



S. Sahoo & Co.

Chartered Accountants

Independent Auditor's Report

To,
The Members of Board
National Skills Foundation of India, Gurugram

Report on the Financial Statements

Opinion

1. We have audited the accompanying financial statements (Pertaining to Foreign Contribution) of **National Skills Foundation of India**, FCRA Registration No.: 172270088 [Registration No. 8712 dated 21.08.2009 Registered under the Trust Act (the "Trust"), which comprise the Balance Sheet as at 31 March 2022, the Income and Expenditure Account, Receipt and Payment Account for the year then ended, and significant accounting policies and notes to the financial statements.
2. In our opinion and to the best of our information and according to the explanations given to us the aforesaid financial statements give the information required by the Act in the manner so required and comply, in all material respects, with the conditions laid down in the Scheme for the management and administration of the Trust and the rules made thereunder, to the extent relevant and applicable, and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Trust as at 31 March 2022, and its surplus for the year ended on that date.

Basis of Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Trust in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') 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.

Responsibilities of the management for the Financial Statements

4. The Trust ('management') is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Trust in accordance with the accounting principles generally accepted in India. This responsibility also



includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Trust 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 financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

5. In preparing the financial statements, management is responsible for assessing the Trust'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 Trust or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

6. Our objectives are to obtain reasonable assurance about whether the 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 Standards on Auditing 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 financial statements.
7. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence including the utilization certificates submitted by the sub-recipients, 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.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
 - Conclude on the appropriateness of Trust's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a



going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, 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 Trust to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
8. We communicate with the management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other Matter

9. We have also issued our audit report as per Form No. 10B pursuant to the requirements of section 12A (1) (b) of the Income-tax Act, 1961.

Report on Other Legal and Regulatory Requirements

10. We also report on the following points as under for the year ended 31 March 2022:
- a. Trust has maintained its books of accounts in electronic mode. The books of accounts are updated and maintained by the finance department of the Trust on regular basis. The books of accounts are maintained in Gurugram location. In our opinion and accordingly information provided to us, proper books of accounts are maintained by the Trust and the same is maintained in accordance with the provisions of the Act and the rules made thereunder;
 - b. Receipts and disbursements are properly and correctly shown in the accounts;
 - c. The cash balance, vouchers, bank book etc. are in custody of Chief Executive Officer and the same are in agreement with Books of account on the date of our audit;
 - d. All books, deeds, accounts, vouchers or other documents or records required by us were produced for audit;
 - e. Finance team of the Trust appeared before us and furnished all information required for audit;
 - f. In our opinion and according to the information provided to us, no property or funds of the Trust were applied for any object or purpose other than the object or purpose of the Trust;
 - g. Trust has invested its surplus in fixed deposit of scheduled Bank as defined in Reserve Bank of India Act, 1934 as well as under the provisions of section 11(5) of the Income Tax Act.
 - h. In our opinion and according to the information provided to us, in this year there is no alienation in the immovable property of the Trust wherever applicable;



- i. There is no special matter which we may think fit or necessary to bring to the notice of Board Members or any other user of the financial statement, status of major compliance is as under ;
- a. Trust has filed its Income Tax Return for the Financial Year 2020-21 on or before the due date prescribed under section 139(1) of the Income Tax Act.
 - b. Trust has filed its Annual FCRA Return for the Financial Year 2020-21 on or before the due date prescribed under the Foreign Contribution Regulation Act 2010.
 - c. Trust is filling quarterly intimation of receipt of foreign contribution received, as per the requirement of the Foreign Contribution Regulation Act 2010.
- j. In our opinion and according to the information provided to us, no cases of irregular, illegal or improper expenditure or failure or omission to recover moneys or other property belonging to the Trust or of loss, or waste of moneys or other property thereof, and whether such expenditure, failure, omission, loss or waste was caused in consequence of breach of trust or misapplication or any other misconduct on the part of the board members or any other person while in the management of the Trust were identified;
- k. In our opinion and according to the information provided to us, no board member has any interest in the investment of the Trust;
- l. In our opinion and according to the information provided to us, no board member is a debtor or creditor of the Trust. Further, Trust only has investment in the form of fixed deposits and bonds of government of India and all fixed deposits/investments are in name of the Trust;
- m. In our opinion and according to the information provided to us, no irregularities were pointed out in the books of accounts of previous year.

