948 /- (Previous year Rs. 1,25,356/-).
- b. Addition to Corpus: Rs. 2,95,484/-
- c. Payment made to Society's office bearers:

Particulars	Designation	Purpose of Payment	Amount Paid During 2013-14
Expenses Incurred for Board of Members	Members	Reimbursement of travelling, conveyance and boarding & lodging	90,472/-
Expenses Incurred for Board of Members	Members	Salary	5,61,375/-
Expenses Incurred for Board of Members	Members	Consultancy	3,40,518/-
Expenses incurred for Dhriiti Professional Services	Trustees are partners in the firm	Consultancy	60,000/-

- d. **Income Tax:** The Society is registered with the Income Tax Authorities under section 12A(a) of the Income Tax Act, 1961, vide Reg. No. DIT/E12A/2010-11/N-1311/1886 dated 24th January 2011 and hence the income of the Society is exempt under section 11 of the Act, subject to compliance of relevant provisions of section 11 read with sections 12 and 13 of the Act. The Permanent Account No. (PAN) of the Society is AAAAD2966P.
- e. Auditors' remuneration includes Rs 40,000/- excluding service tax (Previous year Rs. 40,000/-).
- f. Previous year's figures have been regrouped and re-arranged wherever necessary.

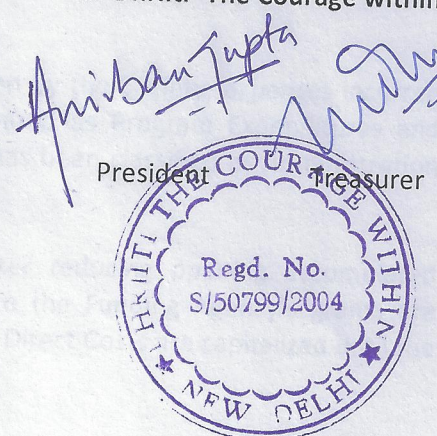
As per our Report of even date
for **N S B & ASSOCIATES,**
Chartered Accountants

for Dhriiti- The Courage within

Place: New Delhi,
Dated: September 10, 2015



Nandan Singh Bisht
Partner
M.No. 099805
FRN: 023043N



President Treasurer

Regd. No.
S/50799/2004

DHRIITI - THE COURAGE WITHIN

Asst Year: 2015-16
Assessed at: ADIT-RANGE I
Status code:
PAN No.: AAAAD2966P

Statement of Total Income derived from the property held in trust/ Legal Obligation and its Application thereof**AMOUNT****PART A: INCOME DERIVED**

Grants & Contributions	5,173,867	
Interest Income	20,262	
Other Income	289,522	
Interest on securities	-	5,483,651
		5,483,651

PART B: APPLICATION OF INCOME

1. Total Expenditure as per Income and Expenditure account	5,289,830	
2. Assets purchased during the year	-	
Less: Amount used out of fund of Rs. 2,28,154/- set apart in FY 2013-14 - Children Welfare Fund	228,154	
Less: Depreciation	84,948	4,976,728

Amount applied to charitable or religious purpose during the year **4,976,728**

Amount accumulated or set apart/finally set apart for application to charitable or religious purposes to the extent it does not exceed 15% of the Income derived from property held in trust wholly/ in part only for such purposes **506,923**

Balance Unspent/ (excess spent) **-**

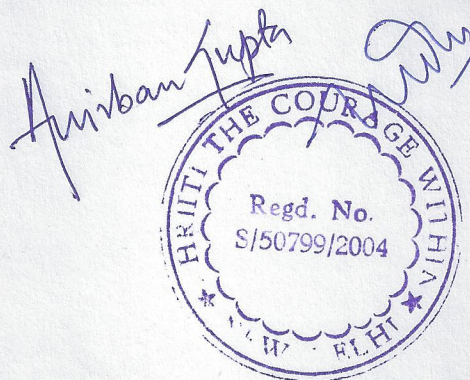
Amount accumulated or set apart for specified purpose under section 11(2) **-**

