Society for Development Alternatives

Annexure A to the Foreign Contribution Account financial statements for the year ended 31 March 2018

Based on the financial statements of Foreign Contribution Account for the financial year ended 31 March 2018 we confirm that:

(i) The brought forward foreign contribution at the beginning of the financial year 2017-2018 was ₹ 31,886,875.

(ii) Foreign contribution of ₹139,859,326 was received by the Society during the financial year 2017-2018.

(iii) Interest accrued on foreign contribution of ₹1,834,715 was received by the Society during the financial year 2017-2018.

(iv) The balance of unutilised foreign contribution with the Society at the end of the financial year 2017-2018 was ₹69,246,143.

(v) The Society has maintained the accounts of foreign contribution and records relating thereto in the manner specified in section 19 of the Foreign Contribution (Regulation) Act, 2010 (42 of 2010) read with rule 17 of the Foreign Contribution (Regulation) Rules, 2011.

(vi) The information in the enclosed Balance Sheet and Receipts and Payments Account is correct as checked by us.

(vii) The Society has utilized the foreign contribution received for the purposes it is registered under Foreign Contribution (Regulation) Act, 2010.

For and on behalf of Society for Development Alternatives

[Signatures]

Dr. Vijaya Lakshmi Koneru
Vice President

Vinod Nair
Chief Finance

Place: New Delhi
Date: July 2018
<table>
<thead>
<tr>
<th>Particulars - Name of donor/agency</th>
<th>Payment 31 March 2018 £</th>
<th>Receipt 31 March 2018 £</th>
<th>Payment 31 March 2017 £</th>
<th>Receipt 31 March 2017 £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Grant Expenses</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Society for Development Alternatives</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foreign Contribution Account</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receipts</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash In Bank</td>
<td>52,291</td>
<td></td>
<td>1,479</td>
<td></td>
</tr>
<tr>
<td>Cash On Deposit</td>
<td>1,654,766</td>
<td>17,584,035</td>
<td>10,845,780</td>
<td>62,584,780</td>
</tr>
<tr>
<td>Total</td>
<td>17,616,057</td>
<td>18,356,844</td>
<td>10,845,780</td>
<td>62,584,780</td>
</tr>
</tbody>
</table>

Note: This table contains the financial information of the Society for Development Alternatives' Foreign Contribution Account for the year ended 31 March 2018. The table shows the receipts and payments made in respect of donations received from foreign sources.
Receipts and Payments Account for the year ended 31st March 2018 in respect of amounts received from the foreign sources.

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Name of donors/agencies</th>
<th>Payment</th>
<th>Receipts</th>
<th>Payment</th>
<th>Receipts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Source: Wages and Remuneration</td>
<td></td>
<td>93,020,625</td>
<td></td>
<td>43,820,383</td>
<td></td>
</tr>
<tr>
<td>Other Expenses</td>
<td></td>
<td>1,981,634</td>
<td></td>
<td>4,442,158</td>
<td></td>
</tr>
<tr>
<td>Total Expenditure</td>
<td></td>
<td>95,002,259</td>
<td></td>
<td>48,262,541</td>
<td></td>
</tr>
<tr>
<td>Closing Balance</td>
<td>Cash in hand</td>
<td>1,831,735</td>
<td></td>
<td>1,831,735</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Bank</td>
<td>4,494,870</td>
<td></td>
<td>4,494,870</td>
<td></td>
</tr>
<tr>
<td>Total Amounts in Cash</td>
<td></td>
<td>6,326,575</td>
<td></td>
<td>6,326,575</td>
<td></td>
</tr>
<tr>
<td>Total Amounts in Bank</td>
<td></td>
<td>19,964,402</td>
<td></td>
<td>19,964,402</td>
<td></td>
</tr>
<tr>
<td>Total Amounts in Bank &amp; Cash</td>
<td></td>
<td>26,290,977</td>
<td></td>
<td>26,290,977</td>
<td></td>
</tr>
</tbody>
</table>

Walter Chaudhuri & Associates
Chartered Accountants
Place: New Delhi
Date: 24/4/1978

Forward on behalf of the Society for Development Alternatives

[Signatures]

