

SOLIDARIDAD REGIONAL EXPERTISE CENTRE (SREC)

FOREIGN CONTRIBUTION ACCOUNT

RECEIPTS AND PAYMENT ACCOUNT FOR THE YEAR ENDED MARCH 31, 2021

		<u>Amount in Rs.</u>	
RECEIPTS			
Opening Balances :			
Cash in hand	G	39,302	
Bank Balances	G	2,47,91,299	2,48,30,601
Receipts during the year :			
Restricted Grant	I	11,85,46,544	
Unrestricted Fund	I	35,40,492	
Interest from Bank		26,85,350	12,47,72,386
Net Current Liabilities Provisions:	E		
Total			14,96,02,987
PAYMENTS			
Project Expenses (out of restricted grants)	I & E	4,94,60,727	
Capital asset Purchased (out of Restricted Grant)	I	9,09,322	
Capital asset Purchased (out of Un-restricted Income)	F	11,250	
Administrative Expenses (Net of outstanding liabilities)	K	22,61,390	5,26,42,689
Net Other Current Assets Loans & Advances:	H		14,41,749
Closing Balances :			
Cash in hand	G	59,817	
Bank Balances	G	9,54,58,732	9,55,18,549
Total			14,96,02,987

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 : 25/11/2021

For Solidaridad Regional Expertise Centre



Managing Trustee

Place : New Delhi

Date :

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

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2021

Year ended March 31, 2020 Rs.		Schedule	Year ended March 31, 2021 Rs.
<u>INCOME</u>			
4,24,29,949	Earmarked Contribution (to the extent of application)	I	5,03,70,049
38,63,119	Overhead Support	I	35,40,492
5,61,584	Interest from Bank		12,64,727
-	Exchange Gain		7,60,877
4,68,54,652			5,59,36,145
<u>EXPENDITURE</u>			
4,08,38,285	Project Expenses (out of restricted grants)	J	4,94,60,727
15,91,664	Capital asset Purchased (out of Restricted Grant)	J	9,09,322
43,85,995	Administrative Expenses	K	27,74,944
4,68,15,944			5,31,44,993
38,708	Surplus/(Deficit) for the year carried to General Fund		27,91,152

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 : 25/11/2021

Place : New Delhi
Date :

SOLIDARIDAD REGIONAL EXPERTISE CENTRE (SREC)
FOREIGN CONTRIBUTION ACCOUNT
BALANCE SHEET AS AT MARCH 31, 2021

<u>As at</u> <u>March 31, 2020</u>		<u>Schedule</u>	<u>Rs.</u>	<u>As at</u> <u>March 31, 2021</u>
<u>Rs.</u>	<u>FUNDS & LIABILITIES</u>			<u>Rs.</u>
23,65,804	Capital Fund (Representated by fixed assets)	B		23,22,157
2,50,08,496	Restricted Fund (Unutilised)	C		9,64,23,559
33,54,960	General Fund	D		61,46,112
11,26,007	Current Liabilities and Provisions	E		16,00,668
3,18,55,267				10,64,92,496
<u>PROPERTY & ASSETS</u>				
	Fixed Assets	F		
	Out of project Fund			
36,51,963	Gross Block		45,61,285	
(12,86,159)	Less : Accumulated Depreciation		22,39,128	23,22,157
23,65,804				
	Out of Own Funding			
3,39,796	Gross Block		3,51,046	
(30,152)	Less : Accumulated Depreciation		69,044	2,82,002
3,09,644				
	Current Assets and Loans & Advances			
2,48,30,601	Cash and bank balances	G	9,55,18,549	
24,02,138	Restricted Fund (Receivable)	C	49,80,959	
19,47,080	Other Current Assets, Loans and Advances	H	33,88,828	10,38,88,337
3,18,55,266				10,64,92,496

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



(Handwritten Signature)

Managing Trustee

Place : New Delhi

Date : 25/11/2021

Place : New Delhi

Date :