For: S. Sahoo & Co
Chartered Accountants
Firm Registration No.: 322952E

CA. Subhajit Sahoo, FCA, LLB
Partner
Membership No.: 057426



Place: New Delhi
Date: 28.09.2022
UDIN: 22057426AYXHER5576

National Skills Foundation of India
C-507, The Courtyard, Nirvana Country, Sector-50, Gurgaon-122018, Haryana-India

Foreign Contribution Projects

BALANCE SHEET AS AT 31st MARCH 2022

	SCHEDULE	F.Y. 2021-22	F.Y. 2020-21
SOURCES OF FUND			
I.FUND BALANCES:			
a. General Fund	[01]	9,88,159	40,07,110
b. Corpus Fund		11,37,818	-
c. Asset Fund		-	-
II.LOAN FUNDS:			
a. Secured Loans		-	-
b. Unsecured Loans		-	-
TOTAL Rs.	[I + II]	21,25,977	40,07,110
APPLICATION OF FUND			
I.FIXED ASSETS			
Opening Block Value		15,17,090	-
Add: Addition during the year		3,79,273	-
Less: Depreciation		11,37,818	-
Net Block		-	-
II. INVESTMENT			
III.CURRENT ASSETS, LOANS & ADVANCES:			
a. Loans & Advances	[02]	2,77,907	9,82,665
d. Cash & Bank Balance	[03]	10,95,989	41,26,649
	A	13,73,896	51,09,313
Less: CURRENT LIABILITIES & PROVISIONS:			
a. Current Liabilities	[04]	3,85,737	11,02,204
b. Advance Grant /Unspent Grant Balance	B	3,85,737	11,02,204
NET CURRENT ASSETS	[A - B]	9,88,159	40,07,110
TOTAL Rs.	[I+II+III]	21,25,977	40,07,110

Significant Accounting Policies and Notes to Accounts
The schedules referred to above form an integral part of the Balance Sheet.

For & on behalf :
S.SAHOO & CO.
Chartered Accountants
Firm No. 322952E



CA Subhajit Sahoo, FCA, LLB
Partner
MM No. 057426

For & on behalf :
National Skills Foundation of India

Sanjeev Kumar Asthana
(Chairman)

Place: New Delhi
Date: 20-09-2022

National Skills Foundation of India
C-507, The Courtyard, Nirvana Country, Sector-50, Gurgaon-122018, Haryana-India

Foreign Contribution Projects

INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31st MARCH 2022

	SCHEDULE	F.Y. 2021-22	F.Y. 2020-21
I. INCOME	[05]	87,15,607	1,37,48,908
Grant Income			
Interest Income	[06]	74,818	2,09,945
Liabilities Written Back		5,64,100	
TOTAL		93,54,525	1,39,58,853
II. EXPENDITURE			
Programme Expenses	[07]	1,23,73,476	1,31,66,884
Depreciation		3,79,273	
Less: Transferred to Assets Fund		3,79,273	
TOTAL		1,23,73,476	1,31,66,884
III. EXCESS OF INCOME OVER EXPENDITURE	[I - II]	(30,18,951)	7,91,969
Significant Accounting Policies and Notes to Accounts	[11]		

The schedules referred to above form an integral part of the Income & Expenditure A/c.

