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SAHAY - FCRA

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## Unique Document Identification Number(UDIN) for Practicing Chartered Accountants

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### Generate UDIN

Preview



Membership Registration Number or MRN:	052473	
Member Name:	MADHAB PRASAD THAKUR	
E-mail ID:	mpt@tva.co.in	
Your Firm Registration No. or FRN:	000038N - THAKUR VAIDYANATH A	
* Document Type:	Certificates GST and Tax Audit Audit and Assurance Functions	
* Type of Audit	Statutory Audit - Non Corporate	
* Under Act / Law / Statute / Regulation	Societies Registration Act, 1860	
* Date of signing of Document (dd/mm/yyyy):	14-09-2023	
<b>Keywords/Values: (Do not disclose client details)</b>		
<b>S.no.</b>	<b>Particulars</b>	<b>Figures</b>
1.	Financial Year	01-04-2022-31-03-2023
3.	Gross Turnover/Gross Receipt	Rs.19,64,83,744
4.	Shareholder Fund/Owners Fund	Rs.1,43,77,836
5.	Net Block of Property, Plant & Equipment	Rs.4,35,04,960
* Document Description:	Independent Auditors Report	
Remarks:(Internal Reference Notes/Remarks. These will not be shown to Authority.)	Sahay FCRA- 2022-23	

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## **Independent Auditor's Report**

**To the Members of SAHAY**

### **Report on the Audit of the Foreign Contribution Account (FCA) Financial Statements**

#### **Opinion:**

We have audited the accompanying financial statements of SAHAY ("the Society"), which comprise the FCA Balance Sheet as at March 31, 2023, the FCA Income and Expenditure account and the FCA Receipts and Payments Account for the year then ended and notes to FCA financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "FCA Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid FCA financial statements have been prepared in all material respect in accordance with the provisions of section 19 of the Foreign Contribution (Regulation) Act, 2010 ("the Act") read with Rule 11 of Foreign Contribution (Regulation) Rules, 2011 as amended from time to time ("the Rules") and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Society as at March 31, 2023 and its deficit for the year then ended and the position of receipts and payments for the year ended.

#### **Basis for Opinion:**

We conducted our audit in accordance with applicable Standards on Auditing (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the FCA Financial Statements section of our report. We are independent of the Society in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the FCA financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the FCA financial statements.



## **Emphasis of Matter**

We draw attention to the following matters in the notes to the FCA financial statement

Note no. 1(b) to the FCA financial statements, which describes the basis of accounting. The FCA financial statements are prepared for the purpose of onward submission to the Secretary, Government of India, Ministry of Home Affairs, New Delhi as required under Rule 17 of the Rules. As a result, the FCA financial statements and our report thereon may not be suitable for another purpose.

Our opinion is not modified in respect of these Matters.

## **Responsibilities of Management for the FCA Financial Statements:**

The Society's management is responsible for the preparation of these FCA financial statements that give a true and fair view of the financial position, financial performance and position of receipts and payments of the Society in accordance with the accounting principles generally accepted in India including the applicable Accounting Standards. This responsibility also includes maintenance of adequate accounting records in respect of foreign contribution received and utilized in accordance with the provisions of section 19 of the Act read with Rule 11 of the Rules. The society's management is also responsible for safeguarding of the assets of the Society and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal controls; relevant to the preparation and presentation of the FCA financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the FCA financial statements, the management is responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Society or to cease operation, or has no realistic alternative but to do so.

The management of the Society is also responsible for overseeing the Society's financial reporting process.



