

# SINGH KRISHNA & ASSOCIATES

Chartered Accountants

8, Second Floor, Krishna Market, Kalkaji, New Delhi - 110 019  
Tel.: 32500444, Telefax: 40590344, e-mail: skacamail@gmail.com

## INDEPENDENT AUDITORS' REPORT

To the Trustees of

### Breakthrough Trust

#### Report on the Financial Statements

We have audited the accompanying financial statements of Breakthrough Trust (the Trust), which comprise the Balance Sheet as at March 31, 2013 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 of the Trust 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 Trust 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.

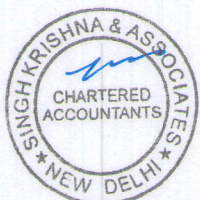
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Trust'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 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 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 Trust 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;





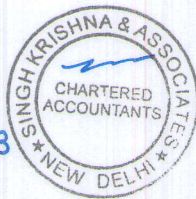
- (iv) in our opinion, the Balance Sheet and the Income and Expenditure Account dealt with by this report comply with the applicable accounting standards issued by the Institute of Chartered Accountants of India;
- (v) in our opinion and to the best of our information and according to the explanations given to us, the financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
- a) in the case of Balance Sheet, of the state of affairs of the Trust as at March 31, 2013; and
- b) in the case of the Income and Expenditure Account, of the surplus of the Trust 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 : September 23, 2013





BALANCE SHEET AS AT MARCH 31, 2013

LIABILITIES	SCHEDULE #	AMOUNT ₹	AMOUNT ₹	ASSETS	SCHEDULE #	AMOUNT ₹	AMOUNT ₹
SETTLERS FUND			5,000.00	FIXED ASSETS	3		1,246,289.00
GENERAL FUND				RESTRICTED FUNDS (GRANTS)			
Opening Balance				Grants Receivable	1		5,522,156.69
Add: Amount transferred from Income and Expenditure Account				CURRENT ASSETS, LOANS, ADVANCES, ETC.			
DEFERRED REVENUE FUND			16,418,717.70	CURRENT ASSETS			
Opening Balance				Cash-in-Hand		131,013.00	
Add: Fixed Assets Acquired out of Restricted Funds (Grants)		9,762,735.28		Fixed Deposit in Bank Including Accrued Interest Savings Account with Banks		20,982,753.83	
Less: Amount equivalent to depreciation charged on such assets transferred to Income and Expenditure A/c		6,655,982.42		LOANS, ADVANCES, ETC.		8,128,515.41	29,242,282.24
RESTRICTED FUNDS (GRANTS)			1,212,062.00	Security Deposit - Rent		422,000.00	
Unutilised Grants	1	868,622.00		Income Tax Recoverable		778,526.41	
CURRENT LIABILITIES				Prepaid Expenses		126,124.00	
Liabilities for Expenses				Advances (recoverable in cash or in kind or for value to be received)	4	480,207.20	1,806,857.61
Provision for Gratuity	2						
Duties and Taxes							
TOTAL			37,817,585.54	TOTAL			37,817,585.54

Accounting Policies and Notes on Accounts

9

As per our Report of even date attached

for Breakthrough Trust

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



*Singh Krishna & Associates*  
(Krishna Kumar Singh)  
Partner  
M. No. 077494

Place : New Delhi  
Date : September 23, 2013

*Shan*  
Vice President

*Shan*  
Trustee





**BREAKTHROUGH TRUST**  
20-A PALAM MARG, VASANT VIHAR, NEW DELHI 110 057

**INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2013**

PARTICULARS	SCHEDULE #	AMOUNT ₹	PARTICULARS	SCHEDULE #	AMOUNT ₹	AMOUNT ₹
<b>EXPENSES</b>			<b>INCOMES</b>	1		
Communication Expenses	5	556,080.92	Restricted Grants Availed/ Utilised			40,648,277.46
Consultancy Expenses	6	11,141,298.00	Interest on Savings Bank Accounts			200,129.32
Establishment Expenses	7	2,332,958.56	Interest on Fixed Deposit Accounts			2,295,902.42
Information Dissemination	8	1,760,448.00	Miscellaneous Receipts			80,932.43
Personnel Expenses		15,935,186.00	Exchange Gain			113,382.26
Repair & Maintenance		249,396.00	Donation			1,204,109.00
Travel Expenses		3,690,485.03	Other Project Receipts			2,410,445.00
Workshop & Seminar		5,046,680.96	Appropriation from Deferred Revenue Fund			486,329.00
Depreciation		489,104.00	Payables Written-off			418,113.00
Excess of Income over Expenditure transferred to General Fund						
<b>TOTAL</b>			<b>TOTAL</b>			<b>47,857,619.89</b>

