
Sixième Session de l'Assemblée de l'Alliance Solaire Internationale

1^{er} octobre 2023

31 octobre 2023

New Delhi, République de l'Inde

Point 08 de l'ordre du jour

État Financier Vérifié de l'Alliance Solaire Internationale (ASI)

Résumé

Ce document de travail présente l'état financier vérifié de l'Alliance Solaire Internationale (ASI) pour l'année civile 2022

État Financier Vérifié de l'Alliance Solaire Internationale (ASI)

Le Rapport de l'Auditeur Indépendant à la Sixième Session de l'Assemblée de l'ASI et l'État Financier Vérifié de l'ASI pour l'Année Civile 2022 sont fournis dans le présent document.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ASSEMBLY OF INTERNATIONAL SOLAR ALLIANCE
Report on the Audit of Financial Statements
Opinion

We have audited the accompanying financial statements of **International Solar Alliance** ("ISA"), which comprise the Statement of Financial Position as at December 31, 2022 and the Statement of Financial Performance, the Statement of Changes in Net Assets/ Equity, the Statement of Cash Flow and the Statement of Comparison of Budget and Actual Amounts for the year then ended, as well as notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

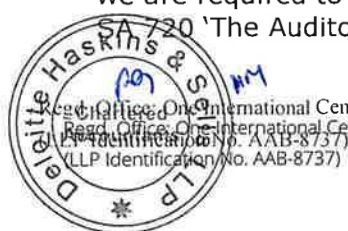
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give a true and fair view in conformity with the International Public Sector Accounting Standards ("IPSAS"), of the financial position of ISA as at December 31, 2022, its financial performance, its changes in net assets, its cash flows and comparison of budget and actual amounts for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the International Standards on Auditing. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of our report. We are independent of ISA, in accordance with the ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

- Management is responsible for the other information. The other information comprises the Annual report, but does not include the financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.
- Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under 'The Auditor's responsibilities Relating to Other Information'.



Deloitte Haskins & Sells LLP

Responsibilities of Management and Those Charged with Governance for the Financial Statements

ISA's management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance, net assets and cash flows of ISA in accordance with the IPSAS. This responsibility also includes maintenance of adequate accounting records for safeguarding the assets of ISA 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.

Auditor's Responsibility for the Audit of the Financial Statements

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 the International 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.

As part of an audit in accordance with the International Standards on Auditing, we exercise professional judgment and maintain professional skepticism 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 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, but not for the purpose of expressing an opinion on the effectiveness of ISA's internal control.
- 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 management'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 ISA'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 ISA to cease to continue as a going concern.



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Haskins & Sells LLP**

- 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.

We communicate with those charged with governance 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 audit.

We also provide those charged with governance 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.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W -100018)

Pramod B. Shukla

Partner

(Membership No. 104337)

(UDIN: 23104337BGYFCD4468)



Place: Gurugram

Date: September 22, 2023

INTERNATIONAL SOLAR ALLIANCE**FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2022****I. Statement of financial position as at December 31, 2022**

(Amount in USD)

Particulars	Note No.	As at December 31, 2022	As at December 31, 2021
Assets			
Current assets			
Cash and cash equivalents	3	74,67,444	29,38,313
Bank balances other than cash and cash equivalents above	4	3,33,612	19,13,926
Prepayments	5	9,42,654	2,88,984
Other current financial assets	6a	5,34,279	1,85,693
Total current assets		92,77,989	53,26,916
Non-current assets			
Property, plant and equipment	7	56,888	44,726
Intangible assets under development		41,863	38,853
Other non current financial assets	6b	3,62,22,329	4,24,24,968
Total non-current assets		3,63,21,080	4,25,08,547
Total assets		4,55,99,069	4,78,35,463
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	8	23,00,452	8,62,443
Total current liabilities		23,00,452	8,62,443
Non-current liabilities			
Long-term provisions	9	62,998	8,341
Total non-current liabilities		62,998	8,341
Total liabilities		23,63,450	8,70,784
Net assets/equity			
Corpus fund	10	4,14,65,098	4,20,02,733
General fund	11	16,55,604	34,48,395
Award fund	12	18,09,907	16,52,092
Specific fund	13	62,16,582	31,40,852
Foreign currency translation reserve		(79,11,572)	(32,79,393)
Total net assets/equity		4,32,35,619	4,69,64,679
Total liabilities and net assets/equity		4,55,99,069	4,78,35,463