## **Auditor's Responsibilities for the Audit of the Financial Statements:**

Our objectives are to obtain reasonable assurance about whether the FCA financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these FCA financial statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identified and assess the risks of material misstatement of the FCA financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtained an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Concluded on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exist related to events or conditions that may cast significant doubt on the Society's ability to continue as going concern, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the FCA financial statements, including the disclosures, and whether the FCA financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



- We communicated with the management regarding, among other matter, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.
- We also provide the management with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### Other Matter

The Society has also prepared a separate set of financial statements for the year ended March 31, 2023 in accordance with the west Bengal Societies Registration Act, 1961, on which we issued a separate independent auditor's report to the Members of the Society dated 14.09.2023

For Thakur, VaidyanathAiyar& Co.  
Chartered Accountants  
FRN: 000038N



(M. P Thakur)  
Partner  
M. No.: 052473

Place: Kolkata

Date: 14.09.2023

UDIN: 23052473BRUBX24762



**SAHAY**  
**Foreign Contribution Account**  
**Balance Sheet as at 31st March, 2023**

(Amount in Rs.)

**I. SOURCES OF FUNDS**

CAPITAL FUND

EARMARKED FUND

CURRENT LIABILITIES & PROVISIONS

**TOTAL**

**II. APPLICATION OF FUNDS**

PROPERTY, PLANT AND EQUIPMENTS AND  
INTANGIBLE ASSETS

CURRENT ASSETS, LOANS & ADVANCES

Cash and Bank Balances

Inventory

Loans & Advances

**TOTAL**

Note No.	As at 31st March, 2023	As at 31st March, 2022
2	1,43,77,836	4,08,48,921
3	8,77,457	-
4	4,49,92,574	48,40,408
	<b>6,02,47,867</b>	<b>4,56,89,329</b>
5	4,35,04,960	4,20,29,498
6	1,56,22,102	26,87,277
	4,17,830	18,189
7	7,02,975	9,54,365
	1,67,42,907	<b>36,59,831</b>
	<b>6,02,47,867</b>	<b>4,56,89,329</b>

Significant Accounting Policies and Notes to Financial Statements

1

The Note No. 1 to 13 form an integral part of the Financial Statements.

This is the Foreign Contribution Account Balance Sheet referred to in our report of even date.

For Thakur Vaidyanath Aiyar & Co  
Chartered Accountants  
ICAI Firm Registration No. 000038N

For and on behalf of SAHAY



(M.P. Thakur)  
Partner  
Membership No. 052473

  
(Gautam Ghosh)  
President

  
(Seema Paul)  
Secretary

Place: Kolkata

Date: 14-09-2023



**SAHAY**  
**Foreign Contribution Account**  
**Income and Expenditure Account for the year ended 31st March, 2023**

(Amount in Rs.)

**INCOME**

Foreign Contribution  
Other Income  
Profit on sale of asset

**Total Income**

**EXPENDITURE**

Administrative Expenses  
Program Expenses  
Depreciation/Amortisation & Impairment Expenses  
Unrecoverable TDS / Security Deposit written off

**Total Expenditure**

**Excess/(Deficit) of Income over Expenditure carried to Capital Fund**

Significant Accounting Policies and Notes to Financial Statements

Note No.	Year ended 31st March, 2023	Year ended 31st March, 2022
8	19,52,83,231	20,69,88,332
9	11,72,788	14,98,217
	27,725	
	<b>19,64,83,744</b>	<b>20,84,86,549</b>
10	2,58,50,068	2,29,09,552
11	19,25,61,675	18,10,65,805
5	45,32,309	31,15,209
	10,776	1,41,424
	<b>22,29,54,829</b>	<b>20,72,31,991</b>
	<b>(2,64,71,084)</b>	<b>12,54,558</b>

1

The Note No. 1 to 13 form an integral part of the Financial Statements.

This is the Foreign Contribution Account Balance Sheet referred to in our report of even date.

For Thakur Vaidyanath Aiyar & Co  
Chartered Accountants  
ICAI Firm Registration No. 000038N



(M.P. Thakur)  
Partner  
Membership No. 052473

For and on behalf of SAHAY



(Gautam Ghosh)  
President



(Seema Paul)  
Secretary

Place: Kolkata

Date: 14-09-2023





**SAHAY**  
**Foreign Contribution Account**  
**Receipts and Payments Account for the year ended 31st March, 2023**

(Amount in Rs.)