Accounting Policies and Notes on Accounts

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As per our Report of even date attached

for Breakthrough Trust

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

*Singh Krishna & Associates*  
(Krishna Kumar Singh)  
Partner  
M. No. 077494



Place : New Delhi

Date : September 23, 2013

*Shan*  
Vice President

*Sanjiv Kumar*  
Trustee





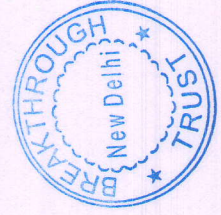
# BREAKTHROUGH TRUST

Schedules forming part of the accounts for the year ended March 31, 2013

## SCHEDULE 1 - RESTRICTED FUNDS (GRANTS)

Particulars	Opening Balance as on April 01, 2012		Received During the Year	Total	Availed/ Utilised & Credited to Income and Exp. A/c	Availed/ Utilised & Credited to Revenue Fund	Total Utilisation	Closing Balance as on March 31, 2013	
	Unutilised Grants	Grants Receivable						Unutilised Grants	Grants Receivable
American Indian Foundation	-	37,004.75	37,004.75	-	-	-	-	-	-
Asia Foundation	-	-	1,351,080.00	1,351,080.00	1,501,199.68	-	1,501,199.68	-	150,119.68
Empower	1,089,273.15	-	2,599,100.00	3,688,373.15	3,102,898.81	3,045.00	3,105,943.81	582,429.34	-
Ford Foundation	5,140,974.49	-	6,775,816.32	11,916,790.81	3,720,875.14	-	3,720,875.14	8,195,915.67	-
HDF	-	-	3,415,692.24	3,415,692.24	542,227.38	113,300.00	655,527.38	2,760,164.86	-
Impact Foundation	-	-	45,000.00	45,000.00	45,000.00	-	45,000.00	-	-
Let's Breakthrough Inc (Flow)	-	-	9,857,012.21	9,857,012.21	12,365,392.01	437,101.00	12,802,493.01	-	2,945,480.80
Let's Breakthrough Inc. (Media Intervention)	-	1,740,735.97	-	(1,740,735.97)	-	-	-	-	1,740,735.97
Let's Breakthrough Inc. (Oxfam N(O)vib-UNTF)	-	17,601.00	4,479,779.28	4,462,178.28	2,685,976.85	-	2,685,976.85	1,776,201.43	-
MDG3	-	1,231,908.93	3,104,453.70	1,872,544.77	1,872,544.77	-	1,872,544.77	-	-
Oak Foundation	7,040,825.83	-	-	7,040,825.83	5,098,855.83	95,480.00	5,194,335.83	1,846,490.00	-
Oxfam India	-	1,071,821.00	2,071,821.00	1,000,000.00	1,000,000.00	-	1,000,000.00	-	-
Oxfam Novib-Dokumentation	733,999.94	-	-	733,999.94	733,999.94	-	733,999.94	-	-
Think Consulting Solution UK	-	-	75,690.00	75,690.00	75,690.00	-	75,690.00	-	-
The J.R.D. Tata Trust - Grant	-	-	4,888,000.00	4,888,000.00	2,287,979.00	180,843.00	2,468,822.00	2,419,178.00	-
The J.R.D. Tata Trust - Interest on Grant	-	-	247,788.00	247,788.00	-	-	-	247,788.00	-
UNIFEM-Bridge Grant	-	441,376.76	441,376.76	-	-	-	-	-	-
UNIFEM-Dokumentation	2,321,993.81	-	-	2,321,993.81	2,607,814.05	-	2,607,814.05	-	285,820.24
UNFPA	-	5,791.00	4,386,210.00	4,380,419.00	2,507,824.00	-	2,507,824.00	* Refer to Note 1	-
UNDP	-	-	100,000.00	100,000.00	500,000.00	-	500,000.00	-	400,000.00
<b>Total</b>	<b>16,327,067.22</b>	<b>4,546,239.41</b>	<b>43,875,824.26</b>	<b>55,656,652.07</b>	<b>40,648,277.46</b>	<b>829,769.00</b>	<b>41,478,046.46</b>	<b>17,828,167.30</b>	<b>5,522,156.69</b>

