

SASTRI & SHAH

Chartered Accountants

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"SAI LEELA"

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Hyderabad -500 016

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INDEPENDENT AUDITOR'S REPORT

To

THE TRUSTEES OF
ACCION FRATERNA,
ECOLOGY CENTRE,
ANANTHAPUR-515002,
ANDHRA PRADESH.

1. Report on Financial Statements

We have audited the accompanying financial statements of **ACCION FRATERNA (the "TRUST")**, which comprise the Balance Sheet as at 31st March, 2022, the statement of Income and Expenditure, for the year ended, and a summary of significant accounting policies and other explanatory information.

2. Management's Responsibility for the Financial Statements

The Governing committee of Trust is responsible for the preparation of these financial statements on a going concern basis that give a true & fair view of the financial position, financial performance of the Trust in accordance with the accounting principles generally accepted in India, including the accounting standards issued by ICAI.

This responsibility also includes maintenance of the adequate books of accounts and accounting records in accordance with the provisions of the applicable Act and Rules framed thereunder for safeguarding the assets of the Trust, to show and explain the transactions of Trust, to disclose with reasonable accuracy the financial position of Trust and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give true & fair view and free from material misstatement, whether due to fraud or error.



3. Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We conducted our audit in accordance with the Standards on Auditing issued by Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirement and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of the material misstatement of the financial statements, whether due to fraud or error.

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by Governing Committee of the Trust, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our audit opinion on the standalone financial statements.

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us we report that:

- a) We have sought and obtained all the information & explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b) In our opinion proper books of accounts as required by law have been kept by the Trust so far as it appears from our examination of those books of accounts.
- c) Balance sheet as at March 31, 2022 and Statement of Income and Expenditure dealt with by this report are in agreement with the books of accounts.



- d) In our opinion, the aforesaid financial statements comply with the accounting standards issued by the Institute of Chartered Accountants of India.
- e) The aforesaid financial statements give the information required by the Act in the manner so required 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 31st March, 2022 and its surplus (Excess of Income over Expenditure)/deficit (~~Excess of Expenditure over Income~~) for the year ended on that date.

For SASTRI & SHAH
Chartered Accountants
Regd. No. 003642S

C Pavan Kumar



C Pavan Kumar
Partner

M. No. 205896

UDIN.: 22205896 AXLGLM1492

Date: 29-09-2022

Place: Hyderabad

ACCION FRATERNA
ECOLOGY CENTRE,UPPARAPALLI ROAD,ANANTHAPUR,UPPARAPALLI B.O,ANDHRA PRADESH,INDIA,515002
PAN : AAATA 2328P

BALANCE SHEET AS AT 31.03.2022

Particulars	Note No	Amounts in Rs.	
		2021-22	2020-21
I. FUND AND LIABILITIES			
(1) Capital and General Fund			
(a) Capital Fund		4,53,64,873	4,50,39,273
(b) General Fund		37,54,97,311	8,51,83,126
(2) Non-Current Liabilities			
(a) Long Term Borrowings	3	11,52,252	1,75,84,205
(b) Deferred tax liabilities (Net)			
(c) Other Long Term Liabilities			
(d) Long Term Provisions			
(3) Current Liabilities			
(a) Short Term Borrowings			
(b) Trade Payables	4	88,000	-
(c) Other Current Liabilities	5	2,17,50,305	1,87,27,886
(d) Short Term Provisions			
		44,38,52,741	16,65,34,489
II. ASSETS			
(1) Non-Current Assets			
(a) Property, Plant & Equipment & Intangible Assets			
(i) Property, Plant & Equipment	6	13,80,56,339	4,50,39,273
(ii) Intangible Assets			
(iii) Capital Work in progress			
(iv) Intangible assets under development			
(b) Non-Current Investments	7	1,52,40,303	60,34,285
(c) Long Term Loans and Advances	8	2,80,024	1,43,86,000
(d) Other Non-Current Assets			
(2) Current Assets			
(a) Current Investment			
(b) Trade Receivables	9	76,340	-
(c) Cash and Cash Equivalents	10	28,22,85,978	9,67,13,298
(d) Short Term Loans and Advances	11	14,45,365	6,07,568
(e) Other Current Assets	12	64,68,393	37,54,066
		44,38,52,741	16,65,34,489

The accompanying notes form integral part of financial statements(Note No 1-17)