For & on behalf :
S.SAHOO & CO.
Chartered Accountants
Firm No. 322952E



CA Subhajit Sahoo, FCA, LLB
Partner
MM No. 057426

Place: New Delhi
Date: 20-09-2022

For & on behalf :
National Skills Foundation of India

Sanjeev Kumar Asthana
(Chairman)

National Skills Foundation of India
C-507, The Courtyard, Nirvana Country, Sector-50, Gurgaon-122018, Haryana-India

Foreign Contribution Projects

RECEIPTS & PAYMENT ACCOUNT FOR THE YEAR ENDED 31st MARCH 2022

	SCHEDULE	F.Y. 2021-22	F.Y. 2020-21
RECEIPTS			
Opening Balance :		-	-
Cash in Hand		41,26,649	28,46,422
Cash at Bank			
Grant Received	[08]	87,15,607	1,37,48,908
Other Income	[09]	74,818	2,09,945
Loan & Advances		5,52,391	4,88,258
TOTAL Rs.		1,34,69,465	1,72,93,533
PAYMENT			
Project Related Expenses			
Programme Expenses	[10]	1,23,73,476	1,31,66,884
Closing Balance		-	-
Cash in Hand	[03]	10,95,989	41,26,649
Cash at Bank			
TOTAL Rs.		1,34,69,465	1,72,93,533

Significant Accounting Policies and Notes to Accounts
The schedules referred to above form an integral part of the Receipts & Payment A/c.

For & on behalf :
S.SAHOO & CO.
Chartered Accountants
Firm No. 322952E



CA Subhajit Sahoo, FCA, LLB
Partner
MM No. 057426

Place: New Delhi
Date: 20-09-2022

For & on behalf :
National Skills Foundation of India

Sanjeev Kumar Asthana
(Chairman)

National Skills Foundation of India
C-507, The Courtyard, Nirvana Country, Sector-50, Gurgaon-122018, Haryana-India

Foreign Contribution Projects
Schedules forming part of Financial Statement

	F.Y. 2021-22	F.Y. 2020-21
SCHEDULE [01] : RESERVES FUND		
General Fund	40,07,110	32,15,141
Opening Balance	(30,18,951)	7,91,969
Add: Excess of Income over Expenditure		
TOTAL Rs.	9,88,159	40,07,110
SCHEDULE [02] : LOANS & ADVANCES		
Inter Branch Advances	1,47,420	7,74,686
Staff and Vendor Advance	1,30,487	2,07,979
TOTAL Rs.	2,77,907	9,82,665
SCHEDULE [03] : CASH & BANK		
Cash in Hand	10,95,989	41,26,649
Cash in Bank		
TOTAL Rs.	10,95,989	41,26,649
SCHEDULE [04] : CURRENT LIABILITIES		
Statutory Liabilities	53,585	29,174
Sundry Creditors	3,32,152	10,73,030
TOTAL Rs.	3,85,737	11,02,204
SCHEDULE [05] : GRANT INCOME		
Skill Development		10,93,233
Entrepreneurship Development		24,21,193
Incubation	87,15,607	1,02,34,482
TOTAL Rs.	87,15,607	1,37,48,908
SCHEDULE [06] : INTEREST INCOME		
Bank Interest	74,818	2,09,945
TOTAL Rs.	74,818	2,09,945
SCHEDULE [07]: Programme Expenses		
Building domestic resource mobilization capacities of CSOs through innovation, enterprise and technology	9,07,240	13,80,173
Programme Expenses	14,93,085	10,95,621
Project Staff Cost	3,63,363	13,308
Project Running Cost		
TOTAL Rs.	27,63,688	24,89,103



2

Green College Initiative- Developing Green Entrepreneurship in Tribal Areas of India Project -2	49,70,373	14,25,188
Programme Expenses	37,88,823	42,32,118
Project Staff Cost	3,48,374	2,05,436
Project Running Cost		
	91,07,570	58,62,742

South South Cooperation Between Skill Up Programme and Green College Initiative of India	-	41,35,534
Programme Expenses		
	-	41,35,534

