

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

**RECEIPTS AND PAYMENT ACCOUNT FOR THE YEAR ENDED MARCH 31, 2019**

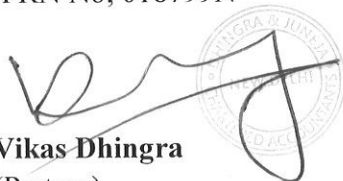
Receipts	For the Year Ended March 31, 2019	Payments	For the Year Ended March 31, 2019
Opening Balances B/f		Project Expenses	10,695,452
Cash in hand	-	Fixed Assets Purchase	2,060,299
Bank Balances	-	Administrative Expenses	118,706
Grant Received	40,844,322	Expenses Paid in Advance	101,715
Interest Received	395,500	Advance to Suppliers	330,415
		Security Deposits	504,000
		Closing Balance C/f	
		Cash in hand	6,381
		Bank Balances	27,422,854
<b>Total</b>	<b>41,239,822</b>		<b>41,239,822</b>

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

**For Dhingra & Juneja**

Chartered Accountants

FRN No; 018799N



**Vikas Dhingra**

(Partner)

**Membership No. 099604**

Place : New Delhi

Date : 20 DEC 2019

**For Solidaridad Regional Expertise Centre**




**Managing Trustee**

Place : New Delhi

Date : 20 DEC 2019

**SOLIDARIDAD REGIONAL EXPERTISE CENTRE (SREC)**  
**FOREIGN CONTRIBUTION ACCOUNT**  
**BALANCE SHEET AS AT MARCH 31, 2019**

	<u>Schedule</u>	<u>Rs.</u>	<u>As at March 31, 2019 Rs.</u>
<b><u>FUNDS &amp; LIABILITIES</u></b>			
Capital Fund (Representated by fixed assets)	<b>B</b>		1,709,393
Restricted Fund (Unutilised)	<b>C</b>		24,928,706
General Fund	<b>D</b>		3,316,252
Current Liabilities and Provisions	<b>E</b>		1,114,215
			<u>31,068,566</u>

**PROPERTY & ASSETS**

<b>Fixed Assets</b>	<b>F</b>		
Gross Block		2,060,299	
Less : Accumulated Depreciation		<u>350,906</u>	1,709,393
<b>Current Assets and Loans &amp; Advances</b>			
Cash and bank balances	<b>G</b>	27,429,235	
Restricted Fund (Receivable)	<b>C</b>	993,808	
Other Current Assets, Loans and Advances	<b>H</b>	<u>936,130</u>	29,359,173
			<u>31,068,566</u>

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 : **20 DEC 2019**

Place : New Delhi  
Date : **20 DEC 2019**

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

**INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2019**

	<u>Schedule</u>	<u>Year ended</u> <u>March 31, 2019</u> <u>Rs.</u>
<b><u>INCOME</u></b>		
Earmarked Contribution (to the extent of application)	I	13,869,967
Overhead Support	I	3,039,458
Interest from Bank		395,500
		<b>17,304,925</b>
<b><u>EXPENDITURE</u></b>		
Project Expenses (out of restricted grants)	J	11,809,668
Capital asset Purchased (out of Restricted Grant)	J	2,060,299
Administrative Expenses	K	118,706
		<b>13,988,673</b>
<b>Surplus/(Deficit) for the year carried to General Fund</b>		<b>3,316,252</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 : **20 DEC 2019**

**For Solidaridad Regional Expertise Centre**



**Managing Trustee**

Place : New Delhi

Date : **20 DEC 2019**

**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, 2019**

• **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.

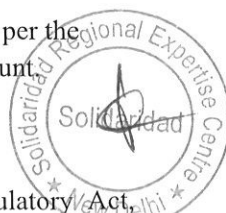
The Trust utilizes the funds either through own implementation or through its Partner Organisations to achieve their charitable objective which is defined in trust deed. All these Partner Organisations are registered under section 12A of Income Tax Act. FCRA funds are utilized only through Organisations 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.
- d) Administrative Expenses have been charged from the earmarked grants as per the donor guidelines and classified as revenue in Income & Expenditure Account.

**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



**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, 2019**

advice copy is taken as conversion rate for the purpose of converting foreign contribution in INR.

**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:**

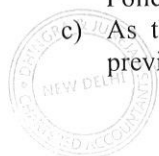
Nature of Assets	Rate of depreciation percentage
Computers	40%
Software	40%
Furniture & Fixtures	10%
Vehicles	15%
Office Equipment's	15%

**6. Taxation:**

The Trust is registered under Section 12AA of the Income Tax Act, 1961, vide letter dated 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.
- c) 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, 2019**

	<u>Rs.</u>	As at <u>March 31, 2019</u> <u>Rs.</u>
<b><u>SCHEDULE - B: CAPITAL FUND</u></b>		
Opening Balance	-	
Add : Addition of Fixed Assets during the year	2,060,299	
Less : Depreciation for the year	350,906	
Closing Balance		1,709,393
		<u><u>1,709,393</u></u>

<b><u>SCHEDULE - C: RESTRICTED FUND</u></b>		
Opening Balance	-	
Add : Received During the year	40,844,322	
Less : Income Recognised to the extent Project expenses incurred during the year	11,809,668	
Less : Income Recognised to the extent Project Assets purchased during the year	2,060,299	
Less : Income Recognised against Administrative Expenses	3,039,458	
Add : Grant Receivable	993,808	
Closing Balance		24,928,706
		<u><u>24,928,706</u></u>