Hence Taxable income **NIL**

Less: TDS Paid **25,824**

Refund Due **25,824**

Place: New Delhi,
Date: September 10, 2015



DHRIITI - THE COURAGE WITHIN

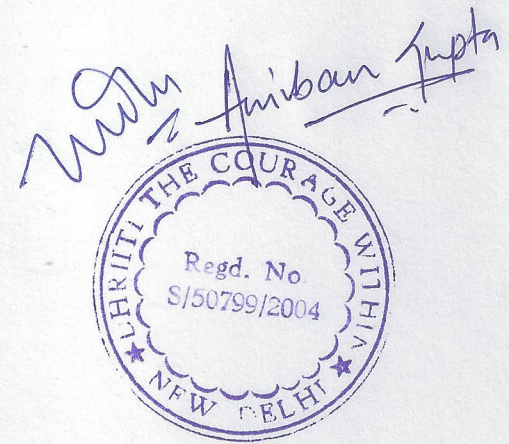
Financial Year :2014-15

Assessment Year :2015-2016

Anexure (i)

Particulars of payments made to persons referred u/s 13(3) during the Previous year by way of Salary, Allowance or otherwise:

Particulars	Designation	Purpose of Payment	Amount Paid during 2014-15
Expenses Incurred for Board of Trustees	Trustees	Reimbursement of travelling, conveyance and boarding & lodging	90,472
Expenses Incurred for Board of Trustees	Trustees	Salary	561,375
Expenses Incurred for Board of Trustees	Trustees	Consultancy	340,518
Expenses incurred for Dhriiti Professional Services	Trustees are partners in the firm	Consultancy	60,000
Total			1,052,365



DHRIITI - THE COURAGE WITHIN

BALANCE SHEET AS AT MARCH 31,		Schedule	2015	2014
SOURCES OF FUNDS:				
CORPUS FUND				
			295,484	-
CAPITAL ASSETS FUND				
Opening Balance		208,273		
Add: Current Year Addition	1	<u>244,207</u>	452,480	208,273
RESTRICTED FUND				
Opening Balance		2,185,694		
Add: Addition during the year		<u>(644,483)</u>	1,541,211	2,185,694
UNRESTRICTED FUND				
Opening Balance		(391,682)		
Add: Addition during the year		<u>594,097</u>	202,415	(391,682)
CURRENT LIABILITIES & PROVISIONS				
Statutory Dues Payable	2		6,001	39,500
Expenses Payable	3		174,253	230,184
TOTAL			<u>2,671,843</u>	<u>2,271,969</u>
ASSETS:				
FIXED ASSETS (at cost)				
	4	2,655,350		
Less: Depreciation		<u>2,202,870</u>	452,480	573,428
CURRENT ASSETS, LOANS AND ADVANCES				
CASH AND CASH EQUIVALENTS				
Cash in Hand			10,484	8,786
Cash at Bank			1,456,357	1,581,481
Fixed Deposits			577,163	-
LOAN AND ADVANCES				
Advances and Recoverable	5		79,066	81,805
Security Deposits	6		47,000	3,000
TDS Receivables			49,293	23,469
TOTAL			<u>2,671,843</u>	<u>2,271,969</u>
Accounting Policies and Notes to Accounts	7			

As per our report of even date
for NSB & ASSOCIATES
Chartered Accountants

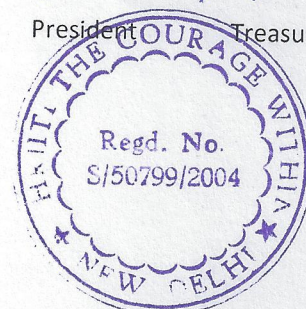
Place: New Delhi,
Date: September 10, 2015