Significant accounting policies

See accompanying notes forming part of the financial statements


2

1 to 24

In terms of our report attached

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants

Pramod B. Shukla
PartnerPlace: Gurugram
Date : September 25, 2023For and on behalf of
INTERNATIONAL SOLAR ALLIANCE

Ajay Mathur
Director GeneralPlace: New Delhi
Date: September 25, 2023

Joshua Wydlife
Chief Operating OfficerPlace: Gurugram
Date : September 25, 2023

INTERNATIONAL SOLAR ALLIANCE**II. Statement of Financial Performance for the year ended December 31, 2022**

(Amount in USD)

Particulars	Note No	For the year ended December 31, 2022	For the year ended December 31, 2021
Revenue			
Contribution received		-	1,104
Other income	14	3,82,213	2,55,865
Total revenue		3,82,213	2,56,969
Expenses			
Fellowship and training		4,43,282	2,54,419
Conference and workshop expenses		28,34,578	3,78,389
Consultants, external experts and other project costs		27,88,629	9,37,728
Staff cost	15	17,55,602	5,67,348
Other general expenses	16	10,93,361	7,42,412
Depreciation	7	6,354	2,252
Less: Transfer to Specific Fund	2.01(e)(ii)	(22,82,730)	-
Total expense		66,39,076	28,82,548
Deficit for the year		(62,56,863)	(26,25,579)

Significant accounting policies
See accompanying notes forming part of the
financial statements

2
1 to 24

In terms of our report attached

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants



Pramod B. Shukla
Partner

Place: Gurugram
Date: September 25, 2023



For and on behalf of
INTERNATIONAL SOLAR ALLIANCE



Ajay Mathur
Director General

Place: New Delhi
Date: September 25, 2023




Joshua Wycliffe
Chief Operating Officer

Place: Gurugram
Date: September 25, 2023




INTERNATIONAL SOLAR ALLIANCE**III. Statement of Changes in Net Assets/ Equity for the year ended December 31, 2022**

(Amount in USD)

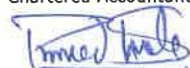
Particular	Corpus Fund	General Fund	Award Fund	Specific Fund	Foreign currency translation reserve	Net Assets / Equity
Balance as at January 01, 2021	3,69,13,642	60,20,388	15,55,590	1,18,192	(24,65,350)	4,21,42,462
Contributions received	30,68,996	-	-	30,67,126	-	61,36,122
Interest on funds	20,20,095	-	1,51,444	7,799	-	21,79,338
Deficit for the year	-	(26,25,579)	-	-	-	(26,25,579)
Utilization of funds (net of foreign exchange fluctuation)	-	-	-	(52,265)	-	(52,265)
Transfer to/(from) funds	-	53,586	(53,586)	-	-	(1,356)
Award distribution and other costs (Net)	-	-	(1,356)	-	-	(8,14,043)
Foreign currency translation reserve	-	-	-	-	(8,14,043)	(8,14,043)
Balance as at December 31, 2021	4,20,02,733	34,48,395	16,52,092	31,40,852	(32,79,393)	4,69,64,679
Contributions received	8,46,023	-	-	63,65,254	-	72,11,277
Interest on funds	20,66,711	-	1,57,815	6,909	-	22,31,435
Deficit for the year	-	(62,56,863)	-	-	-	(62,56,863)
Transfer to/(from) funds	(34,50,369)	44,64,072	-	(10,13,703)	-	-
Transferred from Statement of Financial Performance (Refer Note 13)	-	-	-	(22,82,730)	-	(22,82,730)
Foreign currency translation reserve	-	-	-	-	(46,32,179)	(46,32,179)
Balance as at December 31, 2022	4,14,65,098	16,55,604	18,09,907	62,16,582	(79,11,572)	4,32,35,619

Significant accounting policies
See accompanying notes forming
part of the financial statements

2
1 to 24

In terms of our report attached

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants



Pramod B. Shukla
Partner

Place: Gurugram
Date : September 25, 2023



For and on behalf of
INTERNATIONAL SOLAR ALLIANCE



Ajay Mathur
Director General

Place: New Delhi





Joshua Wycliffe
Chief Operating Officer

Place: Gurugram
Date: September 25, 2023





INTERNATIONAL SOLAR ALLIANCE**IV. Statement of Cash Flow for the year ended December 31, 2022**

(Amount in USD)