	Year ended 31st March, 2023	Year ended 31st March, 2022
<b>Opening Cash and Bank Balances:</b>		
Cash in Hand	1,40,000	1,40,000
Balances with Banks		
- Kotak Mahindra Bank Limited (FCRA Account)	24,42,261	61,26,905
- State Bank of India (FCRA Account)	1,05,016	-
<b>Total (A)</b>	<b>26,87,277</b>	<b>62,66,905</b>
<b>Receipts</b>		
<b>Contribution</b>		
Foreign Contribution Received	19,52,83,231	20,69,88,332
<b>Other Receipts</b>		
Interest Received	11,47,522	14,55,770
Miscellaneous Receipts	37,850	28,000
Security deposit refund received	1,86,000	2,85,000
Insurance Claim Received	-	-
<b>Total Receipts (B)</b>	<b>19,66,54,603</b>	<b>20,87,57,102</b>
<b>Payments</b>		
<b>Revenue Expenditure</b>		
Administrative Expenses	2,54,18,972	2,46,70,380
Sub-Total	<b>2,54,18,972</b>	<b>2,46,70,380</b>
<b>Program Expenses</b>		
Program Implementation Expenses	2,96,21,819	2,47,00,558
Training and Development Expenses	23,37,023	3,64,328
Educated Program Expenses	5,61,66,618	3,22,54,360
Into Employment Program Expenses	1,23,69,880	20,96,159
Health Equity Program expenses	1,36,82,227	1,41,01,171
Empowered Program Expenses	-	1,43,247
Exhibiting Healthy Behaviour Program Expenses	-	42,28,901
Special Project Expenses	88,70,515	2,61,89,992
Universal Values & Other Activities Program Expenses	12,04,524	4,58,046
Life Skills Program Expenses	13,06,721	-
Connecting with Families Program Expenses	6,68,342	9,55,385
Economic Assistance Program Expenses	2,59,92,265	7,71,67,090
Sub-Total	<b>15,22,19,934</b>	<b>18,26,59,237</b>



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(Amount in Rs.)

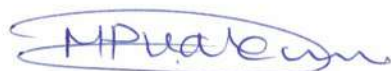
	Year ended 31st March, 2023	Year ended 31st March, 2022
<b>Capital Expenditure</b>		
Building	-	23,91,212
Computer	46,97,254	11,01,530
Furniture & Fixtures	95,580	-
Intangible Assets	35,872	-
Office Equipment	4,76,241	1,25,275
Vehicles	3,59,028	-
Electrical Equipment	1,24,471	9,85,885
Less: Outstanding for CY	-	1,21,206
Add: Payment of Outstanding Liability of PY	1,21,206	2,57,688
<b>Sub-Total</b>	<b>59,09,652</b>	<b>47,40,384</b>
<b>Advance/Others</b>		
Security Deposits Provided	1,23,500	2,38,855
Program Activity Advance	4,746	11,649
TDS on FDR Interest	24,085	16,225
TCS on Purchase of Goods	18,888	-
<b>Sub-Total</b>	<b>1,71,219</b>	<b>2,66,729</b>
<b>Total Payments</b>	<b>(C) 18,37,19,777</b>	<b>21,23,36,730</b>
<b>Closing Balance</b>	<b>(D=A+B-C) 1,56,22,103</b>	<b>26,87,277</b>
<b>Closing Cash and Bank Balances:</b>		
Cash in Hand	1,40,000	1,40,000
Balances with Banks		
- Kotak Mahindra Bank Limited (FC-Utilisation A/c)	1,53,88,523	24,42,261
- State Bank of India (Designated FCRA Account)	93,580	1,05,016
<b>Total</b>	<b>1,56,22,102</b>	<b>26,87,277</b>

The Note No. 1 to 13 form an integral part of the Financial Statements.

This is the Foreign Contribution Account Balance Sheet referred to in our report of even date.

For Thakur Vaidyanath Aiyar & Co  
Chartered Accountants  
ICAI Firm Registration No. 000038N

For and on behalf of SAHAY



(M.P. Thakur)  
Partner  
Membership No. 052473



(Gautam Ghosh)  
President



(Seema Paul)  
Secretary

Place: Kolkata  
Date: 14-09-2023



**SAHAY**

**Notes forming part of the Foreign Contribution Account Financial Statements**

Note

(Amount in Rs.)

**2 Capital Fund**

Opening Balance  
- Excess / (Deficit) of Income over Expenditure  
**Closing Balance**

As at 31st March, 2023	As at 31st March, 2022
4,08,48,921	3,95,94,363
(2,64,71,084)	12,54,558
<b>1,43,77,836</b>	<b>4,08,48,921</b>

(Amount in Rs.)

**3 Earmarked Fund**

(Refer Note No 5 of Note No.1(C))  
For Leave Encashment

As at 31st March, 2023	As at 31st March, 2022
8,77,457	-
<b>8,77,457</b>	-

(Amount in Rs.)

**4 Current Liabilities & Provisions**

Provision for Gratuity  
Liability for Expenses

As at 31st March, 2023	As at 31st March, 2022
9,45,565	15,71,623
4,40,47,009	32,68,785
<b>4,49,92,574</b>	<b>48,40,408</b>

(Amount in Rs.)

**6 Cash and Bank Balances**

Cash in Hand  
Balances with Banks  
- Kotak Mahindra Bank Limited (FC-Utilisation A/c)  
- State Bank of India (Designated FCRA Account)

As at 31st March, 2023	As at 31st March, 2022
1,40,000	1,40,000
1,53,88,523	24,42,261
93,580	1,05,016
<b>1,56,22,102</b>	<b>26,87,277</b>

**SAHAY**

**Notes forming part of the Foreign Contribution Account Financial Statements**

(Amount in Rs.)

**7 Loans & Advances**

Security Deposits  
TDS Receivable  
Tax Collected at Source  
Other Receivable  
Program Activity Advance

As at 31st March, 2023	As at 31st March, 2022
4,09,451	6,78,555
59,248	35,163
29,530	10,642
4,746	18,356
2,00,000	2,11,649
<b>7,02,975</b>	<b>9,54,365</b>

(Amount in Rs.)

**8 Contribution Received (Refer Note No. 13)**

-From Children International, USA

Year ended 31st March, 2023	Year ended 31st March, 2022
19,52,83,231	20,69,88,332
<b>19,52,83,231</b>	<b>20,69,88,332</b>



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**SAHAY**  
Notes forming part of the Foreign Contribution Account Financial Statements

(Amount in Rs.)

**9 Other Income**

Interest Received from Bank  
Miscellaneous Receipts  
Interest on Security Deposits

Year ended 31st March, 2023	Year ended 31st March, 2022
11,47,522	14,55,770
25,266	28,000
<b>11,72,788</b>	<b>14,98,217</b>

**10 Administrative Expenses**

**Payroll Expenses**

Salaries & Allowances  
Contribution to Gratuity Fund  
Provision for Leave Encashment  
Contribution to Provident Fund  
Staff Welfare Exp-Mediclaim

Total (A)

**Other Administrative Expenses**

Rent  
House Keeping Expenses at Central Office  
Repair & Maintenance  
Insurance Expense  
Telephone & Internet Expenses  
Legal & Professional Charges Etc  
Travelling and Conveyance  
Printing, Stationery & Supplies  
Courier, Postage and AMC charges  
Board Meeting Expense  
Bank Charges  
Electricity expense  
Other professional charges  
Training & Meeting Expenses  
Documentation costs  
Payments to the Auditor

Total (B)

**Total A + B**

(Amount in Rs.)

Year ended 31st March, 2023	Year ended 31st March, 2022
1,57,26,603	1,36,13,290
12,77,530	10,13,753
4,48,784	
25,81,195	24,52,000
2,37,799	1,84,080
<b>2,02,71,911</b>	<b>1,72,63,123</b>
8,99,150	10,98,272
4,60,583	4,99,621
4,49,695	5,51,348
1,37,866	1,51,890
4,33,257	5,63,075
5,85,072	4,99,719
4,07,506	3,22,896
4,65,411	6,78,600
1,713	15,385
39,058	18,875
1,97,110	79,075
74,960	1,89,250
58,143	2,72,084
8,59,868	68,877
2,59,887	2,64,961
2,48,878	3,72,501
<b>55,78,158</b>	<b>56,46,429</b>
<b>2,58,50,068</b>	<b>2,29,09,552</b>



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**SAHAY**

**Notes forming part of the Foreign Contribution Account Financial Statements**

(Amount in Rs.)

**11 Program Expenses**

Educated Program Expenses	8,81,04,088	3,23,12,509
Into Employment Program Expenses	1,51,70,828	20,96,159
Health Equity Program expenses	1,52,03,488	1,40,30,762
Empowered Program Expenses	-	6,174
Exhibiting Healthy Behaviour Program Expenses	-	43,34,193
Special Project Expenses	1,26,83,765	2,60,78,233
Training and Development Expenses	23,37,023	3,64,328
Connecting with Families Program Expenses	6,17,743	10,78,541
Life Skills Program Expenses	13,61,877	
Economic Assistance Program Expenses	2,59,92,265	7,73,87,590
Program Implementation Expenses	2,98,47,068	2,29,72,544
Universal Values & Other Activities Program Expenses	12,43,530	4,04,773
	<b>19,25,61,675</b>	<b>18,10,65,805</b>

	Year ended 31st March, 2023	Year ended 31st March, 2022
	8,81,04,088	3,23,12,509
	1,51,70,828	20,96,159
	1,52,03,488	1,40,30,762
	-	6,174
	-	43,34,193
	1,26,83,765	2,60,78,233
	23,37,023	3,64,328
	6,17,743	10,78,541
	13,61,877	
	2,59,92,265	7,73,87,590
	2,98,47,068	2,29,72,544
	12,43,530	4,04,773
	<b>19,25,61,675</b>	<b>18,10,65,805</b>

**12 Contingent Liabilities (to the extent not provided for) :**

(Amount in Rs.)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Claims against the Society not acknowledged as debts:		
Provident Fund demand u/s 14B and u/s 7Q of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952	68,58,608	68,58,608
TDS demand (as per portal) Liability under Rectification	33,580	
<b>Total</b>	<b>68,92,188</b>	<b>68,58,608</b>

**13 Details of adjustments against Contribution :**

(Amount in Rs.)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
<b>Contribution Sanctioned by Children International(USA) (Refer Accounting Policies 1.03 of Note-1C)</b>	<b>19,59,09,156</b>	<b>20,74,75,960</b>
Less: Amount adjusted by Children International, USA on account of Courier Charges, Annual Maintenance Charges Renewal and other expenses	6,25,925	5,18,920
Add: Reimbursement of Expenses		31,292
<b>Contribution Received</b>	<b>19,52,83,231</b>	<b>20,69,88,332</b>



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## SAHAY

## Notes forming part of the Foreign Contribution Account Financial Statements

## Note 5. Property, Plant and Equipments and Intangible Assets.

(Amount in Rs.)

Particulars	Written Down Value as on 1st April, 2022	Purchase			Assets sold during the year	Total	Rate of depreciation	Depreciation amount	Written Down Value as on 31st March, 2023
		More than 180 days	Less than 180 days	Total Addition					
Free hold land	1,83,60,091			-		1,83,60,091	0%	-	1,83,60,091
Buildings#	1,58,83,032		2,29,450	2,29,450		1,61,12,482	10%	15,99,776	1,45,12,706
Furniture & Fixtures	11,43,970	-	95,580	95,580		12,39,550	10%	1,19,176	11,20,374
Office Equipment	17,72,623	-	4,76,241	4,76,241		22,48,864	15%	3,01,612	19,47,252
Electrical Equipment	19,11,661	66,971	57,500	1,24,471		20,36,132	15%	3,01,107	17,35,025
Computers	15,95,301	17,96,196	29,01,058	46,97,254	10,125	62,82,430	40%	19,32,760	43,49,670
Vehicles	12,56,487	3,59,028		3,59,028		16,15,515	15%	2,42,327	13,73,188
<b>Subtotal</b>	<b>4,19,23,165</b>	<b>22,22,195</b>	<b>37,59,829</b>	<b>59,82,024</b>	<b>10,125</b>	<b>4,78,95,064</b>		<b>44,96,758</b>	<b>4,33,98,306</b>
Intangible Assets	1,06,333	35,872		35,872	-	1,42,205	25%	35,551	1,06,654
<b>Total</b>	<b>4,20,29,498</b>	<b>22,58,067</b>	<b>37,59,829</b>	<b>60,17,896</b>	<b>10,125</b>	<b>4,80,37,269</b>		<b>45,32,309</b>	<b>4,35,04,960</b>
<b>Previous Year</b>	<b>1,22,84,238</b>	<b>20,79,364</b>	<b>3,07,81,105</b>	<b>3,28,60,469</b>	<b>-</b>	<b>4,51,44,707</b>		<b>31,15,209</b>	<b>4,20,29,498</b>

#Amount of Rs 2,29,450/- paid to CESC Ltd During F.Y. 2021-22 was treated as Security Deposit refundable erroneously, however the same has been Capitalised and shown as addition to building in current year.



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## SAHAY

### 1 Significant Accounting Policies and Notes to Foreign Contribution Account Financial Statements

#### (A) Background Information

Sahay (the 'Society') is a society registered under The West Bengal Societies Registration Act, 1961 vide Registration No. SO063545 dated 13.12.1989. The Society is engaged in child sponsorship programs in Kolkata through its own Community Centres and at various districts of West Bengal through its Cluster Offices and Partner Projects (upto 28th Sept 2020), addressing the needs of vulnerable children in areas of health, education, nutrition, empowerment and employment.

The Society is also registered under section 12A (1) of the Income Tax Act, 1961 vide Registration Number DIT(E)/0E/147/90-91/3760 dated 20th Oct 1991. The said registration has been renewed vide Registration Number AAAAS4298ME20214 dated 28-05-2021 from the AY 2022-23 to AY 2026-27.

The Society was granted Exemption under Section 80 G (5) (vi) of the Income tax act 1961 vide Registration number DIT(E)/648/8E/147/90-91 since 17th January 2008, further renewed on 10th March 2011. The said exemption has been renewed vide Approval Number AAAAS4298MF20214 by the DS DIT (CPC) dtd. 28-05-2021 from AY 2022-23 to AY 2026-27.

The Society is also registered under The Foreign Contribution (Regulation) Act, 1976 bearing Registration No. 147120397 dt.11.02.1991 which was valid till 31st Oct 2016 and the same was renewed subsequently under the Foreign Contribution (Regulation) Act, 2010 ('FCRA') for the period of five years from 1st Nov 2016 to 30th Oct.2021 vide letter No. 0300002712015 dated 22nd Aug .2016.

In terms of Provisions contained in Section 16 of the Foreign Contribution (Regulation) Act, 2010 ('FCRA') read with Rule 12 thereof as amended from time to time, Sahay has applied for renewal of registration vide application dated 17th June 2021 for which approval is awaited .The Ministry of Home Affairs , Government of India, New Delhi has extended the renewal of FCRA registration upto 30th September 2023 vide notification number II/21022/23(22)/2020-FCRA-III Dated 24th March 2023.

The Society is also registered with the Niti Ayog, Government of India vide registration no. WB/2017/0169745 for carrying out the notified Company Social Responsibilities activities.

#### (B) Significant Accounting Policies :

##### 1.1 Basis of Preparation

These Foreign Contribution Account ('FCA') financial statements have been prepared in accordance with the provisions of Foreign Contribution (Regulation) Act, 2010 read with Foreign Contribution (Regulation) Rules, 2011 as amended from time to time, the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) to the extent applicable to the Society and the generally accepted accounting principles in India, under the historical cost convention, on accrual basis.

##### 1.2 Use of Estimates

The preparation of FCA financial statements requires the management to make estimates and assumptions which are considered to arrive at the reported amount of assets and liabilities and disclosure of contingent liabilities as on the date of FCA financial statements and the reported income and expenses during the reporting year. Although these estimates are based upon the management's best knowledge of current events and actions, actual results could differ from these estimates. The difference between the actual results and the estimates are recognised in the period in which the results are known/materialised. Any revision to the accounting estimates are recognised prospectively in the current and future years.



### 1.3 Contribution and Income Recognition

(a) All contributions received are recognised to the extent it is probable that, it can be reliably measured and it is reasonable to expect ultimate collection. Foreign Contribution recognised as Income is net of adjustment for amount deducted by Children International on account of courier charges, Annual Maintenance Charges for Sun system & Other expenses out of Grant (sanctioned) i.e. Foreign Contribution remitted in SBI, FC designated Bank account/Inward Foreign Remittance Certificate and Foreign Contribution regulation Act, 2010 and Rules framed thereunder

(b) Other Income, if any, is recognised on accrual basis.

### 1.4 Property Plant & Equipment and Intangible assets

Property Plant & Equipment and Intangible assets purchased have been recognised at cost of acquisition including duties, taxes and other costs incurred to put the asset to use.

Sales/discard of fixed assets is accounted for as follows:-

- a) Sales proceeds of items of fixed assets are reduced from the block of assets to which such items belong.
- b) Where the entire block of fixed asset is no longer usable/available for use, the written down value is reduced to zero.

### 1.6 Depreciation

Property Plant & Equipment and Intangible assets other than Freehold Land are depreciated as per written down value method over their useful lives determined by the management as per the rates prescribed under the Income-tax Act, 1961 which represent the management's estimate of useful lives of respective assets.

### 1.7 Inventories

Inventories comprise of gifts purchased for distribution and are valued at lower of cost and net realizable value. The comparison of cost and net realizable value is made on an item on item basis. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a first in first out basis. Inventories includes stock at community centers and clusters.

### 1.8 Foreign Currency Transactions

- (i) The foreign currency transactions entered into by the Society are accounted at the exchange rate prevailing on the date of the transaction.
- (ii) Foreign currency monetary items outstanding as at Balance Sheet date are restated at year end exchange rate. Non-monetary items are carried at historical cost.
- (iii) The exchange differences on the transactions and translations, if any, are recognized in the Income & Expenditure Account.

### 1.9 Retirement & Other Employee Benefits

(a) *Defined Contribution Plan*

Contribution to Provident Fund is provided as per prescribed rates prevailing in Employees' Provident Funds

(b) *Defined Benefit Plan*

(i) Gratuity Liability is a defined benefit obligation and the Society accounts for its Gratuity Liability for every completed year of service at the rate of 15 days salary (refer Section 10(10) of Income Tax ) based on the last drawn salary made at the year end, assuming that the Gratuity is payable to all the employees at the end of the accounting year. The Provision for Gratuity Liability is made based on the actuarial valuation determined under *Projected Unit Credit (PUC)* method as per AS-15(Revised) and the contribution is made to an approved irrecoverable Gratuity Trust administered by the trustees through Life Insurance Corporation of India.



*Signature*



(ii) The Provision for Leave Encashment liability is made based on the actuarial valuation determined under Projected Unit Credit(PUC) method as per AS-15(Revised) at the year end.

#### 1.10 Provisions and Contingent Liabilities

A provision is recognised when the Society has a present obligation as a result of past event and it is probable that outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the FCA Balance Sheet date. These are reviewed at each FCA Balance Sheet date and adjusted to reflect the current best estimates. Contingent Liabilities are not recognised but are disclosed in the notes to FCA financial statements.

#### (C) Notes to accounts

##### 1 FCRA Bank Account

- i) The Society maintains Saving Bank account No. 1511836034 with Kotak Mahindra Bank Limited, 95 Priya Cinema Building, Rash Behari Avenue, Kokata, West Bengal, 700029. "The FC Designated another FCRA Account" which is maintained exclusively to receive Foreign Contribution Since 18th Jan 2018 till 31st March 2021. The Society has filed change request in Form FC-6 on 11th March 2021 to GOI, Ministry of Home Affairs from FC Designated Bank for FCRA Utilisation Account and the same has been approved on 12-03-2021.
  - ii) Pursuant to the amendment to section 17(1) of Foreign Contribution (Regulation) Act, 2010 dated 29th Sept 2020, the Society has opened "FC Designated Bank Account" with State Bank of India, Main Branch Sansad Marg, New Delhi - 110001, vide FCRA Current Account No. 40056761927 w.e.f. 5th March 2021 for receipt of Foreign Contribution exclusively. The opening of this Bank Account was intimated in FC - 6C dated 11th March 2021 to Ministry of Home Affairs, Government of India, New Delhi and the same has been approved on 12th March 2021.
- 2 The Society did not receive any donations in kind during the financial year or in previous financial year.
  - 3 The liability for Leave encashment has been provided for on accrual basis w.e.f. the current financial year based on actuarial valuation as per AS-15(Revised) refer Accounting Policy Note no. 1(B),1.09 b(ii)., however such liability is provided from current financial year.
  - 4 The society has not paid any remuneration to the members of Governing Body. The details of remuneration to
  - 5 The Earmarked Fund for Leave Encashment is represented by investment held in Fixed Deposit with Scheduled Bank.



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- 6 Upto the financial year 2021-22, Foreign Contribution income was treated as gross FC sanctioned as per budget of the funding agency and the amount deducted by funding agency to meet the expenses incurred for such remittance (i.e. Annual Maintenance Charges, Courier Charges & others) was shown as expenses under administrative expense in the account of the Society (SAHAY). However, with effect from Financial Year 2022-23 in the income and expenditure on foreign contribution income is shown on actual foreign contribution remittance received in the FC Bank Account and expenditure is also based on foreign contribution utilisation out of FC Bank account in order to align with the Foreign Contribution(Regulation) Act and rules thereof so as to match them with FCRA Quarterly and Annual Return filled to Ministry of Home Affairs,GOI, New Delhi by the Society(SAHAY). Accordingly the previous year figures have also been regrouped to match as per Accounting Standard -1. This has no effect on the surplus or deficit for the current/previous year (also refer note-13).
- 7 (a) The previous financial year figures have been regrouped, rearranged, recast wherever necessary to confirm the current year's figures/classification.
- (b) The amount has been rounded off to the nearest rupee.

For Thakur Vaidyanath Aiyar & Co  
Chartered Accountants  
ICAI Firm Registration No. 000038N

For and on behalf of SAHAY



(M.P. Thakur)  
Partner  
Membership No. 052473



(Gautam Ghosh)  
President

(Seema Paul )  
Secretary

Place : Kolkata  
Date : 14-09-2023

UDIN

