

**SOLIDARIDAD REGIONAL EXPERTISE CENTRE (SREC)  
FOREIGN CONTRIBUTION ACCOUNT**

**RECEIPTS AND PAYMENT ACCOUNT FOR THE YEAR ENDED MARCH 31, 2020**

**RECEIPTS**

Amount in Rs.

**Opening Balances :**

Cash in hand	G	6,381	
Bank Balances	G'	2,74,22,854	2,74,29,235

**Receipts during the year :**

Restricted Grant	I	4,11,01,410	
Unrestricted Fund	I	38,63,119	
Interest from Bank		5,61,584	4,55,26,113

**Total** 7,29,55,348

**PAYMENTS**

liabilities)	I & E	4,08,38,286	
Capital asset Purchased (out of Restricted Grant)	I	15,91,664	
Capital asset Purchased (out of Un-restricted Income)	F	3,39,796	
Administrative Expenses	K	43,44,052	4,71,13,798
Net Other Current Assets Loans & Advances:	H		10,10,950

**Closing Balances :**

Cash in hand	G	39,302	
Bank Balances	G	2,47,91,299	2,48,30,601


**Total** 7,29,55,348

Significant Accounting Policies and Notes to Accounts  
forming part of the Financial Statements

A

**For Dhingra & Juneja**  
Chartered Accountants  
FRN No; 018799N

**For Solidaridad Regional Expertise Centre**

  
**Vikas Dhingra**  
(Partner)  
Membership No. 099604





**Managing Trustee**

Place : New Delhi  
Date : 27 NOV 2020

Place : New Delhi  
Date : 27 NOV 2020

**SOLIDARIDAD REGIONAL EXPERTISE CENTRE (SREC)**  
**FOREIGN CONTRIBUTION ACCOUNT**  
**BALANCE SHEET AS AT MARCH 31, 2020**

<u>As at</u> <u>March 31, 2019</u>		<u>Schedule</u>	<u>Rs.</u>	<u>As at</u> <u>March 31, 2020</u>
<u>Rs.</u>	<u>FUNDS &amp; LIABILITIES</u>			<u>Rs.</u>
17,09,393	Capital Fund (Representated by fixed assets)	B		23,65,804
2,49,28,705	Restricted Fund (Unutilised)	C		2,50,08,496
33,16,252	General Fund	D		33,54,960
11,14,216	Current Liabilities and Provisions	E		11,26,007
3,10,68,566				3,18,55,267
	<b><u>PROPERTY &amp; ASSETS</u></b>			
	<b>Fixed Assets</b>	F		
	<b>Out of project Fund</b>			
20,60,299	Gross Block		36,51,963	
(3,50,906)	Less : Accumulated Depreciation		12,86,159	23,65,804
17,09,393				
	<b>Out of Own Funding</b>			
-	Gross Block		3,39,796	
-	Less : Accumulated Depreciation		30,152	3,09,644
	<b>Current Assets and Loans &amp; Advances</b>			
2,74,29,235	Cash and bank balances	G	2,48,30,601	
9,93,808	Restricted Fund (Receivable)	C	24,02,138	
9,36,130	Other Current Assets, Loans and Advances	H	19,47,080	2,91,79,819
3,10,68,566				3,18,55,267

Significant Accounting Policies and Notes to Accounts forming part of the Financial Statements

A

**For Dhingra & Juneja**  
Chartered Accountants  
FRN No: 018799N

**Vikas Dhingra**  
Partner  
Membership No. 099604




**For Solidaridad Regional Expertise Centre**



**Managing Trustee**

Place : New Delhi  
Date : 27 NOV 2020

Place : New Delhi  
Date : 27 NOV 2020

**SOLIDARIDAD REGIONAL EXPERTISE CENTRE (SREC)  
FOREIGN CONTRIBUTION ACCOUNT**

**INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2020**

<u>Year ended March 31, 2019</u>		<u>Schedule</u>	<u>Year ended March 31, 2020</u>
<u>Rs.</u>			<u>Rs.</u>
<b><u>INCOME</u></b>			
1,38,69,967	Earmarked Contribution (to the extent of application)	I	4,24,29,949
30,39,458	Overhead Support	I	38,63,119
3,95,500	Interest from Bank		5,61,584
<b>1,73,04,925</b>			<b>4,68,54,652</b>
<b><u>EXPENDITURE</u></b>			
1,18,09,668	Project Expenses (out of restricted grants)	J	4,08,38,285
20,60,299	Capital asset Purchased (out of Restricted Grant)	J	15,91,664
1,18,706	Administrative Expenses	K	43,85,995
<b>1,39,88,673</b>			<b>4,68,15,944</b>
<b>33,16,252</b>	<b>Surplus/(Deficit) for the year carried to General Fund</b>		<b>38,708</b>