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, 2021

• Brief of Solidaridad Regional Expertise Centre

Solidaridad Regional Expertise Centre is a Charitable Trust established on 15th 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 7th May 2018 The Registration is valid from 7th May 2018 to 6th 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, 2021

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:**

Contributions to Provident Fund and National Pension Scheme 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 17th 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, 2021

<u>As at</u> <u>March 31, 2020</u>		<u>Rs.</u>	<u>As at</u> <u>March 31, 2021</u>	<u>Rs.</u>
	<u>SCHEDULE - B: CAPITAL FUND</u>			
17,09,393	Opening Balance	23,65,804		
15,91,664	Add : Addition of Fixed Assets during the year	9,09,322		
9,35,253	Less : Depreciation for the year	9,52,969		
23,65,804	Closing Balance		23,22,157	
<u>23,65,804</u>			<u>23,22,157</u>	

SCHEDULE - C: RESTRICTED FUND

2,39,34,897	Opening Balance	2,26,06,358		
4,49,64,529	Add : Received During the year	12,27,46,782		
4,08,38,285	Less : Income Recognised to the extent Project expenses incurred during the year	4,94,60,727		
15,91,664	Less : Income Recognised to the extent Project Assets purchased during the year	9,09,322		
38,63,119	Less : Income Recognised against Administrative Expenses	35,40,492		
2,26,06,358	Closing Balance		9,14,42,599	
<u>2,26,06,358</u>	Restricted Fund (net) as at Year end*		<u>9,14,42,599</u>	
	* Include			
2,50,08,496	- Restricted Fund (Unutilised)		9,64,23,558	
24,02,138	- Restricted Fund (Receivable)		49,80,959	
	- Restricted Fund (Bank Interest)		14,20,623	

SCHEDULE - D: GENERAL FUND

33,16,252	Opening Balance	33,54,960		
38,708	Add : Surplus/(Deficit) during the year transferred from I & E Account	27,91,152		
33,54,960	Closing Balance		61,46,112	
<u>33,54,960</u>			<u>61,46,112</u>	

SCHEDULE - E: CURRENT LIABILITIES & PROVISIONS

	Current Liabilities			
62,168	TDS Payable		91,974	
1,636	Professional Tax Payable		800	
4,15,876	Sundry Creditors		9,98,051	
-	Monthly Reimbursement Payable		5,000	
	Provisions			
3,61,525	Audit Fees Payable		-	
56,000	NPS Payable		2,42,084	
1,08,638	Provident Fund Payable		44,044	
1,20,164	Sundry Expenses Payable		2,18,715	
<u>11,26,007</u>			<u>16,00,668</u>	



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

Schedule forming part of the balance sheet as at March 31, 2021

SCHEDULE - F : FIXED ASSETS

Details	Gross Block				Depreciation				Net Block	
	Cost as at	Additions	Sales/adjustment	Cost as at	Upto	For the	sale/adjustment	Upto	As at	As at
	March 31, 2020	during the year	during the year	March 31, 2021	March 31, 2020	year	during the year	March 31, 2021	March 31, 2021	March 31, 2020
Computers	24,75,978	6,87,438	-	31,63,416	11,17,240	8,00,672	-	19,17,912	12,45,504	13,58,738
Software	-	6,950	-	6,950	-	1,390	-	1,390	5,560	-
Furniture and fixtures	4,34,520	99,934	-	5,34,454	57,798	43,423	-	1,01,221	4,33,233	3,76,722
Office equipment	7,41,465	1,15,000	-	8,56,465	1,11,121	1,07,484	-	2,18,605	6,37,860	6,30,344
Total	36,51,963	9,09,322	-	45,61,285	12,86,159	9,52,969	-	22,39,128	23,22,157	23,65,804
Previous year	20,60,299	15,91,664	-	36,51,963	3,50,906	9,35,253	-	12,86,159	23,65,804	17,09,393

Details	Gross Block				Depreciation				Net Block	
	Cost as at	Additions	Sales/adjustment	Cost as at	Upto	For the	sale/adjustment	Upto	As at	As at
	March 31, 2020	during the year	during the year	March 31, 2021	March 31, 2020	year	during the year	March 31, 2021	March 31, 2021	March 31, 2020
Computers	-	-	-	-	-	-	-	-	-	-
Software	-	-	-	-	-	-	-	-	-	-
Furniture and fixtures	1,86,676	-	-	1,86,676	18,668	16,801	-	35,469	1,51,207	1,68,008
Office equipment	1,53,120	11,250	-	1,64,370	11,484	22,091	-	-	1,30,795	1,41,636
Total	3,39,796	11,250	-	3,51,046	30,152	38,892	-	69,044	2,82,002	3,09,644
Previous year	-	3,39,796	-	3,39,796	-	30,152	-	30,152	3,09,644	-



SOLIDARIDAD REGIONAL EXPERTISE CENTRE (SREC)
FOREIGN CONTRIBUTION ACCOUNT

Schedules forming part of the accounts for the year ended March 31, 2021

<u>As at</u> <u>March 31, 2020</u> <u>Rs.</u>		<u>Rs.</u>	<u>As at</u> <u>March 31, 2021</u> <u>Rs.</u>
<u>SCHEDULE - G: CASH AND BANK BALANCES</u>			
Balances with scheduled banks on:			
2,47,91,299	Savings account	9,54,58,732	9,54,58,732
39,302	Cash in hand		59,817
<u>2,48,30,601</u>			<u>9,55,18,549</u>
<u>SCHEDULE - H: OTHER CURRENT ASSETS, LOANS AND ADVANCES</u>			
(Unsecured, considered good)			
Current Assets			
3,03,412	Prepaid Expenses		3,42,268
Loans & Advances			
1,61,000	Advance to Suppliers		18,32,561
9,78,668	Salary Advance		10,000
5,04,000	Security Deposits		12,04,000
<u>19,47,080</u>			<u>33,88,829</u>



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

Schedule forming part of the accounts for the year ended March 31, 2021
SCHEDULE - I : PURPOSE WISE UTILISATION OF SPECIFIC GRANTS FOR 2020-21

(in Rupees)

Sr. No.	Donor's Name	Purpose	Balance as on 31.3.2020	Grant Received	Bank Interest	Grant Utilised			Total Utilised	Unspent amount as on 31.3.2021	Grant Receivable
						Capital Exp	Project Exp	Admin Exp			
1	Solidaridad Network Asia Limited, HongKong	Agri and Industrial stakeholders at Ganga Basin	75,137	35,30,329	-	79,396	29,53,158	5,72,912	36,05,466	0	-
2	Solidaridad Network Asia Limited, HongKong	To improve the social, Economic, Agronomic performances of STG's Families	(24,02,138)	1,33,82,987	-	4,55,569	1,44,79,705	4,76,056	1,54,11,330	-	44,30,481
3	Solidaridad Network Asia Limited, HongKong	Pragati Castor Project Phase - II	1,12,926	-	-	1,09,367	-	-	1,09,367	3,559	-
4	Solidaridad Network Asia Limited, HongKong	Assessment of hydrological resources and location-specific needs and opportunities in cotton production system, Maharashtra	1,88,689	-	-	-	-	-	-	1,88,689	-
5	C & A FOUNDATION	Building capacity towards adopting organic cultivation for increased income and livelihoods for small and marginal cotton farmers in Maharashtra	1,51,39,655	2,97,51,392	-	-	1,51,20,856	24,91,524	1,76,12,380	2,72,78,667	-
6	Hindustan Unilever Limited	To support tea producers, small tea growers and workers in complying trusteea Sustainability Code Criteria	94,92,089	-	-	-	-	-	-	94,92,089	-
7	Solidaridad Network Asia Limited, HongKong	Capacity Enhancement Project	-	7,00,000	-	-	6,79,773	-	6,79,773	20,227	-
8	Solidaridad Network Asia Limited, HongKong	COVID -19 Response Project	-	49,56,250	-	-	49,56,250	-	49,56,250	(0)	-
9	Solidaridad Network Asia Limited, HongKong	PFC - Cotton Project	-	-	-	-	92,000	-	92,000	-	92,000
10	Solidaridad Network Asia Limited, HongKong	PFC - Soy Project	-	-	-	-	1,13,841	-	1,13,841	-	1,13,841
11	Solidaridad Network Asia Limited, HongKong	PFC - Sugarcane Project	-	-	-	-	1,04,342	-	1,04,342	-	1,04,342
12	EU	EU - Kolkata LeatherclusterProject	-	5,49,14,891	14,20,623	3,74,357	41,25,436	-	44,99,793	5,18,35,721	-
13	Ladus Foundation	Emergency Covid Relief Laudes Foundation	-	1,40,90,311	-	-	64,85,705	-	64,85,705	76,04,606	-
14	Solidaridad Network Asia Limited, HongKong	Pollition Prevention and Water Reduction in Leathercluster	-	-	-	-	2,40,295	-	2,40,295	-	2,40,295
Total			2,26,06,358	12,13,26,159	14,20,623	9,09,322	4,94,60,727	35,40,492	5,39,10,541	9,64,23,558	49,80,959



SOLIDARIDAD REGIONAL EXPERTISE CENTRE (SREC)
FOREIGN CONTRIBUTION ACCOUNT

Schedules forming part of the accounts for the year ended March 31, 2021

Year ended		Year ended
March 31, 2020		March 31, 2021
<u>Rs.</u>		<u>Rs.</u>
<u>SCHEDULE - J: PROJECT EXPENSES (Out of Restricted grant)</u>		
Project Human Resource Cost		
1,65,92,442	Salaries to Staff	1,43,79,477
5,30,772	Staff Insurance	4,22,552
1,05,792	Leave Travel Assistance	22,500
56,918	Monthly Reimbursement	45,000
10,87,265	Gratuity Expenses	9,40,000
4,52,600	Employer's Contribution to NPS	8,26,841
-	Staff Recruitment Expenses	18,585
3,32,590	Staff Welfare Expenses	2,24,000
		1,68,78,955
Project Implementation Cost		
33,28,499	Project - Meeting & Workshop Expenses	5,40,030
29,97,138	Project - Office Rent	44,85,124
37,13,102	Project - Office Utility	36,40,079
10,62,118	Project - Printing & Stationary	7,37,206
48,72,912	Project - Resource Persons	87,24,838
20,65,812	Project - Supplies	1,13,24,606
11,63,267	Project - Boarding & Lodging Expenses	7,44,745
7,48,045	Project - Domestic Travel	44,953
17,29,013	Project - Local Travel & Conveyance Expenses	23,40,191
		3,25,81,772
Project Assets		
54,820	Project Assets - Furniture	1,15,000
8,28,993	Project Assets - Computer	6,87,438
7,07,851	Project Assets - Equipments	1,06,884
-	Project Assets - Software	-
		9,09,322
<u>4,24,29,949</u>		<u>5,03,70,049</u>

SCHEDULE - K: ADMINISTRATIVE EXPENSES

11,75,194	Salaries to Staff	8,05,195
30,000	Employer's Contribution to NPS	25,003
30,157	Gratuity Expenses	-
55,835	Insurance - Staff	14,259
1,506	NPS Administrative Charges	6,589
95,475	PF Administrative Charges	73,581
16,71,742	Office Lease Rent	11,69,758
7,48,874	Office Utility & Maintenance	4,10,330
55,085	Vehicle Fuel & Maintenance	1,39,519
84,960	Professional & Consultancy Fees and Expenses	37,170
-	Communication Expenses	36,763
3,540	Travel Expenses	3,679
30,152	Depreciation	38,892
4,03,475	Audit Fees & Expenses	1,300
-	Bank Charges	12,906
<u>43,85,995</u>		<u>27,74,944</u>