Advance Agriculture Innovations & Technologies Awareness & Adoption	2,92,443	1,88,322
Programme Expenses	2,09,775	4,91,183
Project Staff Cost		
	5,02,218	6,79,505

TOTAL Rs.	1,23,73,476	1,31,66,884
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SCHEDULE [08] GRANT RECEIVED		10,93,233
Skill Development		24,21,193
Entrepreneurship Development	87,15,607	1,02,34,482
Incubation		
TOTAL	87,15,607	1,37,48,908

SCHEDULE [09] : OTHER INCOME	74,818	2,09,945
Bank Interest		
TOTAL Rs.	74,818	2,09,945

SCHEDULE [10]: Programme Expenses

Building domestic resource mobilization capacities of CSOs through innovation, enterprise and technology	9,07,240	13,80,173
Programme Expenses	14,93,085	10,95,621
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National Skills Foundation of India
C-507, The Courtyard, Nirvana Country, Sector-50, Gurgaon-122018, Haryana-India

Amount In Rs.

SCHEDULE 1021 : FIXED ASSETS INDIAN PROJECTS										NET BLOCK		
PARTICULARS	GROSS BLOCK					DEPRECIATION						
	WDV As at 01.04.2021	Addition		Deletion	As at 31.03.2022	Rate of Dep.	Upto 01.04.2021	During the year		Upto 31.03.2022	As on 31.03.2022	As on 31.03.2021
		> 6 months	< 6 months					Addition	Deletion			
Computers & Laptops	1,92,617				1,92,617	40%	1,23,275	27,737	-	1,51,012	41,605	69,342
Office Equipment	1,98,716				1,98,716	15%	55,143	21,536	-	76,679	1,22,037	1,43,573
Furniture & Fixtures	1,94,387				1,94,387	10%	36,934	15,745	-	52,679	1,41,708	1,57,453
Digital Platform		-			-	25%		-	-	-	-	-
SUB-TOTAL [A]	5,85,720	-	-	-	5,85,720		2,15,352	65,018	-	2,80,370	3,05,350	3,70,368



B

Schedule-11

National Skills Foundation of India

C-507, The Courtyard, Nirvana Country, Sector-50,
Gurgaon-122018, Haryana-India

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED ON 31st MARCH 2022.

A. SIGNIFICANT NOTES ON ACTIVITIES

National Skills Foundation of India (NSFI) is a non-profit organisation engaged in building livelihoods in a sustainable manner through the implementation of large-scale development interventions . It offers research-based policy recommendations, takes up skill development initiatives, promotes entrepreneurship, aids in project implementation through market-based models and also incubates organizations and individuals.

B. SIGNIFICANT ACCOUNTING POLICIES

1. **Basis of Accounting:** The Accounting Standards issued by the Institute of Chartered Accountants of India are applicable to non-profit entities, only if any part of the activities of the entity is considered to be commercial, industrial or business in nature.

The Society is not carrying on any activity in nature of commercial, industrial or business therefore the Accounting Standards are not mandatory and have been followed to the extent practicable or relevant.

The financial statements have been prepared under the historical cost convention and on accrual basis except stated otherwise. The accounting policies have been consistently applied by the society except stated otherwise.

2. **Fixed Assets:** Assets are stated at cost of acquisition including taxes, duties and other incidental expenses relating to acquisition and installation.



- a) Assets purchased out of grant received are charged to Income & Expenditure Account under the concerned project expenses head. Simultaneously Asset Fund is created against the value of the Fixed Assets charged to the Income & Expenditure Account.
 - b) In case of Assets created out of own fund is shown under the head Fixed Assets and an amount equivalent to the cost of the asset have been transferred to Asset fund from general fund.
 - c) Fixed Assets are shown at Written Down Value (W.D.V) in the Balance Sheet
 - d) No revaluation of fixed assets was made during the year.
3. **Depreciation:** Depreciation on the depreciable assets is charged on written down value method as per the rates and manner prescribed under Appendix 1 to the Income Tax Rule 1962.