Significant Accounting Policies and Notes to Accounts  
forming part of the Financial Statements

A

**For Dhingra & Juneja**  
Chartered Accountants  
FRN No; 018799N

**Vikas Dhingra**  
(Partner)  
Membership No. 099604

Place : New Delhi  
Date : 27 NOV 2020

**For Solidaridad Regional Expertise Centre**

**Managing Trustee**

Place : New Delhi  
Date : 27 NOV 2020

## Solidaridad Regional Expertise Centre

### Foreign Contribution Account

#### Schedule A – Significant Accounting Policies and Notes forming part of the Financial Statements for the year ended March 31, 2020

##### • Brief of Solidaridad Regional Expertise Centre

Solidaridad Regional Expertise Centre is a Charitable Trust established on 15<sup>th</sup> December 2008, Registered under Indian Registration Act, 1908.

Solidaridad Regional Expertise Centre is further registered u/s 12AA & 80G of the Income Tax Act, 1961 vide order dated 17/10/2011.

The Trust is also registered under Foreign Contribution (Regulation) Act, 2010 (“FCRA”) vide registration no 231661784 dated 7<sup>th</sup> May 2018 The Registration is valid from 7<sup>th</sup> May 2018 to 6<sup>th</sup> May 2023.

Solidaridad Regional Expertise Centre believe in creating win - win solutions for sustainable development through cooperation and partnership between Civil Society Organizations (CSOs), Government and Businesses. Solidaridad Regional Expertise Centre is working together with small farmers, workers, local authorities, private sector and research institutes as a catalyst for improved food production, safer workplace, access to clean water and a better income.

Solidaridad Regional Expertise Centre take a value chain approach from farmers & workers to the consumer helping to integrate sustainable practices in agricultural farms and factories.

#### Significant Accounting Policies:

##### 1. Method of Accounting

The financial statements are prepared under the historical cost convention on an accrual basis.

The Trust has accounted for the restricted grant in its financial statement to the extent this has been applied for the objective during the year.

The Trust utilizes the funds either through own implementation or through its Partner Organisations to achieve their charitable objective which is defined in trust deed. All these Partner Organisations are registered under section 12A of Income Tax Act. FCRA funds are utilized only through Organisations registered under FCRA Act.

##### 2. Revenue Recognition

- a) Earmarked Grants are initially credited to a Liability account in the Balance Sheet and are transferred to Income and Expenditure Account in the year in which and to the extent to which the Trust complies with the conditions attached to them. Interest from fixed deposit created from such fund and interest on savings accounts are transferred to respective grants only in case it is written specifically in the agreement else directly treated as Income
- b) Donation and Interest income is recognized in the year of receipt
- c) Fund Received from foreign source are kept in designated bank account and separate books of account are also maintained as per FCRA Act 2010 and rules made thereunder.

##### 3. Foreign Currency Transactions:

The Trust has received foreign contributions under Foreign Contribution Regulatory Act, 2010 read with FCRA Rules, 2011. The foreign contribution received has been accounted for in the books the basis of advice issued by the banker. The exchange rate mentioned in the advice copy is taken as conversion rate for the purpose of converting foreign contribution in INR.



## Solidaridad Regional Expertise Centre

### Foreign Contribution Account

#### Schedule A – Significant Accounting Policies and Notes forming part of the Financial Statements for the year ended March 31, 2020

#### 4. Employee Benefits:

##### a) Short Term Benefits:

Short term employee Benefits are accounted as an expense in the Income and Expenditure Account in the year in which the payments are made.