<b><u>SCHEDULE - D: GENERAL FUND</u></b>		
Opening Balance	-	
Add : Surplus/(Deficit) during the year transferred from I & E Account	3,316,252	
Closing Balance		3,316,252
		<u><u>3,316,252</u></u>

**SCHEDULE - E: CURRENT LIABILITIES & PROVISIONS**

**Current Liabilities**

TDS Payable	181,351
Professional Tax Payable	1,966
Sundry Creditors	323,483

**Provisions**

Audit Fees Payable	43,200
Provident Fund Payable	197,172
Sundry Expenses Payable	367,043

1,114,215



**Solidaridad Regional Expertise Centre (SREC)**

**FOREIGN CONTRIBUTION ACCOUNT**

**Schedule forming part of the balance sheet as at March 31, 2019**

**SCHEDULE - F : FIXED ASSETS**

SCHEDULE - F : FIXED ASSETS										(in rupees)
Details	Gross Block			Depreciation				Net Block		
	Cost as at March 31, 2018	Additions during the year	Sales/adjustment during the year	Cost as at March 31, 2019	Upto March 31, 2018	For the year	sale/adjustment during the year	Upto March 31, 2019	As at March 31, 2019	As at March 31, 2018
Computers	-	1,646,985	-	1,646,985	-	329,400	-	329,400	1,317,585	-
Software	-	-	-	-	-	-	-	-	-	-
Furniture and fixtures	-	379,700	-	379,700	-	18,985	-	18,985	360,715	-
Office equipment	-	33,614	-	33,614	-	2,521	-	2,521	31,093	-
Vehicle	-	-	-	-	-	-	-	-	-	-
Total	-	2,060,299	-	2,060,299	-	350,906	-	350,906	1,709,393	-
Previous year	-	-	-	-	-	-	-	-	-	-



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

**Schedules forming part of the accounts for the year ended March 31, 2019**

	<u>Rs.</u>	<u>As at</u> <u>March 31, 2019</u> <u>Rs.</u>
<b><u>SCHEDULE - G: CASH AND BANK BALANCES</u></b>		
<b>Balances with scheduled banks on:</b>		
Savings account	27,422,854	27,422,854
Cash in hand		6,381
		<u><u>27,429,235</u></u>

**SCHEDULE - H: OTHER CURRENT ASSETS, LOANS AND ADVANCES**

(Unsecured, considered good)

**Current Assets**

Prepaid Expenses	101,715
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**Loans & Advances**

Advance to Suppliers	330,415
Security Deposits	504,000
	<u><u>936,130</u></u>





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

Schedule forming part of the accounts for the year ended March 31, 2019  
**SCHEDULE - I : PURPOSE WISE UTILISATION OF SPECIFIC GRANTS FOR 2018-2019**

SCHEDULE - I : PURPOSE WISE UTILISATION OF SPECIFIC GRANTS FOR 2018-2019											
Sr. No	Donor's Name	Purpose	Balance as on 31.3.2018	Grant		Grant Utilised			Transferred to Income & Expenditure	Unspent amount as on 31.3.2019	Grant Receivable
				Received	Capital Exp	Project Exp	Admin Exp	Total Utilised			
1	Solidaridad Network Asia Limited, HongKong	Agri and Industrial stakeholders at Ganga Basin	-	3,000,625	-	2,367,930	664,759	3,032,689	-	-	32,064
2	Solidaridad Network Asia Limited, HongKong	To improve the social, Economic, Agronomic performances of STG's Families	-	7,979,906	1,560,510	6,262,593	1,118,547	8,941,650	-	-	961,745
3	Solidaridad Network Asia Limited, HongKong	Pragati Castor Project	-	3,883,687	-	1,371,982	-	1,371,982	-	2,511,705	-
4	C & A FOUNDATION	Building capacity towards adopting organic cultivation for increased income and livelihoods for small and marginal cotton farmers in Maharashtra	-	16,507,000	499,789	1,807,163	1,256,152	3,563,104	-	12,943,896	-
5	Hindustan Unilever Limited	To support tea producers, small tea growers and workers in complying trusteea Sustainability Code Criteria	-	9,473,104	-	-	-	-	-	9,473,104	-
Total			-	40,844,322	2,060,299	11,809,668	3,039,458	16,909,425	-	24,928,706	993,808



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

**Schedules forming part of the accounts for the year ended March 31, 2019**

Year ended  
**March 31, 2019**  
**Rs.**

**SCHEDULE - J: PROJECT EXPENSES (Out of Restricted grant)**

**Project Human Resource Cost**

Salaries to Staff	3,726,189	
Staff Insurance	72,022	
Leave Travel Assistance	109,787	
Medical Expenses Assistance	144,657	
Monthly Reimbursement	12,500	
Staff Welfare Expenses	38,599	4,103,754

**Project Implementation Cost**

Project - Meeting & Workshop Expenses	1,037,786	
Project - Office Rent	705,525	
Project - Office Utility	2,191,451	
Project - Printing & Stationary	1,310,202	
Project - Resource Persons	1,113,376	
Project - Supplies	943,837	
Project - Boarding & Lodging Expenses	126,196	
Project - Domestic Travel	109,892	
Project - Local Travel & Conveyance Expense:	167,649	7,705,914

**Project Assets**

Project Assets - Furniture	379,700	
Project Assets - Computer	1,646,985	
Project Assets - Equipments	33,614	2,060,299

**13,869,967**

**SCHEDULE - K: ADMINISTRATIVE EXPENSES**

Salaries to Staff	31,506
Leave Travel Assistance	25,000
Medical Expenses Assistance	15,000
Audit Fees & Expenses	47,200
	<b><u>118,706</u></b>