<u>Item</u>	<u>Rate of Depreciation</u>
Computer Equipment & Accessories	40%
Office & electrical Equipment	15%
Furniture & Fixture	10%
Building	10%
Vehicle	15%

As the total value of the Assets acquired is claimed as utilization during the year of purchase, depreciation on such assets is adjusted against the Assets Fund for disclosure purpose in the Balance Sheet.

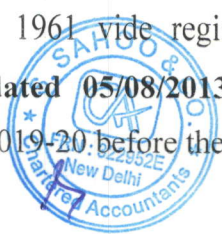
4. **Investment:** All the investments were in form of fixed deposit with schedule Banks in compliance with Section 11(5) of the Income Tax Act, 1961 as well as in compliance with the Rule-4 of the FCRR, 2011.
5. **Revenue Recognition:** Restricted project grants were recognized as income on the basis of the project period of grant on prorata basis, whereas unrestricted project grants and Donations were recognized on the basis of receipts in accordance to the guidelines on "Not for Profit Organization" issued by The Institute of Chartered Accountants of India.



6. **Bank Interest:** Interest earned including the interest accrued on the amount held under Fixed Deposit is reflected under the Income & Expenditure Account without allocating such interest derived on unutilized donor funds. The interest is accounted under the Receipts & Payment Account as the total interest received during the period from 1.4.2020 to 31.03.2021 in the Fixed Deposit account.
7. **Foreign Contribution:** Foreign Contributions (Foreign Grants/Donation) are accounted for on the basis of the credit advice received from Bank.

C. NOTES TO ACCOUNTS

1. Income and expenses are generally disclosed as per budget of the funding/donor agencies.
2. There is no such income which is of a business nature as defined under Section 2(15) of the Income Tax Act, 1961
3. The organisation has duly complied with the new provision of FCRA 2010 while finalizing the accounts relating to the foreign funds.
4. All the fixed deposit has been valued at principal amount as reflected in FD Certificates and interest accrued on such deposit (as per interest certificate issued by concerned banks) has been shown separately under other current assets.
5. Previous year figures to the extent possible has been regrouped and rearranged wherever required.
6. **Pending Legal Case/Contingent Liabilities:** It was informed to us by the management that there are no legal cases pending or initiated during the year either by any individual or organization against National Skills Foundation of India.
7. **The Organization is registered under :**
 - a) The Societies Registration Act 1860 Vide **Registration No. 8712 dated 21.08.2009** and is also registered under section 12A and 80G of the Income Tax Act 1961. The exemption were valid on the date of signing the Financial Statements.
 - b) Under section 12A of The income tax Act 1961 vide registration no. **DIT /2000-F.S.A.A/February/Until/12A/2013-14/5616 dated 05/08/2013**. The organization has submitted the Income Tax Return for the year 2019-20 before the due date.



- c) Foreign Contribution Regulation Act 1976/2010 vide registration no. **172270088** dated **04.05.2016** / **Renewal dated 03.05.2021** with the Ministry of Home Affairs to receive foreign contribution. The organization has submitted the information through FC-4 Return for the year 2019-20 before the due date.
- d) PAN of the Organization is **AABTN3302M**.
- e) TAN of the Organization is **RTKN02845D**.

For & On behalf of:

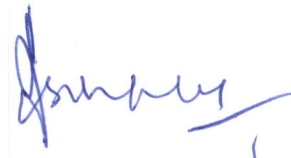
S. Sahoo & Co.
Chartered Accountants
FR No. 322952E



CA. Subhjit Sahoo, FCA, LLB
Partner
M. No. 057426

For & On behalf of:

National Skills Foundation of India



Sanjeev Kumar Asthana
(Chairman)

Place: New Delhi

Date: