

AccountAble™

20B: filling Up FC-4

Oct'19

Contd. from 20A.

(b) Purpose-wise Summary

The next table is for purpose-wise summary of foreign contribution received during the year. Form FC-4 asks you to summarise all your donation receipts under five broad themes (CREES):

1. Cultural
2. Religious
3. Economic
4. Educational
5. Social

While doing so, you should keep four aspects in mind:

1. The CREES purposes you are reporting here are the purposes for which you have FCRA registration.
2. You may be receiving funds from other FCRA-registered organisations. The purpose that they have given you funds for should be one of their registered purpose as well as yours.
3. The total of purpose-wise table tallies with total of donor-wise table.

4. There is no mismatch between purpose summary generated from donor-wise table and purpose table.

Section 3: Details of Utilisation of Foreign Contribution.

This section is divided into four segments: a. Project-wise utilisation, b. Utilisation on Programs vs. utilisation for Administrative Expenses, c. Utilisation for purchase/creation of fixed assets, and, d. Foreign contribution transferred to other NGOs.

(a) Project-wise Utilisation

Project-wise Utilisation table shows how funds and materials have been utilised by you for various projects. Therefore, don't include the following:

1. Amounts spent for acquiring fixed assets for own use
2. Grants to other NGOs
3. Administrative expenses (as per rule 5 of FCRR 2011)

Match the names of projects given here with those listed in the Donor-wise table.¹ For each project in this table, you should give address or location of the project.

Project-wise Utilisation Table

Sl. No.	Name of project/ activity	Address/ Location	Previous balance		Receipt during year		Utilised		Balance	
			In cash	In kind	In cash	In kind	In cash	In kind	In cash	In kind
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)

¹ There may also be other projects where you had unspent balance in the previous year, even though haven't received anything this year.

Table: Fixed Assets Purchased

Sl. No.	Activity in the name of Association	Details	Purpose	Total (in Rs.)
(i)	Creation of movable assets			
(ii)	Creation of Immovable assets			
	Total			

This could be address of a building, or simply a village, town, city, district or even a state. In some cases, you may need to mention multiple states. For each project, show opening balance in cash and in kind (material or securities) separately. This also applies to receipts during the year, to utilisation by the NGO as well as to closing balance. If you sell any contribution received in kind (material or securities):

1. The estimated value that you recorded these items at, should be shown as utilised in kind (column 9 of Utilisation table).
2. The actual sale price should be shown in cash (column 6 of Utilisation table).

Amounts outstanding as program or other advances should not be counted as utilisation unless these have been settled by end of the year.

(b) Utilisation for Administrative Expenses

Give the total utilisation for projects here as per Utilisation table. In the second line, give the total amount spent on administrative expenses.²

The term ‘administrative expenses’ has a special meaning (rule 5 of FCRR 2011).³ For example, it includes amount of salaries paid to program staff and field staff, unless you are running a school, hospital or research and training institution. In such cases only, the amounts paid to teachers, doctors, field surveyors, data collectors, trainers, etc., are treated as program expenses.

(c) Purchase of Fixed Assets

Total amount spent for each type of asset during the year should be given.⁴ If you have capitalised an item received as foreign contribution in kind, that also should be listed here.

Remember that only fixed assets should be listed here – not current assets, consumables or stock items. Assets handed over to the community should not be included here.

(d) Transfers to Other NGOs

Any foreign contribution (money, securities or material) transferred to other NGOs should be listed in the Transfer table. Multiple transfers

Table: Transfers to Other NGOs

Sl. No.	Name of the association	Date	Purpose	Amount
(1)	(2)	(3)	(4)	(5)
	Total			

² If amount spent on administrative expenses is more than 50% of total foreign contribution utilised (item e), then you may have to pay compounding fees or lose your FCRA. Alternatively you may obtain prior-permission for spending more than 50% on administration.

³ See AccountAble 54 at www.AccountAid.net.

⁴ You can add more rows so that detail of each asset can be given clearly. Each item need not be listed separately – just giving the type of asset would be sufficient.

to one NGO should be listed separately, date-wise. Also mention the FCRA number of each receiving NGO. This will help FCRA Department match the figures more easily, and will prevent mistakes on your part. Also make sure that the amount and other details reported by the receiving NGO as receipt match the details you are giving here.

While making the transfers, you should also check that the registered FCRA purpose of your organisation matches with the receiver. For example, let us say that you are registered for educational and cultural purposes. You transfer foreign contribution for educational purposes to an NGO which has only religious purpose. This will be seen as a violation of FCRA.

(e) Total Utilisation in the Year

This figure is calculated manually by adding totals of tables b, c, and d. Try to make sure that there is no double counting. For example, if you have included any items under b, c or d in table 'a' itself, then you should simply give the total of table 'a' (Utilisation table) here.

Section 4: Unutilised Foreign Contribution.

Some people think that the *total* balance of unutilised foreign contribution should be shown here. This is not correct. This section does not provide any space for reporting unused balance remaining as advances, loans, TDS, non-FD investments (e.g., government

bonds, or securities received as donation), or contribution received in kind. Therefore, don't try to force this figure to tally using a formula (FC available - FC Utilised = Unutilised FC). Instead just list the figures sought by the Department. At the same time, keep a separate worksheet showing the unused FC, which includes all these other items as well.

(i) FC Invested in Term Deposits

Report any foreign contribution invested in fixed deposits or term deposits with banks, post office, etc., here. The opening and closing balances should match those shown under bank deposits/fixed deposits in your FCRA balance sheet.

Any new fixed deposits made should be added. Fixed deposits renewed during the year should also be included in this.

Show any fixed deposits encashed during the year (or which matured and were renewed) against 'realisation of previous FD'. This figure should include any short term deposits which were made during the year, and also matured during the year itself.

Some banks offer sweep or flexi-deposit facilities, where surplus funds are invested in term deposits temporarily. These are automatically liquidated if required and credited to the savings or current account. These figures can be difficult to track or reconcile. It is better to include these as your bank balance, after consulting your auditors.

(i) FC in form of cash or bank balances

Figures reported here should match your account books and audited FCRA balance sheet. Do not add staff advances or TDS recoverable to these figures. Closing bank balance in designated FCRA bank account should be shown separately. Balance in all other utilisation bank accounts (also called secondary bank accounts), should be added up and given as one figure. If you have only one FCRA bank account, then the balance should

Table: Fixed Deposits

Sr. No.	Details	Total (in Rs.)
(i)	Opening Balance of FD	
(ii)	FD made during the year	
(iii)	Less: realisation of previous FD	
	Closing balance of FD	

be reported only against item b (FC designated bank account).

Section 5: Details of Foreigners.

The previous version of form FC-4 asked for total number of foreigners working as salaried employees or in honorary capacity. This has now been changed to read 'details of foreigners as Key functionary/working/associated'. The form is silent on what details are to be given — only a number field is given. You may therefore just give the total number of foreigners in the organisation.

This includes ethnic foreigners, as also Persons of Indian Origin (PIO). Keep in mind that there are many people working and living in India who are foreigners or have taken foreign citizenship. All such persons on your board, working as salaried employees or as volunteers must be counted. You should also include any foreigners who are 'associated'⁵ with your NGO.

Section 6: Unutilised Land & Buildings.

Sometimes NGOs invest FCRA funds in land. The value of the land increases with time. If the land is sold later, the sale may remain undetected. FCRA Department has introduced this table to track such cases.

If you have any land or building, which is not being used for program or project purposes, then these should be listed here. You should also mention why the land or building is not being used. If you are using the land for agriculture, or have rented out the buildings,

then the income from this should show up in your FCRA books.

Please remember that concealing this information can lead to suspension of FCRA registration or prosecution, if discovered.

Contd. in AccountAble 20C

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Table: Unused Land, Buildings

Sl. No.	Location of Land and Building	Year of acquisition	Purpose of acquisition	Reason of unutilisation
(1)	(2)	(3)	(4)	(5)

⁵ This vague term, like many others, is not defined in the Act or Rules. It is probably covers foreigners 'associated' with significant influence over decision-making. It could also include patrons, brand ambassadors, mentors, or guides. The FCRA Act refers to 'associate' as defined in sec. 2 of Companies Act, 1956, but not to 'associated'.