Society for Development Alternatives

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

Basis 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 ₹ 31,036,875.

(ii) Foreign contribution of ₹150,859,328 was received by the Society during the financial year 2017-2018.

(iii) Interest accrued on foreign contribution of ₹1,831,715 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

K. Vijaya Lakshmi

Dr. Vijaya Lakshmi Koneru
Vice President

Vinod Nair
GM Finance

Place: New Delhi
Date: 20/12/2018

Society for Development Alternatives
Foreign Contribution Account

Receipts and Payments Account for the year ended 31 March 2018
in respect of amounts received from the foreign sources

	As at 31 March 2018 ₹	As at 31 March 2017 ₹
Opening balance		
Cash in hand	62,261	7,298
Cash at bank	13,630,783	2,615,382
Fixed deposit with bank	17,343,835	62,554,787
	31,036,875	**65,177,467**

Particulars - Name of donors/agencies	Payments ₹	Receipts ₹	Payments ₹	Receipts ₹
Project Grant Expenses				
CAF Clerk2? [illegible]	-	-	416,293	187,495
CAF Wash in Schools		-	164,097	227,627
ANSA [illegible] 2 Phase I	-	169,102	-	
ANSA [illegible]	-	275,794		-
[illegible] Aid ANSA	-	-	2,482,175	2,423,456
[illegible] RBAP Expenditure	133,852	147,900		
DFID TSU [illegible]	-	-	5,617,268	20,080,738
[illegible]	-		48,529	-
EPPI-Resource Mapping	-		857,610	1,654,724
[illegible] Foundation BDD II	5,774,738	802	416,888	19,544,082
[illegible]		-	441,652	-
[illegible] Manufacturing GP	4,246,978	7,571,109	1,797,772	5,090,092
GIZ [illegible]	2,365,261	1,539,260	3,224,873	7,528,347
HBS [illegible]	1,413,550	3,041,923	-	216,311
HBS [illegible] (FCG-263)-Dec'17	396,500	829,500	-	
HBS [illegible]	-	-	697,570	1,255,486
HBS [illegible]	-		1,437,362	123,733
HBF SDG	-		-	165,114
HBF [illegible] (FCG-267)-Dec'18		1,158		-
HSBC [illegible] (FCG-265) Aug'18	200,323	31,222,100		-
HSBC Swades Foundation (FCG-266) April'19	11,406	4,411,449	-	-
[illegible] MSWM	367,634	1,027,311	519,832	199,916
IKEA [illegible] Akshar+ [illegible] (FCG-262) May'2?	15,739,355	62,787,931		
IKEA TARA Akshar+ Adult Literacy II	(2,705,920)		78,508,052	24,445,335
[illegible] (FCG-258) 15 Apr'18	17,058,954	31,903,764	3,919,250	27,195,570
[illegible]	-		1,554,166	
[illegible] Foundation (FCG-261)-Dec'17	638,667	638,661		-
[illegible] (FCG-264) Aug'18	810,691	2,999,808	-	
[illegible]	-	-	1,072,917	1,705,503
[illegible]	50,876		1,598,654	
TARA Akshar+ National Programme-II (FCG-221) Nov'19	2,231,082	-	-	
TARA [illegible] Watershed	-		-	
TARA [illegible] Phase I	-		-	3,446,816
[illegible]	-	-	-	253,120

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Society for Development Alternatives
Foreign Contribution Account

Receipts and Payments Account for the year ended 31 March 2018
in respect of amounts received from the foreign sources

Particulars - Name of donors/agencies	Payments ₹	Receipts ₹	Payments ₹	Receipts ₹
Administrative Expenses				
Salaries, wages and honorarium	46,920,625	-	43,069,389	-
General expenses	13,065,498		4,432,158	-
Other Receipts :				
Interest	-	1,831,715		2,201,707
Travel Reimbursement		52,639		41,073
	110,718,259	**148,927,527**	**145,706,134**	**111,565,642**
Closing balance				
Cash in hand		-	63,261	
Cash at bank	30,599,537	-	13,639,783	
Fixed Deposit with banks	38,646,606	-	17,343,831	
	179,964,402	**179,964,402**	**176,743,009**	**176,743,009**

For Walker Chandiok & Associates
Chartered Accountants
Firm Registration No.: 001329N

Nitin Toshniwal
Partner
Membership No.: 507568

Place : New Delhi
Date : 20/12/2018

For and on behalf of the Society for Development Alternatives

K. Vijaya Lakshmi

Dr. Vijaya Lakshmi Koneru
Vice President

Vinod Nair
GM Finance

Society for Development Alternatives

Foreign Contribution Account

Income and Expenditure Account for the year ended 31 March 2018

	Schedule	Year ended 31 March 2018 ₹	Year ended 31 March 2017 ₹
Income			
Grant income	2	93,292,716	138,897,756
Other income	8	95,956	1,390,479
		93,388,672	**140,288,235**
Expenditure			
Grant expenses	2	49,911,736	100,204,587
Personnel expenses	9	48,920,625	41,069,389
General and administrative expenses	10	11,922,733	4,493,910
Depreciation and amortization	6	497,158	552,398
Finance costs	11	22,082	16,825
		111,274,334	**146,337,109**
(Deficit) for the year transfered to capital and other funds		**(17,885,662)**	**(6,048,874)**

Summary of significant accounting policies and other explanatory information 12

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

For **Walker Chandiok & Associates**
Chartered Accountants
Firm Registration No.: 001329N

Nitin Toshniwal
Partner
Membership No.: 507568

For and on behalf of the Society for Development Alternatives

K. Vijaya Lakshmi

Dr. Vijaya Lakshmi Koneru
Vice President

Vinod Nair
GM Finance

Place : New Delhi
Date : 20/12/2018

Society for Development Alternatives
Foreign Contribution Account
Balance Sheet as at 31 March 2018

	Schedule	As at 31 March 2018 ₹	As at 31 March 2017 ₹
Sources of funds			
Capital			
Capital funds	1	(33,263,767)	(15,378,105)
Liabilities and provisions			
Unspent grants, net	2	112,991,074	55,424,462
Current liabilities	3	22,599	1,141,482
		79,749,906	**41,187,839**
Applications of funds			
Fixed assets	4	4,474,428	4,971,586
Current assets, loans and advances			
Cash and bank balances	5	69,246,143	31,036,875
Loans and advances	6	4,753,335	4,532,437
Other current assets	7	1,276,000	646,941
		75,275,478	**36,216,253**
		79,749,906	**41,187,839**
Summary of significant accounting policies and other explanatory information	12		

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

For **Walker Chandiok & Associates**
Chartered Accountants
Firm Registration No.: 001329N

Nitin Toshniwal
Partner
Membership No. 507568

For and on behalf of the Society for Development Alternatives

K. Vijaya Lakshmi

Dr. Vijaya Lakshmi Koneru
Vice President

Vinod Nair
GM Finance

Place: New Delhi
Date: 2/12/2018

Society for Development Alternatives

Foreign Contribution Account

Schedules forming part of the financial statements as at 31 March 2018

	As at 31 March 2018 ₹	As at 31 March 2017 ₹
Schedule 1 - Capital funds		
As per last balance sheet	(15,378,105)	(9,329,231)
(Deficit) as per income and expenditure account	(17,885,662)	(6,048,874)
	(33,263,767)	**(15,378,105)**
Schedule 2 - Unspent grants, net		
Amount carried forward from previous year	**55,424,462**	**83,075,924**
Add: Amounts received during the year	150,859,328	111,246,294
	206,283,790	194,322,218
Less: Expenditure incurred during the year	93,548,083	142,737,047
	112,735,707	51,585,171
Less: Transferred to income and expenditure account	(255,367)	(3,839,291)
Balance at the end of the year	**112,991,074**	**55,424,462**
Grant income		
Expenditure as per project schedule	93,548,083	142,737,047
Add: Transferred from income and expenditure account	(255,367)	(3,839,291)
	93,292,716	**138,897,756**
Grant expenses		
Expenditure as per project schedule	93,548,083	142,737,047
Less: Salary charged to projects	43,636,347	42,532,460
	49,911,736	**100,204,587**
Schedule 3 - Current liabilities		
Liability towards revolving fund	-	1,131,582
Other liabilities	22,599	9,900
	22,599	**1,141,482**

Schedule 4 - Fixed assets

Assets	As at 1 April 2017 ₹	Additions/ (Deletions)/ (Adjustments) ₹	As at 31 March 2018 ₹	Depreciation for the year ₹	Net block as at 31 March 2018 ₹
Buildings	4,606,202		4,606,202	460,620	4,145,582
Furnitures and fittings	365,384	-	365,384	36,538	328,846
	4,971,586	-	**4,971,586**	**497,158**	**4,474,428**
Previous year	5,523,984	-	5,523,984	552,398	4,971,586

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Society for Development Alternatives

Foreign Contribution Account

Schedules forming part of the financial statements as at 31 March 2018

	As at 31 March 2018 ₹	As at 31 March 2017 ₹
Schedule 5 - Cash and bank balances		
Cash in hand	-	62,261
Balance with bank		
in savings accounts	30,599,537	13,630,783
in deposit accounts	38,646,606	17,343,831
	69,246,143	**31,036,875**
Schedule 6 - Loans and advances		
Tax deducted at source	4,753,335	4,532,437
	4,753,335	**4,532,437**
Schedule 7 - Other current assets		
Interest accrued on deposits	1,276,000	646,941
	1,276,000	**646,941**
Schedule 8 - Other income		
Interest	2,681,672	2,440,771
Other receipts	52,639	879,240
	2,734,311	3,320,011
Less: Interest credited to projects	2,638,355	1,929,532
	95,956	**1,390,479**
Schedule 9 - Personnel expenses		
Salaries and wages	44,672,293	37,515,380
Contribution to provident and other funds	2,855,950	2,507,642
Staff welfare expenses	1,392,382	1,046,367
	48,920,625	**41,069,389**
Schedule 10 - General administrative expenses		
Travel and conveyance	-	22,143
Payment to auditors	10,030	-
Insurance		176,368
Consultancy and professional charges	11,912,703	4,277,374
Advance written off	-	18,025
	11,922,733	**4,493,910**
Schedule 11 - Finance charges		
Bank charges	22,082	16,825
	22,082	**16,825**

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Society for Development Alternatives
Foreign Contribution Account
Annexure - 'B' forming part of the financial statements as on 31 March 2018

(Figures in ₹)

Particulars	Balance as at 1 April 2017	Receipts	Total	Expenses / disbursements	Salary Charged	Expenses / disbursements	Transfer to income and expenditure account	Balance as at 31 March 2018
CANSA/APN FCG-2 Phase Receipt	(112,319)	109,102	(3,217)	-		-	(3,217)	-
CANSA-LCD Receipt	(425,511)	273,294	(152,217)			-	-	(152,217)
FORD Foundation-BIDD II (FG-259) Dec'18	10,259,194	802	10,259,996	8,403,638	2,628,900	5,774,738		1,856,358
GEC-Mainstreaming GE (FG-257) Sep'19	27,320	7,071,109	7,098,429	8,117,578	3,870,600	4,246,978	-	(1,019,149)
GIZ-REEEP (FG-239) June'17	1,587,666	1,538,260	3,125,926	3,015,261	650,000	2,365,261	110,665	-
HBF-CTF (FG-260) DEC'17	145,311	2,092,273	2,237,584	2,242,550	829,000	1,413,550	(4,966)	-
HBF Eco SDGs-(FG-263)-Oct17	-	829,509	829,509	829,509	439,000	390,509	-	-
HBF-WF (FG-267)-Dec'18		1,158	1,158	144,000	144,000	-		(142,842)
HSBC RE (FG-265)-Aug18	-	31,222,100	31,222,100	1,452,323	1,252,000	200,323	-	29,769,777
HSBC-Swades Foundation-(FG-266)--April'19	-	4,411,449	4,411,449	158,806	147,400	11,406	-	4,252,643
IFEG-MSWM (FG-250) Aug'17	(268,483)	1,027,311	758,828	960,864	593,250	367,614		(202,036)
IKEA - Tara Akshar+ AL- Ph.III-(FG-262) May'20		64,449,268	64,449,268	16,917,155		16,917,155	-	47,532,113
IKEA TARA Akshar+ Adult Literacy II (FG 225)May'16	5,373,809	-	5,373,809	5,744,553	8,450,473	(2,705,920)	(370,744)	-
TARA Akshar+ National Programme II (FG-226) Nov'19	16,216,506	1,177,800	17,394,306	17,394,306	15,163,224	2,231,082		-
La Caixa-W4P (FG-258) 15Apr'18	22,579,340	32,825,709	55,396,049	24,933,954	7,875,000	17,058,954	-	30,462,095
DA-Cocacola-RBAP-Expenditure		147,000	147,000	133,852		133,852	13,148	
Sehgal Foundation- (FG-261)-Dec'17		638,661	638,661	638,667		638,667	(6)	-
Shakti Brick IV (FG-264) - Aug'18	-	3,044,523	3,044,523	2,410,191	1,593,500	816,691		634,332
SSEF Brick III (FG-244)May'17	50,629	-	50,629	50,876	-	50,876	(247)	
	55,424,462	**150,859,328**	**206,283,790**	**93,548,083**	**43,636,347**	**49,911,736**	**(255,367)**	**112,991,074**

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 is registered under Societies Registration Act, 1860 vide no. S/12964 dated 12 October 1982 under State of Delhi and is registered under Sec. 12A of the Income Tax Act, 1961

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 231650202 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 those 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, as the following rates:

Particulars	Rate of depreciation (%) as per IT Act, 1961
Building	10
Furniture and fixtures	10
Office equipment	15
Computer	40
Vehicles	15

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 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 past service costs. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method. This is funded with the Life Insurance Corporation of India and administered through a separate society "Society of Development Alternative Employee Group Gratuity Scheme Trust" set up by the Society of Development Alternative. 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 with-in 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 Chandiok & Associates
Chartered Accountants
Firm Registration No.: 001329N

Nitin Toshniwal
Partner
Membership No.: 507568

For and on behalf of the Society for Development Alternatives

K. Vijaya Lakshmi

Dr. Vijaya Lakshmi Koneru
Vice President

Vinod Nair
GM Finance

Place: New Delhi
Date: 26/9/2018