Dr. Vijaya Latha Kumari
Vice-President
Society for Development Alternatives

Foreign Contribution Account

Income and Expenditure Account for the year ended 31 March 2018

<table>
<thead>
<tr>
<th>Schedule</th>
<th>Year ended 31 March 2018</th>
<th>Year ended 31 March 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>₹</td>
<td>₹</td>
</tr>
<tr>
<td><strong>Income</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross income</td>
<td>95,586</td>
<td>140,288,235</td>
</tr>
<tr>
<td>Other income</td>
<td>95,586</td>
<td>95,586</td>
</tr>
<tr>
<td><strong>Expenditure</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross expenses</td>
<td>49,911,736</td>
<td>100,294,357</td>
</tr>
<tr>
<td>Personnel expenses</td>
<td>48,730,925</td>
<td>47,396,389</td>
</tr>
<tr>
<td>General and administrative expenses</td>
<td>11,742,743</td>
<td>4,193,316</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>49,918</td>
<td>52,998</td>
</tr>
<tr>
<td>Finance costs</td>
<td>228,952</td>
<td>16,825</td>
</tr>
<tr>
<td><strong>(Deficit) for the year transferred to capital and other funds</strong></td>
<td>(17,685,662)</td>
<td>(6,488,874)</td>
</tr>
</tbody>
</table>

Summary of significant accounting policies and other explanatory information

The schedules referred to above form an integral part of these foreign contribution financial statements

For Walker Chandik & Associates—Chartered Accountants

For and on behalf of the Society for Development Alternatives

Place: New Delhi
Date: 26/11/2018
Society for Development Alternatives  
Foreign Contribution Account  
Balance Sheet as at 31 March 2018

<table>
<thead>
<tr>
<th>Sources of funds</th>
<th>Schedule</th>
<th>As at 31 March 2018 ₹</th>
<th>As at 31 March 2017 ₹</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Capital</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital</td>
<td>1</td>
<td>(34,263,767)</td>
<td>(33,288,105)</td>
</tr>
<tr>
<td><strong>Liabilities and provisions</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current liabilities</td>
<td>3</td>
<td>22,590</td>
<td>1,114,182</td>
</tr>
<tr>
<td><strong>Applications of funds</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fixed assets</td>
<td>4</td>
<td>4,474,428</td>
<td>4,071,580</td>
</tr>
<tr>
<td><strong>Current assets, loans and advances</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and bank balances</td>
<td>5</td>
<td>69,245,113</td>
<td>31,026,875</td>
</tr>
<tr>
<td>Loans and advances</td>
<td>6</td>
<td>4,733,335</td>
<td>4,322,489</td>
</tr>
<tr>
<td>Other current assets</td>
<td>7</td>
<td>1,276,000</td>
<td>646,941</td>
</tr>
<tr>
<td><strong>Summary of significant accounting policies and other explanatory information</strong></td>
<td>12</td>
<td>79,749,906</td>
<td>41,187,839</td>
</tr>
</tbody>
</table>

The schedules referred to above form an integral part of these foreign contribution financial statements.

For Walker Chandisk & Associates  
Chartered Accountants  
Firm Registration No. 0033298N

Nikhil Toshniwal  
Partner  
Membership No. 507308

For and on behalf of the Society for Development Alternatives

Dr. Vijaya Lakshmi Koneru  
Vice President  
Vinod Nair  
GM Finance

Place: New Delhi  
Date: 23/4/2018
### Schedule 1 - Capital funds

<table>
<thead>
<tr>
<th>Description</th>
<th>As at 31 March 2018</th>
<th>As at 31 March 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>As per last balance sheet</td>
<td>₹ 15,788,193</td>
<td>₹ 9,529,233</td>
</tr>
<tr>
<td>(Deficit) as per income and expenditure account</td>
<td>₹ (3,883,062)</td>
<td>₹ (6,049,874)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>₹ 11,905,131</td>
<td>₹ 3,480,359</td>
</tr>
</tbody>
</table>

### Schedule 2 - Unspent grants, net

<table>
<thead>
<tr>
<th>Description</th>
<th>As at 31 March 2018</th>
<th>As at 31 March 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount carried forward from previous year</td>
<td>₹ 55,424,462</td>
<td>₹ 83,070,024</td>
</tr>
<tr>
<td>Add: Accounts received during the year</td>
<td>₹ 150,959,328</td>
<td>₹ 141,236,294</td>
</tr>
<tr>
<td>Less: Expenditure incurred during the year</td>
<td>₹ 206,280,791</td>
<td>₹ 194,337,218</td>
</tr>
<tr>
<td>Less: Transferred to income and expenditure account</td>
<td>₹ 114,788,083</td>
<td>₹ 142,787,141</td>
</tr>
<tr>
<td><strong>Balance at the end of the year</strong></td>
<td>₹ 122,991,074</td>
<td>₹ 55,424,462</td>
</tr>
</tbody>
</table>

### Grant income

<table>
<thead>
<tr>
<th>Description</th>
<th>As at 31 March 2018</th>
<th>As at 31 March 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>As per project schedule</td>
<td>₹ 93,948,083</td>
<td>₹ 142,337,047</td>
</tr>
<tr>
<td>Add: Transferred from income and expenditure account</td>
<td>₹ (2,958,347)</td>
<td>₹ (6,852,291)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>₹ 90,989,736</td>
<td>₹ 135,484,756</td>
</tr>
</tbody>
</table>

### Grant expenses

<table>
<thead>
<tr>
<th>Description</th>
<th>As at 31 March 2018</th>
<th>As at 31 March 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenditure as per project schedule</td>
<td>₹ 95,548,083</td>
<td>₹ 142,337,047</td>
</tr>
<tr>
<td>Less: Salary charged to projects</td>
<td>₹ 43,634,047</td>
<td>₹ 42,532,469</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>₹ 49,914,036</td>
<td>₹ 100,204,577</td>
</tr>
</tbody>
</table>

### Schedule 3 - Current liabilities

<table>
<thead>
<tr>
<th>Description</th>
<th>As at 31 March 2018</th>
<th>As at 31 March 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loans towards receiving fund</td>
<td>₹ 1,131,382</td>
<td>₹ 1,131,382</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>₹ 0,909</td>
<td>₹ 0,909</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>₹ 1,132,291</td>
<td>₹ 1,131,382</td>
</tr>
</tbody>
</table>

### Schedule 4 - Fixed assets

<table>
<thead>
<tr>
<th>Assets</th>
<th>As at 1 April 2017</th>
<th>Additions/ (Deletions)/ (Adjustments)</th>
<th>As at 31 March 2018</th>
<th>Depreciation for the year</th>
<th>Net block as at 31 March 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buildings</td>
<td>₹ 4,606,202</td>
<td></td>
<td>₹ 4,606,202</td>
<td>₹ 46,626</td>
<td>₹ 1,145,582</td>
</tr>
<tr>
<td>Fixtures and fittings</td>
<td>₹ 363,084</td>
<td></td>
<td>₹ 363,084</td>
<td>₹ 36,538</td>
<td>₹ 326,546</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>₹ 4,969,286</td>
<td></td>
<td>₹ 4,971,586</td>
<td>₹ 83,164</td>
<td>₹ 1,471,582</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>As at 31 March 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buildings</td>
<td>₹ 5,523,284</td>
</tr>
<tr>
<td>Fixtures and fittings</td>
<td>₹ 552,298</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>₹ 4,471,582</td>
</tr>
</tbody>
</table>

(This space has been intentionally left blank.)
<table>
<thead>
<tr>
<th>Schedule</th>
<th>Description</th>
<th>£</th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Schedule 5 - Cash and bank balances</strong></td>
<td>Cash in hand</td>
<td></td>
<td>65,461</td>
</tr>
<tr>
<td></td>
<td>Balance with banks:</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>in savings accounts</td>
<td>30,360,537</td>
<td>13,680,983</td>
</tr>
<tr>
<td></td>
<td>in deposit accounts</td>
<td>38,846,666</td>
<td>17,342,831</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>69,207,203</strong></td>
<td><strong>31,023,814</strong></td>
</tr>
<tr>
<td><strong>Schedule 6 - Loans and advances</strong></td>
<td><strong>Total</strong></td>
<td><strong>4,753,335</strong></td>
<td><strong>4,532,437</strong></td>
</tr>
<tr>
<td><strong>Schedule 7 - Other current assets</strong></td>
<td>Interest accrued on deposits</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>1,275,600</strong></td>
<td><strong>646,941</strong></td>
</tr>
<tr>
<td><strong>Schedule 8 - Other income</strong></td>
<td>Interest</td>
<td>2,081,672</td>
<td>2,119,711</td>
</tr>
<tr>
<td></td>
<td>Other receipts</td>
<td>52,630</td>
<td>879,240</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>2,134,302</strong></td>
<td><strong>3,098,951</strong></td>
</tr>
<tr>
<td><strong>Schedule 9 - Personnel expenses</strong></td>
<td>Salaries and wages</td>
<td>44,672,293</td>
<td>37,515,280</td>
</tr>
<tr>
<td></td>
<td>Contributions to provident and other funds</td>
<td>2,855,960</td>
<td>2,507,462</td>
</tr>
<tr>
<td></td>
<td>Staff welfare expenses</td>
<td>1,392,382</td>
<td>1,046,247</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>49,920,635</strong></td>
<td><strong>41,069,989</strong></td>
</tr>
<tr>
<td><strong>Schedule 10 - General administrative expenses</strong></td>
<td>Travel and subsistence</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Premises to administrative charges</td>
<td>10,030</td>
<td>17,068</td>
</tr>
<tr>
<td></td>
<td>Insurance</td>
<td></td>
<td>127,374</td>
</tr>
<tr>
<td></td>
<td>Consultancy and professional charges</td>
<td>11,922,733</td>
<td>4,393,910</td>
</tr>
<tr>
<td></td>
<td>Advance written off</td>
<td></td>
<td>18,025</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>11,922,733</strong></td>
<td><strong>4,393,910</strong></td>
</tr>
<tr>
<td><strong>Schedule 11 - Finance charges</strong></td>
<td>Bank charges</td>
<td>22,682</td>
<td>36,825</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>22,682</strong></td>
<td><strong>36,825</strong></td>
</tr>
</tbody>
</table>
Society for Development Alternatives

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

Schedule 12: Significant accounting policies and other explanatory information

1. Society information


The Society has also renewed the registration under the Foreign Contribution (Regulation) Act, 2010/Foreign Contribution (Regulation) Rules, 2011, for carrying out social activities with registration number 201650292 dated 5 August 2016 for the period from 1 November 2016 to 31 October 2021.

2. Significant accounting policies

1) Basis of preparation

The financial statements have been prepared and presented under the historical cost convention on the accrual basis. The accounting policies have been consistently applied by the Society and are consistent with those used in the previous year.

2) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the Society to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of liabilities at the date of financial statements and the reported amount of revenues and expenses during the period reported. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

3) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Society and the revenue can be reliably measured.

(a) Grants income

Financial assistance provided by the donors, funding agencies and Government is recognized in the year when it was received or when the entitlement for the revenue is established. Most of the government grants and assistance received are recognized as revenue when all of the following conditions have been satisfied:

(i) the Society obtains control of the grant or the right to receive the grant;
(ii) it is probable that the contribution will flow to the Society; and
(iii) the amount of the grant can be reliably measured.

The revenue from Grant income is recognized over the periods necessary to match with related costs and only when there is reasonable assurance that the conditions attached to them will be complied and the grants will be received.

(b) Interest income

Interest income is recognized using time proportion method, based on the rate implicit in the transaction.
4) Fixed assets and depreciation

Fixed assets

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

Depreciation

Depreciation of fixed assets is provided as per the rates and in the manner prescribed under Income Tax Act, 1961.

Depreciation on fixed assets is charged on the basis of Written Down Value (WDV) method, at the following rates:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Rate of depreciation (%) as per IT Act, 1961</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building</td>
<td>10</td>
</tr>
<tr>
<td>Furniture and fixtures</td>
<td>10</td>
</tr>
<tr>
<td>Office equipment</td>
<td>15</td>
</tr>
<tr>
<td>Computer</td>
<td>40</td>
</tr>
<tr>
<td>Vehicles</td>
<td>15</td>
</tr>
</tbody>
</table>

5) Foreign currency transactions

Transactions in foreign currency and non-monetary assets are accounted for at the exchange rate prevailing on the date of the transaction. All monetary items denominated in foreign currency are converted at the year-end exchange rate.

The exchange differences arising on such conversion and on settlement of the transactions are dealt with in the Income and Expenditure Account.

6) Balances in Grant accounts

The balances (debit/credit) in the respective grant accounts, representing overspent/unspent amount in respect of completed projects is transferred to the income and expenditure account of the Society when they are considered as not recoverable/payable.

7) Employee benefits

Provident fund

The Society makes contribution to statutory provident fund in accordance with Employees Provident Fund Act and Miscellaneous Provisions Act, 1952. This is a post-employment defined contribution plan and the contribution paid or payable is recognized as an expense in the period in which services are rendered by the employee.

Gratuity

Gratuity is a post-employment benefit and is in the nature of defined benefit plan. The liability recognized in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and post service costs. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method. This is handled with the Life Insurance Corporation of India and administered through a separate society “Society of Development Alternatives Employee Group Gratuity Scheme Trust” set up by the Society of Development Alternatives. The Society’s contribution, being the difference between the actuarial valuation and corpus available with the Life Insurance Corporation of India, is charged to the Income and Expenditure Account.
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

Compensated absences

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognized on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of actuarial valuation performed by an independent actuary using projected unit credit method. Actuarial gains and losses are recognized in the Income and Expenditure Account in the year they arise.

8) Liabilities and provisions

The Society makes a provision when there is a present obligation as a result of a past event where the outflow of economic resources is probable and a reliable estimate of the amount of the obligation can be made.

A disclosure is made for a liability when there is a:

a) possible obligation, the existence of which will be confirmed by the occurrence/non-occurrence of one or more uncertain events, not fully within the control of the Society; or
b) present obligation, where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
c) present obligation, where a reliable estimate cannot be made.

For Walker Chandik & Associates
Chartered Accountants
Firm Registration No.: 001339N

Nitin Toshniwal
Partner
Membership No.: 507568

For and on behalf of the
Society for Development Alternatives

Dr. Vijaya Lakshmi Koneru
Vice President
Vinod Nair
GM Finance

Place: New Delhi
Date: 31 March 2018