Nandan Singh Bisht
Partner
M. No: 099805
FRN: 023043N

for Dhriiti- The Courage within

Amish Kumar Gupta President
Widya Treasurer



DHRIITI - THE COURAGE WITHIN

CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED MARCH 31,	Schedule	2015	2014
INCOME:			
GRANTS & CONTRIBUTIONS			
Grants & Contributions		5,173,867	5,442,111
Donation		39,022	-
OTHER INCOME			
Interest Income		20,262	10,922
Sundry Income		243,005	175,980
Income from Training & Workshop		7,495	32,000
Total (A)		5,483,651	5,661,013
EXPENDITURE:			
PROGRAMME EXPENDITURE			
Salary & Wages- Project Implementing Staff		561,375	513,302
Training & Workshop Expenses		1,421,760	1,101,039
Stipend/Honorarium to Service Providers		-	174,606
Community's Units Development Exp.		3,690	36,780
Professional & Consultancy Charges		1,462,047	1,542,985
PROGRAMME SUPPORT EXPENDITURE			
Salary & Wages- Project Support Staff		690,500	574,000
Rent, Water & Electricity Expenses		314,530	250,312
Travel & Conveyance Expenses		482,690	197,254
Communication Expenses		29,239	23,969
Printing & Stationery Expenses		14,944	28,246
ADMINISTRATIVE EXPENDITURE			
Auditor's Remuneration		44,944	44,944
Other Administrative Expenses		179,163	96,270
Depreciation	4	84,948	125,356
Total (B)		5,289,830	4,709,063
Excess of Income over Expenditure (A-B)		193,821	951,950
APPROPRIATION			
Excess of Income Over Expenditure		193,821	951,950
Transferred to Capital Assets Fund	1	244,207	(125,356)
Transferred to Restricted Funds	8	(644,483)	1,512,537
Transferred to Unrestricted Fund		594,097	(435,231)
Accounting Policies and Notes to Accounts	7		

As per our report of even date
for **NSB & ASSOCIATES**
Chartered Accountants

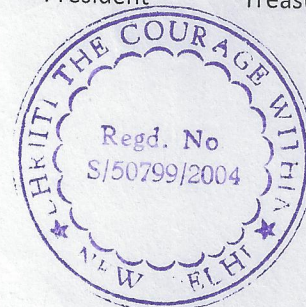
Place: New Delhi,
Date: September 10, 2015



Nandan Singh Bisht
Nandan Singh Bisht
Partner
M. No: 099805
FRN: 023043N

for Dhriiti- The Courage within

Anirban Gupta
Anirban Gupta
President
[Signature]
Treasurer



DHRIITI - THE COURAGE WITHIN

SCHEDULE TO ACCOUNTS AS ON MARCH 31,

2015

2014

SCHEDULE 1: CAPITAL ASSETS FUND

Transfer to Capital Assets Fund

Add: Adjustments

Less: Depreciation

329,155

(84,948)

244,207

(125,356)

TOTAL

244,207

(125,356)

SCHEDULE 2: STAUTORY DUES PAYABLE

TDS Payable- Salary

TDS Payable - Professional Fees

-

2,000

6,001

37,500

TOTAL

6,001

39,500

SCHEDULE 3: EXPENSES PAYABLE

Salaries Payable

Other Payable

-

60,264

174,253

169,919

TOTAL

174,253

230,183

SCHEDULE 5: LOANS & ADVANCES

Staff Loan -Delhi

Work Advance

Income Receivable

62,000

40,000

-

41,805

17,066

-

TOTAL

79,066

81,805

SCHEDULE 6: DEPOSITS

Rent Deposits

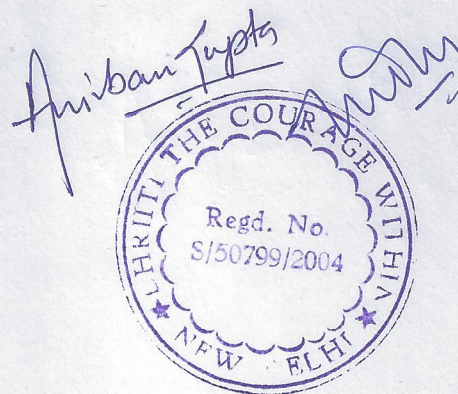
47,000

3,000

TOTAL

47,000

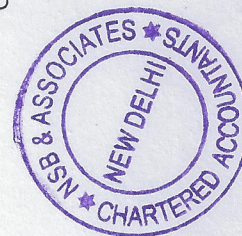
3,000



SCHEDULE 4: FIXED ASSETS

NAME OF THE ITEM	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on March 31, 2014	Addition During the Year	Deletion during the year	As on March 31, 2015	Provided Till March 31, 2014	During the Year	Deletions during the year	Total	As on March 31, 2015	As on March 31, 2014
Camera	14,140	-	-	14,140	7,767	637	-	8,404	5,736	6,373
Computer & laptop	1,307,557	-	-	1,307,557	1,282,441	15,070	-	1,297,511	10,046	25,116
Fan	16,210	-	-	16,210	7,244	897	-	8,141	8,069	8,966
Furniture and fixtures	158,663	-	-	158,663	70,964	8,770	-	79,734	78,929	87,699
Office Vehicles	888,515	-	36,000	852,515	552,574	44,991	-	597,565	254,950	335,941
Inverter	38,200	-	-	38,200	13,646	2,455	-	16,101	22,099	24,554
Printer	52,146	-	-	52,146	28,553	3,539	-	32,092	20,054	23,593
Refrigerators	7,000	-	-	7,000	4,756	337	-	5,093	1,907	2,244
Video Camera	44,990	-	-	44,990	32,863	1,213	-	34,076	10,914	12,127
Wireless Access Point	9,837	-	-	9,837	9,797	24	-	9,821	16	40
Projector	154,092	-	-	154,092	107,317	7,016	-	114,333	39,759	46,775
Total	2,691,350	-	36,000	2,655,350	2,117,922	84,948	-	2,202,870	452,480	573,428
Previous Year	2,691,350	-	-	2,691,350	1,992,566	125,356	-	2,117,922	537,428	698,784

As per our report of even date
for **N S B & ASSOCIATES,**
Chartered Accountants



Place: New Delhi,
Date: September 10, 2015

Nandan Singh Bisht
Partner
M. No: 099805
FRNo: 023043N

for Dhriiti- The Courage within

Anil Kumar Gupta
President
Anil Kumar Gupta
Treasurer



Financial Statements for the year ending March 31, 2015

DHRIITI - THE COURAGE WITHIN

CONSOLIDATED RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED MARCH 31,	Schedule	2015	2014
Opening Balance of Cash and Bank		1,590,267	588,979
A. RECEIPTS			
GRANTS & CONTRIBUTIONS			
Grants & Contributions		5,173,867	5,442,111
Donation		39,022	-
OTHER RECEIPTS			
Interest Income		20,262	10,922
Sundry Income		243,005	175,980
Training & Workshop Fee		7,495	32,000
Sale of Asset		36,000	-
Corpus Funds		295,484	-
Staff Loan/Advance/Expenses Adjustment		-	-
TOTAL		5,815,135	5,661,013
B. PAYMENTS			
PROGRAMME PAYMENTS			
Salary & Wages- Project Implementing Staff		561,375	509,677
Training & Workshop Expenses		1,421,760	1,101,039
Stipend/Honorarium to Service Providers		-	174,606
Community's Units Development Exp.		3,690	36,780
Raw Materials/ Inputs for Projects		-	-
Professional & Consultancy Charges		1,462,047	1,402,997
PROGRAMME SUPPORT PAYMENTS			
Salary & Wages- Project Support Staff		690,500	598,300
Rent, Water & Electricity Expenses		314,530	187,012
Travel & Conveyance Expenses		482,690	197,254
Communication Expenses		29,239	23,969
Books & Audio Visual Expenses		-	-
Printing & Stationery Expenses		14,944	28,246
ADMINISTRATIVE EXPENDITURE			
Auditor's Remuneration		44,944	72,000
Other Administrative Expenses		179,163	96,270
Staff Loan/Advance/Expenses Payable Paid		156,516	231,575
Non Recurring Payments		577,163	-
TOTAL		5,938,561	4,659,725
Excess of Receipts over Payments (A-B)		(123,426)	1,001,288
Closing Balance of Cash & Bank		1,466,841	1,590,267
Total		5,815,135	5,661,013

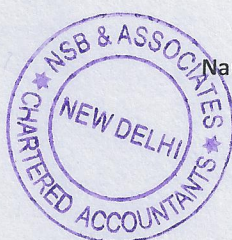
Accounting Policies and Notes to Accounts

7

As per our report of even date
for **NSB & ASSOCIATES**
Chartered Accountants

for Dhriiti- The Courage within

Place: New Delhi,
Date: September 10, 2015



Nandan Singh Bisht
Partner
M. No: 099805
FRN: 023043N

President Treasurer

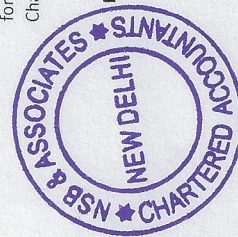


SCHEDULE 8: FUNDING AGENCY WISE INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED ON MARCH 31, 2015

FUNDING AGENCIES	FOREIGN					INDIAN				Grand Total of Grant Funds
	Global Fund for Children	Generation Enterprise	Vso India	Adobe Youth Voices	World Bank	International Finance	Public Health Foundation For India	Axom Sarba Siksha Mission Farm	Dhriti General Fund	
PROJECTS	Entrepreneur of Tomorrow School									
A. OPENING BALANCE	732,938	(83,282)	14,346	-	232,205	270,117	184,175	162,037	274,099	1,786,635
B. INCOME										
Grants and Contributions	3,175,694	596,338	(14,346)	29,760	-	-	148,500	1,237,920	39,022	5,212,889
Interest & Other Income	3,475	-	-	-	-	-	-	-	267,287	270,762
TOTAL INCOME	3,179,169	596,338	(14,346)	29,760	-	-	148,500	1,237,920	306,309	5,483,651
C. RECURRING EXPENSES										
Salary & Wages	1,203,250	-	-	-	-	-	-	-	-	-
Training & Workshop Expenses	9,985	-	-	-	-	-	29,500	1,432,585	19,125	2,684,460
Stipend/Honorarium to Service Providers	-	-	-	-	-	-	1,890	-	(22,700)	(10,825)
Community's Units Development Exp.	-	-	-	-	-	-	-	-	-	-
Raw Materials/ Inputs for Projects	-	-	-	-	-	-	-	-	-	-
Professional & Consultancy Charges	-	-	-	-	-	-	-	-	-	-
Rent, Water & Electricity Charges	750,435	366,612	-	-	185,000	-	160,000	-	-	1,462,047
Travel & Conveyance Expenses	226,180	-	-	-	-	-	80,000	-	8,350	314,530
Communication Expenses	409,310	-	-	-	7,598	-	-	65,782	-	482,690
Books & Audio Visual Expenses	-	-	-	-	-	-	-	-	-	-
Printing & Stationery Expenses	-	-	-	-	-	-	-	-	-	-
Auditor's Remuneration	9,582	-	-	-	1,100	-	3,542	-	720	14,944
Other Administrative Expenses	44,944	-	-	-	-	-	-	-	-	44,944
Depreciation	89,818	-	-	1,150	1,352	-	23,803	45,248	50,721	212,092
TOTAL RECURRING EXPENSES	2,753,732	366,612	-	1,150	195,050	-	298,735	1,543,615	130,936	5,289,830
D. NON-RECURRING EXPENSES										
Purchase of Assets	-	-	-	-	-	-	-	-	-	-
Depreciation	(10,228)	-	-	-	-	-	-	-	(74,720)	(84,948)
Deposit	-	-	-	-	-	-	-	-	-	-
Adjustment with Dhriti General fund	-	-	-	-	-	-	-	-	-	-
TOTAL NON-RECURRING	(10,228)	-	-	-	-	-	-	-	-	-
E. TOTAL EXPENDITURE [C + D]	2,743,504	366,612	-	1,150	195,050	-	298,735	1,543,615	377,992	5,204,882
F EXCESS OF INCOME/EXPENDITURE [B - E]	435,665	229,726	(14,346)	28,610	(195,050)	-	(150,235)	(305,695)	(71,683)	278,769
G. CLOSING BALANCE [A + F]	1,168,603	146,444	-	28,610	37,155	270,117	33,940	(143,658)	202,416	2,065,404

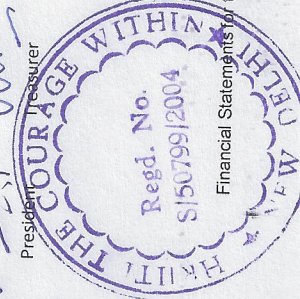
(-) refers to excess spent
Notes on Accounts

As per our report of even date
for NSB & ASSOCIATES
Chartered Accountants



Place: New Delhi
Date: September 10, 2015

for Dhriti- The Courage within
Anil Kumar Singh
President



Dated: September 10, 2015
N S B & ASSOCIATES
Chartered Accountants
NEW DELHI.

Dear Sirs,

This representation letter is provided in connection with your audit of the financial statements of *Dhriiti- The Courage Within*, for the purpose of expressing an opinion as to whether the financial statements give a true and fair view of the financial position of ***Dhriiti- The Courage Within*** as on 31.3.2015 and of the results of operations for the year that ended.

We acknowledge our responsibility for preparation of financial statements in accordance with the generally accepted accounting principles and recognized accounting policies and practices. We confirm, to the best of our knowledge and belief, the following representations:

1. ACCOUNTING POLICIES

- 1.1. The accounting policies, which are material or critical in determining the results of operations for the year or financial position are set out in the financial statements and are consistent with those, adopted in the financial statements for the previous year. The financial statements are prepared on accrual basis and all accounting standards applicable have been followed in preparation of financial statements.

2. ASSETS

- 2.1. The Society has a satisfactory title to all assets and there are no liens or encumbrances on the Society's assets, except for those that are disclosed in Notes to the financial statements.

3. Fixed Assets

- 3.1. The net book values at which fixed assets are stated in the balance sheet are arrived at:
3.1.1. after taking into account all capital expenditure on additions thereto, but no expenditure properly chargeable to revenue;
3.1.2. After providing depreciation at the rate which are followed consistently over the years.

4. Capital Commitments

- 4.1. At the balance sheet date, there were no outstanding commitments for capital expenditure except those disclosed in Notes to the financial statements.

5. Investments

6. Bank account operations

- 6.1. With reference to your query on control of various bank accounts across the areas of operations of the Society, the Society has set up a control system. The enclosed Bank control chart and a stock tally of bank accounts (opening accounts plus opened and closed) will explain the position.
6.2. All the accounts that have been closed are evidenced with the proof for closure of accounts received from the respective banks.
6.3. All changes in the signatories have been duly intimated to the bankers and we confirm that there are not any ex-employees are still signatories of the bank accounts.

7. CONSULTING INCOME

- 7.1. Revenue on all consulting contracts completed during the year on in progress as on March 31, 2015 has been recognized based on accounting policy set in the notes to accounts forming part of financial statements.

8. LIABILITIES

- 8.1. We have recorded all known liabilities in the financial statements.
8.2. We have disclosed in notes to the financial statements all guarantees that we have given to third parties and all other contingent liabilities.

9. Income & Expenditure Account

9.1. We confirm the all the revenues and income earned, as calculated according to adopted accounting policies, during the financial year have been duly recorded in the Income & Expenditure Account of the Society .

10. BUSINESS OPERATIONS:

10.1. The Society's operations resulted in revenue from the following sources namely Consultancy, Contracts, Grants, Award and Bank interest.

Based on the above we request you complete the audit and provide a draft audit report.
Yours truly,

For Dhriiti- The Courage Within

Anirban Gupta
(President)