For and on behalf of the Board of Trustees

As per our report of even date attached



A Sreenivasulu
Head Finance



Dr. Y.V. Malla Reddy
Chief Functionary and Director

For Sastri & Shah
Firm Registration Number - 003642S
Chartered Accountants



C Pavan Kumar
Partner

M No: 205896

UDIN: 22205896A760L1M0492

Place : Hyderabad
Date : 29-09-2022



ACCION FRATERNA
ECOLOGY CENTRE,UPPARAPALLI ROAD,ANANTHAPUR,UPPARAPALLI B.O,ANDHRA PRADESH,INDIA,515002
PAN : AAATA 2328P

Income and Expenditure for the year ended 31st March, 2022
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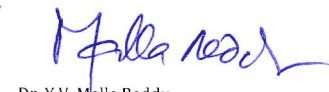
Particulars	Note No	Amounts in Rs.	
		2021-22	2020-21
I. Revenue			
Revenue from operations	13	10,88,83,701	10,30,25,455
Other Income	14	28,95,55,161	55,00,024
Total Income		39,84,38,862	10,85,25,479
II. Expenses:			
Operational Expenditure (Project Related Expenses)		6,36,06,813	6,71,29,613
Employee Benefit Expenditure	15	3,85,54,166	27,09,251
Finance cost		-	-
Depreciation and amortization expense		34,69,817	32,63,260
Other expenses	16	24,93,881	80,44,902
Total Expenses		10,81,24,677	8,11,47,025
III. Excess of income over Expenditure before exceptional and extraordinary items and tax		29,03,14,185	2,73,78,454
IV. Exceptional/Extraordinary Items :		-	-
V. Excess of income over Expenditure before tax		29,03,14,185	2,73,78,454
VI. Tax expense:			
Less:			
(1) Current tax		-	-
(2) MAT		-	-
VII. Excess of income over Expenditure before tax		29,03,14,185	2,73,78,454

The accompanying notes form integral part of financial statements (Note No 1-17)

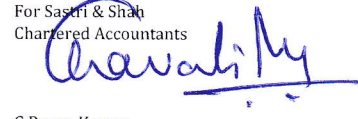
For and on behalf of the Board of Trustees

As per our report of even date attached


A Sreenivasulu
Head Finance


Dr. Y.V. Malla Reddy
Chief Functionary and Director

For Sastri & Shah
Chartered Accountants


C Pavan Kumar
Partner

M No: 205896
UDIN: 22205896 AXL9L01492



Place : Hyderabad
Date : 29-09-2022



ACCION FRATERNA ECOLOGY CENTRE,UPPARAPALLI ROAD,ANANTHAPUR,UPPARAPALLI B.O,ANDHRA PRADESH,INDIA,515002 PAN : AAATA 2328P

NOTES ON FINANCIAL STATEMENTS

1. Background

Father Vincent Ferrer & Mrs Anne Ferrer were the founders of Accion Fraterna (in 1982). Accion Fraterna (AF) is a sister organization of Rural Development Trust (RDT). Accion Fraterna focuses on sustainable agriculture, watershed development, non-farm employment, ecology and environmental issues

2. Significant Accounting Policies

The significant Accounting Policies followed by the Trust are as stated below:

General

The financial statements have been prepared under the historical cost convention on the accrual basis of accounting and in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under Section 133 of the Companies Act 2013 read with rules (to the extent applicable) and on a going concern concept.

The trust follows the mercantile system of accounting and recognizes income and expenditure on accrual basis.

The accounting policies have been consistently applied by the Trust and are consistent with those used in the previous year except stated specifically in the notes, if any. All assets and liabilities have been classified as current and non current as per the Trust's normal operating cycle and other criteria set out in the schedule III of the companies Act 2013.

Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Although such estimates and assumptions are made on a reasonable and prudent basis taking into account all available information, actual results could differ from these estimates & assumptions and such differences are recognised in the period in which the results are known/materialised. Any revision to accounting estimates is recognised prospectively in current and future periods.

Grant Recognition

Grant is recognised to the extent that it is probable that the economic benefits will flow to the trust.

Property, Plant and Equipment

Property, Plant & Equipment are carried at cost of acquisition or construction less accumulated depreciation, impairment losses and specific grants/subsidies if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. The cost and related depreciation are eliminated from the PPE up on sale or retirement of the PPE and the resultant gain or losses are recognised in the statement of profit and loss.

Trust has adopted cost model for all class of items of Property Plant and Equipment.

Items of spare parts are recognised as PPE when they meet the definition of PPE. The cost and related depreciation are eliminated from the PPE up on sale or retirement of the spare parts and the resultant gain or losses are recognised in the statement of profit or loss.

Depreciation for the year is charged in accordance with Income Tax Act and recognised in the Statement of Profit and Loss.

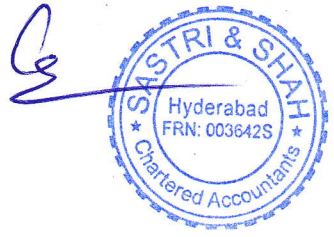
Subsequent expenditures relating to property, plant and equipment are capitalised only when it is probable that future economic benefits associated with them will flow to the Trust and the cost of the expenditure can be measured reliably. Repairs and Maintenance costs are recognised in the Statement of Profit and Loss when they are incurred.

Impairment

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Statement



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Current- Non-Current Classification

All assets and liabilities are classified into current and non-current

Assets

An asset is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be realised in, or is intended for sale or consumption in, the trust's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is expected to be realised within 12 months after the reporting date; or
- (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be settled in the trust's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;(c) it is due to be settled within 12 months after the reporting date; or
- (d) the Trust does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counter party, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

Provisions and contingent liabilities and contingent assets

The Trust creates a provision when there is a present obligation as a result of a past event that requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent Assets are neither recognized nor disclosed in the financial statements.

Investments

Non current and unquoted current investments are stated at cost.

Quoted current investments are stated at lower of cost or market value.

Provision for diminution in the value of Non Current investments is made only if such a decline is other than temporary in the opinion of the management.

Employees Retirement Benefits

Retirement benefits are provided in accounts on a rational method wherein accrued liability for retirement benefits payable to employees at the end of the year are reflected.

Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services. These benefits include performance incentive and compensated absences.

Contingencies

All major events occurring after the date of financial statements, which impair the financial results, are duly provided

Cash and Cash Equivalents

Cash and Cash Equivalents includes physical cash held at the end of the year if any, Bank Balance, Deposit held in Bank and Cheques in hand if any.

3. LONG-TERM BORROWINGS

A. Secured

- a) Term Loan from Banks - -
- b) Long term maturities of finance lease obligation - -

B. Unsecured

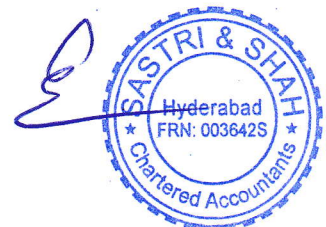
- a) Loans and advances from related parties - -
 - b) Loans from Others - -
- | | | |
|--|-----------|-------------|
| | 11,52,252 | 1,75,84,205 |
| | 11,52,252 | 1,75,84,205 |

Note:

- b) The Trust has not been declared as a wilful defaulter by any bank or financial institution or other lender.



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4. TRADE PAYABLES

Creditors:

- For Purchases
 - Micro, Small & Medium Enterprises
 - Others
- For Capital goods
- For Expenses

	-	-
	88,000	-
	-	-
	-	-
	88,000	-

Trade Payable ageing schedule:

As on 31 March 2022:

Amount in Rs.

Particulars	Outstanding for following period from due date of payment						Total
	Unbilled	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	88,000	-	-	-	88,000
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-	-	-	-
Total	-	-	88,000	-	-	-	88,000

As on 31 March 2021:

Amount in Rs.

Particulars	Outstanding for following period from due date of payment						Total
	Unbilled	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-	-
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-

5. OTHER CURRENT LIABILITIES

	2021-22	2020-21
Output CGST	31,576	-
Output SGST	31,576	-
Staff Gratuity Fund	78,37,824	77,02,361
Staff Health Insurance Fund	1,05,98,791	1,09,41,215
Salaries Payable	8,69,868	-
Retention Amount	9,24,109	-
Unspent Specific Grants	9,96,915	-
Others	4,59,646	84,310
	2,17,50,305	1,87,27,886



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7. NON CURRENT INVESTMENT

Gratuity Fund	1,52,40,303	60,34,285
	1,52,40,303	60,34,285

8. LONG TERM LOANS AND ADVANCES

Capital Advance	-	-
Security Deposit	-	-
Loans and Advances to Related Party	-	1,43,86,000
Other loans and advances	2,80,024	-
	2,80,024	1,43,86,000

9. TRADE RECEIVABLES (unsecured, considered good)

Outstanding for a period exceeding six months	-	-
Other Debts	76,340	-
Less: Provision for Doubtful Debts	-	-
	76,340	-

Trade Receivable ageing schedule:

As on 31 March 2022:

Particulars	Outstanding for following period from due date of payment						
	Unbilled	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years
(i) Undisputed Trade Receivables - Considered good	-	-	76,340.00	-	-	-	-
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
Total	-	-	76,340.00	-	-	-	-

As on 31 March 2021:

Particulars	Outstanding for following period from due date of payment						
	Unbilled	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years
(i) Undisputed Trade Receivables - Considered good	-	-	-	-	-	-	-
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-

10. CASH AND CASH EQUIVALENTS

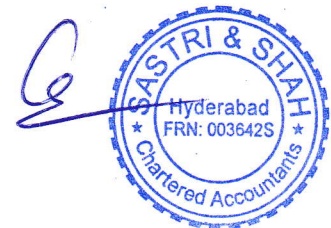
Balances with Banks in Current/Savings Accounts	1,72,76,403	1,27,03,911
in Fixed Deposits	26,50,09,575	8,40,09,387
Cash in Hand	-	-
	28,22,85,978	9,67,13,298

11. SHORT TERM LOANS AND ADVANCES (unsecured, considered good)

Staff Advances - (Program & Salary)	10,898	5,49,008
Advances to Suppliers	-	-
- to Related Parties	-	-
Less: Provision for write off	-	-
- to Others	-	58,560
Other advances	14,34,467	-
	14,45,365	6,07,568



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12. OTHER CURRENT ASSETS

TDS Receivable	50,48,123	20,72,072
Security Deposit	17,950	24,650
Grants Receivable	14,02,320	16,57,344
	64,68,393	37,54,066

13. REVENUE FROM OPERATIONS

General Donations	10,86,85,200	9,82,38,709
Corpus Donations	-	-
Contributions	1,98,501	47,86,746
	10,88,83,701	10,30,25,455

14. OTHER INCOME

Interest from Banks	43,15,883	55,00,024
Revenue from Business operations	48,31,484	-
Other Income	28,04,07,794	-
	28,95,55,161	55,00,024

15. EMPLOYEE BENEFIT EXPENSES

Salaries and Wages	3,76,18,186	27,09,251
Contribution to Provident and Other fund	6,30,754	-
Staff welfare expenses	3,05,226	-
	3,85,54,166	27,09,251

16. OTHER EXPENSES

Power and fuel	1,05,814	13,06,635
Rent	-	2,36,547
Repairs to buildings	3,28,152	24,81,994
Repairs to machinery	1,07,936	2,21,487
Insurance	-	-
Rates and taxes, excluding taxes on income	1,47,759	5,71,066
Travelling Expenses	6,51,525	18,24,366
Printing and Stationary	1,78,837	3,75,112
Audit & Legal Cost	6,77,001	-
Accommodation	1,15,422	-
Miscellaneous expense	1,81,435	10,27,694
	24,93,881	80,44,902

17. Previous year figures have been regrouped /reclassified wherever necessary to suit the current year's layout.

For and on behalf of the Board of Trustees

As per our report of even date attached

A Sreeivasulu
Head Finance

Dr. Y.V. Malla Reddy
Chief Functionary and Director

For Sastri & Shah
Chartered Accountants

C Pavan Kumar
Partner

M No: 205896

UDIN: 22205896AXLQLMI492

Place : Hyderabad
Date : 29-09-2022



6. Property, Plant and Equipment and Intangible Assets as on March 31, 2022

Amounts in Rs.

Description of Asset	Gross Block				Accumulated Depreciation				Net Carrying Amount		
	As at 01.04.2021	Additions	Deletions	Revaluation	As at 31.03.2022	Upto 31.03.2021	For the Year	Revaluation	Upto 31.03.2022	As at 31.03.2022	As at 31.03.2021
PROPERTY, PLANT & EQUIPMENT											
Land	45,68,458	9,18,25,420	23,37,500	-	9,40,56,378	-	-	-	15,69,616	9,40,56,378	Info NA
Residential Buildings	2,75,98,691	59,10,420	-	-	3,35,09,311	-	-	-	3,19,39,695	3,19,39,695	Info NA
Office Buildings	37,78,898	-	-	-	37,78,898	-	-	-	3,67,630	34,11,268	Info NA
Office Equipment	19,27,773	-	-	-	19,27,773	-	-	-	2,89,167	16,38,606	Info NA
Computer & Laptops	4,27,531	3,80,000	-	-	8,07,531	-	-	-	2,66,752	5,40,780	Info NA
Computer Accessories	-	2,69,961	-	-	17,29,574	-	-	-	2,55,539	14,74,035	Info NA
Electrical Equipment	14,59,613	-	-	-	14,59,613	-	-	-	-	14,59,613	Info NA
Electrical Fittings	19,79,415	4,38,582	-	-	24,17,997	-	-	-	2,26,309	21,91,688	Info NA
Furniture & Fixtures	32,98,693	-	-	-	32,98,693	-	-	-	4,94,804	28,03,889	Info NA
TOTAL	4,50,39,273	9,88,24,383	23,37,500	-	14,15,26,156	-	34,69,817	-	34,69,817	13,80,56,339	-

Note:

- The Property, Plant & Equipment & Intangible assets have not been revalued during the year.
- All the immovable properties listed above are held in the name of the trust.
- There are no proceedings against the trust under the Benami Transactions (Prohibition) Act, 1988.