\* Note 1 : The unutilised grant amounting to Rs. 18,72,595 has been refunded to the Donor



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# BREAKTHROUGH TRUST

Schedules forming part of the accounts for the year ended March 31, 2013

## AMOUNT

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### SCHEDULE 2 - LIABILITIES FOR EXPENSES

Aanchal	11,200.00
Airtel	17,474.00
Archana Singh	6,075.00
Let's Breakthrough Inc.	110,530.00
BSES Rajdhani Power Limited	7,690.00
MTNL	2,796.00
PB(BCI) Doordarshan Commercial Services	22,061.00
Permanand Kalmady	8,100.00
Raihaan	5,000.00
Reliance Communication	1,363.00
Reliance Media World Limited	12,869.85
Shervani, Nehru Place	22,047.00
Shervani, New Delhi	32,501.00
Shivani Pandey	8,100.00
Singh Krishna & Associates	139,278.00
Sohini Bhattacharya	1,890.00
Sube Singh	3,108.00
Sunil Kumar Kanaujia	3,805.00
Corporate Credit Card HDFC Bank - Sunita Menon	27,233.34
Tata Indicom	1,406.00
Vodafone	12,195.00
Payable to Staff	110,030.35
Manmohan Sharma	19,000.00
	<u>585,752.54</u>

### SCHEDULE 4 - ADVANCES

(recoverable in cash or in kind  
or for value to be received)

Amrit Estate Pvt Ltd	13,500.00
Anuj Gopal Dubey	8,200.00
Ashish Gopal Dubey	737.00
Corporate Law Group	2,472.00
Krati Prakash	26,291.00
Let's Breakthrough Inc.	292,706.03
Manjula	1,850.00
Oriental Insurance Company Ltd	2,638.00
Other Advances to Staff	97,314.78
Corporate Credit Card HDFC Bank - Sonali Khan	33,595.39
Virgin Records (India) Pvt. Ltd.	903.00
	<u>480,207.20</u>



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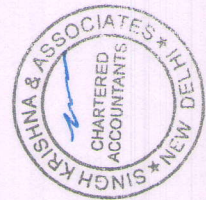


# BREAKTHROUGH TRUST

Schedules forming part of the accounts for the year ended March 31, 2013

## SCHEDULE 3 - FIXED ASSETS

Particulars	W.D. V. As on 01.04.12	Addition		Deductions	Total As on 31.03.13	Rate of Depreciation	Depreciation For the Year	W.D. V. As on 31.03.2013
		Upto 30.09.12	After 30.09.12					
<b>Fixed Assets Acquired out of Project Funds (FCRA)</b>								
Computers and Printers	191,428.00	233,700.00	177,020.00	-	602,148.00	60%	308,183.00	293,965.00
Office Equipment	385,892.00	111,441.00	35,769.00	-	533,102.00	15%	77,283.00	455,819.00
Office Furniture	291,302.00	74,996.00	16,000.00	-	382,298.00	10%	37,430.00	344,868.00
	868,622.00	420,137.00	228,789.00	-	1,517,548.00		422,896.00	1,094,652.00
<b>Fixed Assets Acquired out of Own Funds (FCRA)</b>								
Office Equipment	-	-	37,002.00	-	37,002.00	15%	2,775.00	34,227.00
	-	-	37,002.00	-	37,002.00		2,775.00	34,227.00
<b>Fixed Assets Acquired out of Project Funds (Non - FCRA)</b>								
Computers and Printers	-	30,600.00	150,243.00	-	180,843.00	60%	63,433.00	117,410.00
	-	30,600.00	150,243.00	-	180,843.00		63,433.00	117,410.00
<b>Total</b>	<b>868,622.00</b>	<b>450,737.00</b>	<b>416,034.00</b>	<b>-</b>	<b>1,735,393.00</b>		<b>489,104.00</b>	<b>1,246,289.00</b>



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*Saur-Kumar*





# BREAKTHROUGH TRUST

Schedules forming part of the accounts for the year ended March 31, 2013

	AMOUNT ₹
<b>SCHEDULE 5 - COMMUNICATION EXPENSES</b>	
Courier & Postage	62,271.00
Telephone, Fax & Internet Connection	493,809.92
	<u>556,080.92</u>
<b>SCHEDULE 6 - ESTABLISHMENT EXPENSES</b>	
Audit Fees	155,989.00
Bank Charges	5,204.49
Electricity & Water Charges	207,361.00
Legal & Professional Charges	17,560.00
Office Expenses	122,027.07
Rent	1,741,000.00
Printing & Stationery	83,631.00
Filing Fees	186.00
	<u>2,332,958.56</u>
<b>SCHEDULE 7 - INFORMATION DISSEMINATION</b>	
Purchase/ Conversion - Audio & Visual	29,140.00
Advertisement	1,187,099.00
Books & Periodicals	12,880.00
Website Development	105,000.00
Printing & Xeroxing	426,329.00
	<u>1,760,448.00</u>
<b>SCHEDULE 8 - PERSONNEL EXPENSES</b>	
Salaries	14,571,506.00
Mediclaime & Accidental Insurance	168,306.00
Gratuity	657,784.00
Other Benefits	537,590.00
	<u>15,935,186.00</u>



*Sanjiv Kumar*

*Shan*





## BREAKTHROUGH TRUST

Schedules forming part of the accounts for the year ended March 31, 2013

### Schedule - 9

#### Accounting Policies and Notes on Accounts

1. Accounting Convention

The financial statements of the Trust have been prepared on a going concern basis under the historical cost convention on accrual basis and in accordance with mandatory accounting standards issued by the Institute of Chartered Accountants of India.

2. Fixed assets

Fixed assets are stated at cost, less accumulated depreciation. The cost of fixed assets comprises its purchase price and any cost attributable of bringing the assets to its working condition and intended use.

3. Depreciation

Depreciation on the assets is provided on written down value method at the rates and methods prescribed in the Income Tax Act, 1961. Assets purchased and put to use on or after 1<sup>st</sup> October of the year under review are depreciated at 50% of the prescribed rates.

4. Impairment of Assets

Management of the Trust periodically assesses whether there is an indication that an assets 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.

5. Leases

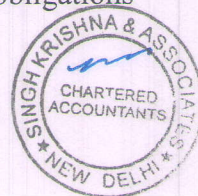
Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Operating lease payments are recognised as an expense in the income and expenditure account.

6. Employee Benefits

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.

7. Revenue recognition

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 expenditure, are treated as income of the year. After fulfillment of obligations





attached with a particular grant, any unutilised amount of the grant, not refundable to the donors, is transferred to Income & Expenditure Account.

Grants, to the extent utilised for depreciable assets, are treated as deferred income and recognised in the Income & Expenditure Account on a systematic and rational basis.

#### 8. Foreign Currency Transactions

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 period 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 period. Differences arising there from are recognised in the income and expenditure account.

#### 9. Provisions and Contingencies

Provisions are recognised when the Trust 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.

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.

### Notes on Accounts

1. Breakthrough Trust was established on October 12, 1999 as a Public Charitable Trust. Breakthrough Trust is an innovative and effective human rights organization that deploys multi-media, popular culture, leadership development and community mobilization to promote values of dignity, equality and justice. We are a nonprofit organization operating in India. We are working on the issue related to sexuality and HIV/ AIDS, violence against women, early marriage, sex selection and human rights. We are actively involved in awareness generation and advocacy of these issues through innovative means of mass media.
2. The Trust is registered with the Income-Tax Department under Section 12A of the Income-Tax Act, 1961 vide a certificate No. DIT (E)/ 99-2000/ B -783/ 99/ 697 dated February 03, 2000.

In the opinion of the Board of Trustees, all activities undertaken by the trust 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.

3. Contingent Liability – Nil.
4. Capital Commitment – Nil.



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5. 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.
6. In the opinion of the Board of Trustees, 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.
7. The Trust leases certain office premises under cancellable operating lease arrangements. The rent expense under these agreements for the year is ₹ 17,41,000 (previous year – ₹ 14,19,500).
8. The previous year figures have been regrouped, rearranged and reclassified wherever necessary to make them comparable with the current year figures.

Signatories to the Schedule 1 to 9

As per our Report of even date attached

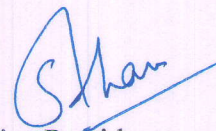
for Singh Krishna & Associates  
Chartered Accountants  
Firm's Registration No. 008714C

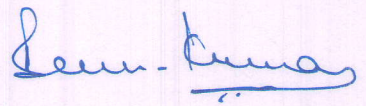
  
(Krishna Kumar Singh)  
Partner  
M. No. 077494

Place : New Delhi  
Date : September 23, 2013



for Breakthrough Trust

  
Vice President

  
Trustee