##### b) Post-Employment Benefit Plans:

c) Contributions to Provident Fund (EPF), National Pension Scheme (NPS) & Gratuity are recognised as an expense in the Income and Expenditure Account when the employees have rendered services entitling them to contribution.

#### 5. Fixed Assets

a) Assets have been bifurcated as follows;

- Out of Grant Funds – These have been charged off to the relevant grants. Correspondingly Fixed Assets fund is created for the fixed assets purchase from specific grant received.
- Out of Own Funds – Amount spent for purchase of capital assets is capitalized in the year assets is put to use and accordingly depreciation is claimed as per the rate prescribed below.

b) The gross block of fixed assets is capitalized at cost which includes taxes and duties and other identifiable direct expenses attributable to acquisition of fixed assets up to the date.

c) Depreciation is provided on the written down value method mainly at the following rates:

Nature of Assets	Rate of depreciation percentage
Computers	40%
Software	40%
Furniture & Fixtures	10%
Vehicles	15%
Office Equipment's	15%

#### 6. Taxation:

The Trust is registered under Section 12AA of the Income Tax Act, 1961, vide letter dated 17<sup>th</sup> October 2011 which entitles it to claim an exemption from income tax provided certain conditions laid down in the Income Tax Act 1961 are complied with. Provision for tax will be made only in the year in which the Trust is unable to establish reasonable certainty of its ability to fulfill these conditions.

#### 7. Other Accounting Policies:

- a) As per estimation of Trust management, there is no contingent liability.
- b) The rest of the accounting policies are consistent with the generally accepted Accounting Policies.

As the Trust obtained FCRA registration during the current financial year therefore the previous period information is not applicable.





**SOLIDARIDAD REGIONAL EXPERTISE CENTRE (SREC)  
FOREIGN CONTRIBUTION ACCOUNT**

**Schedules forming part of the accounts for the year ended March 31, 2020**

<u>As at</u> <u>March 31, 2019</u> <u>Rs.</u>		<u>Rs.</u>	<u>As at</u> <u>March 31, 2020</u> <u>Rs.</u>
<b><u>SCHEDULE - B: CAPITAL FUND</u></b>			
-	Opening Balance	17,09,393	
20,60,299	Add : Addition of Fixed Assets during the year	15,91,664	
3,50,906	Less : Depreciation for the year	9,35,253	
17,09,393	Closing Balance		23,65,804
17,09,393			23,65,804
<b><u>SCHEDULE - C: RESTRICTED FUND</u></b>			
-	Opening Balance	2,39,34,897	
4,08,44,322	Add : Received During the year	4,49,64,529	
1,18,09,668	Less : Income Recognised to the extent Project expenses incurred during the year	4,08,38,285	
20,60,299	Less : Income Recognised to the extent Project Assets purchased during the year	15,91,664	
30,39,458	Less : Income Recognised against Administrative Expenses	38,63,119	
2,39,34,897	Closing Balance		2,26,06,358
2,39,34,897	<b>Restricted Fund (net) as at Year end*</b>		2,26,06,358
	* Include		
2,49,28,705	- Restricted Fund (Unutilised)		2,50,08,496
9,93,808	- Restricted Fund (Receivable)		24,02,138
<b><u>SCHEDULE - D: GENERAL FUND</u></b>			
-	Opening Balance	33,16,252	
33,16,252	Add : Surplus/(Deficit) during the year transferred from I & E Account	38,708	
33,16,252	Closing Balance		33,54,960
33,16,252			33,54,960
<b><u>SCHEDULE - E: CURRENT LIABILITIES &amp; PROVISIONS</u></b>			
<b>Current Liabilities</b>			
1,81,351	TDS Payable		62,168
1,966	Professional Tax Payable		1,636
3,23,483	Sundry Creditors		4,15,876
<b>Provisions</b>			
43,200	Audit Fees Payable		3,61,525
-	NPS Payable		56,000
1,97,172	Provident Fund Payable		1,08,638
3,67,044	Sundry Expenses Payable		1,20,164
11,14,216			11,26,007



**Solidaridad Regional Expertise Centre (SREC)  
FOREIGN CONTRIBUTION ACCOUNT**

Schedule forming part of the balance sheet as at March 31, 2020

**SCHEDULE - F : FIXED ASSETS**

Details	Gross Block				Depreciation			Net Block	
	Cost as at	Additions	Sales/adjustment	Cost as at	For the	Upto	As at	As at	
	March 31, 2019	during the year	during the year	March 31, 2020	year	March 31, 2020	March 31, 2020	March 31, 2019	
Computers	16,46,985	8,28,993	-	24,75,978	7,87,840	11,17,240	13,58,738	13,17,585	
Software	-	-	-	-	-	-	-	-	
Furniture and fixtures	3,79,700	54,820	-	4,34,520	38,813	57,798	3,76,722	3,60,715	
Office equipment	33,614	7,07,851	-	7,41,465	1,08,600	1,11,121	6,30,344	31,093	
Vehicle	-	-	-	-	-	-	-	-	
<b>Total</b>	<b>20,60,299</b>	<b>15,91,664</b>	<b>-</b>	<b>36,51,963</b>	<b>9,35,253</b>	<b>12,86,159</b>	<b>23,65,804</b>	<b>17,09,393</b>	
Previous year	-	20,60,299	-	20,60,299	3,50,906	3,50,906	17,09,393	-	

Details	Gross Block				Depreciation			Net Block	
	Cost as at	Additions	Sales/adjustment	Cost as at	For the	Upto	As at	As at	
	March 31, 2019	during the year	during the year	March 31, 2020	year	March 31, 2020	March 31, 2020	March 31, 2019	
Computers	-	-	-	-	-	-	-	-	
Software	-	-	-	-	-	-	-	-	
Furniture and fixtures	-	1,86,676	-	1,86,676	18,668	18,668	1,68,008	-	
Office equipment	-	1,53,120	-	1,53,120	11,484	11,484	1,41,636	-	
Vehicle	-	-	-	-	-	-	-	-	
<b>Total</b>	<b>-</b>	<b>3,39,796</b>	<b>-</b>	<b>3,39,796</b>	<b>30,152</b>	<b>30,152</b>	<b>3,09,644</b>	<b>-</b>	
Previous year	-	-	-	-	-	-	-	-	



**SOLIDARIDAD REGIONAL EXPERTISE CENTRE (SREC)**  
**FOREIGN CONTRIBUTION ACCOUNT**

**Schedules forming part of the accounts for the year ended March 31, 2020**

<b><u>As at</u></b> <b><u>March 31, 2018</u></b> <b><u>Rs.</u></b>		<b><u>Rs.</u></b>	<b><u>As at</u></b> <b><u>March 31, 2020</u></b> <b><u>Rs.</u></b>
<b><u>SCHEDULE - G: CASH AND BANK BALANCES</u></b>			
<b>Balances with scheduled banks on:</b>			
2,74,22,854	Savings account	2,47,91,299	2,47,91,299
6,381	Cash in hand		39,302
<b><u>2,74,29,235</u></b>			<b><u>2,48,30,601</u></b>
<b><u>SCHEDULE - H: OTHER CURRENT ASSETS, LOANS AND ADVANCES</u></b>			
(Unsecured, considered good)			
<b>Current Assets</b>			
1,01,715	Prepaid Expenses		3,03,412
<b>Loans &amp; Advances</b>			
3,30,415	Advance to Suppliers		1,61,000
-	Salary Advance		9,78,668
5,04,000	Security Deposits		5,04,000
<b><u>9,36,130</u></b>			<b><u>19,47,080</u></b>





**Solidaridad Regional Expertise Centre (SREC)  
FOREIGN CONTRIBUTION ACCOUNT**

**Schedule forming part of the accounts for the year ended March 31, 2020  
SCHEDULE - I : PURPOSE WISE UTILISATION OF SPECIFIC GRANTS FOR 2019-2020**

Sr. No.	Donor's Name	Purpose	Balance as on 31.3.2019	Grant Received	Grant Utilised			Total Utilised	Transferred to Income & Expenditure	Unspent amount as on 31.3.2020	Grant Receivable
					Capital Exp	Project Exp	Admin Exp				
1	Solidaridad Network Asia Limited, HongKong	Agri and Industrial stakeholders at Ganga Basin	(32,064)	66,96,965	4,00,763	55,72,070	6,16,931	65,89,764	-	75,137	-
2	Solidaridad Network Asia Limited, HongKong	To improve the social, Economic, Agronomic performances of STG's Families	(9,61,744)	1,61,41,365	6,24,348	1,56,42,378	13,15,033	1,75,81,759	-	-	24,02,138
3	Solidaridad Network Asia Limited, HongKong	Pragati Castor Project Phase - I	25,11,705	30,75,974	-	55,87,679	-	55,87,679	-	-	-
4	Solidaridad Network Asia Limited, HongKong	Pragati Castor Project Phase - II	-	21,25,953	-	20,13,027	-	20,13,027	-	1,12,926	-
5	Solidaridad Network Asia Limited, HongKong	Assessment of hydrological resources and location-specific needs and opportunities in cotton production system, Maharashtra	-	6,00,000	-	4,11,311	-	4,11,311	-	1,88,689	-
6	C & A FOUNDATION	Building capacity towards adopting organic cultivation for increased income and livelihoods for small and marginal cotton farmers in Maharashtra	1,29,43,896	1,63,05,288	5,66,553	1,16,11,821	19,31,155	1,41,09,529	-	1,51,39,655	-
7	Hindustan Unilever Limited	To support tea producers, small tea growers and workers in complying trusteea Sustainability Code Criteria	94,73,104	18,985	-	-	-	-	-	94,92,089	-
<b>Total</b>			<b>2,39,34,897</b>	<b>4,49,64,529</b>	<b>15,91,664</b>	<b>4,08,38,285</b>	<b>38,63,119</b>	<b>4,62,93,068</b>	<b>-</b>	<b>2,50,08,496</b>	<b>24,02,138</b>



**SOLIDARIDAD REGIONAL EXPERTISE CENTRE (SREC)  
FOREIGN CONTRIBUTION ACCOUNT**

**Schedules forming part of the accounts for the year ended March 31, 2020**

<b>Year ended March 31, 2019</b>		<b>Year ended March 31, 2020</b>
<b>Rs.</b>		<b>Rs.</b>
<b>SCHEDULE - J: PROJECT EXPENSES (Out of Restricted grant)</b>		
<b>Project Human Resource Cost</b>		
38,70,846	Salaries to Staff	1,65,92,442
72,022	Staff Insurance	5,30,772
1,09,787	Leave Travel Assistance	1,05,792
12,500	Monthly Reimbursement	56,918
-	Gratuity Expenses	10,87,265
-	Employer's Contribution to NPS	4,52,600
38,599	Staff Welfare Expenses	3,32,590
		1,91,58,379
<b>Project Implementation Cost</b>		
10,37,786	Project - Meeting & Workshop Expenses	33,28,499
7,05,525	Project - Office Rent	29,97,138
21,91,451	Project - Office Utility	37,13,102
13,10,202	Project - Printing & Stationary	10,62,118
11,13,376	Project - Resource Persons	48,72,912
9,43,837	Project - Supplies	20,65,812
1,26,196	Project - Boarding & Lodging Expenses	11,63,267
1,09,892	Project - Domestic Travel	7,48,045
1,67,649	Project - Local Travel & Conveyance Expense	17,29,013
		2,16,79,906
<b>Project Assets</b>		
3,79,700	Project Assets - Furniture	54,820
16,46,985	Project Assets - Computer	8,28,993
33,614	Project Assets - Equipments	7,07,851
		15,91,664
<b>1,38,69,967</b>		<b>4,24,29,949</b>

**SCHEDULE - K: ADMINISTRATIVE EXPENSES**

46,506	Salaries to Staff	11,75,194
25,000	Leave Travel Assistance	-
-	Employer's Contribution to NPS	30,000
-	Gratuity Expenses	30,157
-	Insurance - Staff	55,835
-	NPS Administrative Charges	1,506
-	PF Administrative Charges	95,475
-	Office Lease Rent	16,71,742
-	Office Utility & Maintenance	7,48,874
-	Vehicle Fuel & Maintenance	55,085
-	Professional & Consultancy Fees and Expenses	84,960
-	Travel Expenses	3,540
-	Depreciation	30,152
47,200	Audit Fees & Expenses	4,03,475

**1,18,706**



**43,85,995**