Particulars	For the year ended December 31, 2022	For the year ended December 31, 2021
Cash flows from operating activities		
Deficit for the year	(62,56,863)	(26,25,579)
<i>Adjustments to reconcile deficit for the year to net cash flows:</i>		
Depreciation	6,354	2,252
Interest Income	(52,080)	(2,42,698)
Foreign currency translation reserve adjustments (net)	(46,32,179)	(8,14,043)
	(1,09,34,768)	(36,80,068)
Changes in assets		
(Increase)/ Decrease in prepayments	(6,53,670)	1,18,723
(Increase)/ Decrease in other financial assets	(3,29,428)	1,02,435
Changes in liabilities		
Increase in accounts payable and accrued liabilities	14,38,009	3,55,618
Increase/ (Decrease) in long-term provisions	54,657	(30,051)
Total changes in working capital	5,09,568	5,46,725
Cash flows (used) in operating activities	(1,04,25,200)	(31,33,343)
Cash flows from investing activities		
Payment for property, plant and equipment and Intangible assets under development	(21,525)	(56,751)
Changes in bank balances other than cash and cash equivalents (net)	15,80,314	8,98,713
Investment in other fixed deposits (net)	74,17,198	(23,07,559)
Interest received (including interest on Corpus Fund and Award Fund)	10,49,797	3,64,751
Cash flows from / (used) in investing activities	1,00,25,784	(11,00,846)
Cash flows from financing activities		
Grants received towards Corpus	8,46,023	30,68,996
Grants received towards Specific Fund	63,65,254	30,67,126
Award fund utilised	-	(25,769)
Specific fund utilised	(22,82,730)	(52,265)
Cash flows from financing activities	49,28,547	60,58,088
Net increase in cash and cash equivalents	45,29,131	18,23,899
Cash and cash equivalents as on beginning of the year (Refer Note 3)	29,38,313	11,14,414
Cash & cash equivalents at the end of the year (Refer Note 3)	74,67,444	29,38,313

Cash and cash equivalents balance consists of below:

Foreign currency in hand (USD)	18,399	5,847
Balances with banks		
- In saving accounts^	18,203	2,672
- In auto sweep deposit account^^	5,26,374	1,25,826
- In foreign currency account#	69,04,468	27,91,183
Fixed deposits with bank (original maturity less than 3 months)*	-	12,785
Total	74,67,444	29,38,313

^ Includes USD 2,730 (Previous year USD 1,935) towards Corpus Fund.

^^ Includes USD Nil (Previous year USD 20,133) towards Specific Fund.

Includes USD 5,703,270 (Previous year USD 2,790,314) towards Specific Fund.

* Includes fixed deposits of Nil (Previous year USD 12,785) towards Corpus Fund.

Significant accounting policies**See accompanying notes forming part of the financial statements**

2

1 to 24

In terms of our report attached

For **DELOITTE HASKINS & SELLS LLP**
Chartered AccountantsPramod B. Shukla
PartnerPlace: Mumbai
Date: September 25, 2023For and on behalf of
INTERNATIONAL SOLAR ALLIANCEAjay Mathur
Director GeneralPlace: New Delhi
Date: September 25, 2023Joshua Wycliffe
Chief Operating OfficerPlace: Gurugram
Date: September 25, 2023

INTERNATIONAL SOLAR ALLIANCE

V. Statement of Comparison of Budget and Actual Amounts for the year ended December 31, 2022
(Refer note 2.13 and 21)

(Amount in USD)				
Description	Budget Amount 2022	Actual Amount 2022	Difference - Budget and Actual	Implementation %
Programme Cost				
Affordable Finance at Scale Programme	5,45,015	2,90,607	2,54,408	53.32%
Scaling Solar Applications for Agriculture Use Programme	2,70,412	1,81,192	89,220	67.01%
Scaling Solar Mini Grids Programme	2,87,207	1,18,895	1,68,312	41.40%
Scaling Rooftop Solar Programme	3,43,150	1,93,796	1,49,354	56.48%
Scaling E-mobility and Storage Programme	2,58,513	63,994	1,94,519	24.75%
ISA Programme for Solar Parks	3,69,160	1,49,393	2,19,767	40.47%
ISA Programme for solarizing heating and cooling systems	3,69,160	73,428	2,95,732	19.89%
Funding for viability gap and for demonstration Projects in ISA Member Countries	9,40,000	67,142	8,72,858	7.14%
ISA Programme on Solar & Battery Waste Management	5,00,000	71,107	4,28,893	14.22%
ISA Programme on Solar for Green Hydrogen	5,00,000	71,107	4,28,893	14.22%
Sub total (A)	43,82,617	12,80,661	31,01,956	29.22%
Communications, Outreach and Strategic Engagement				
Capacity Building, including STAR-C Initiative	13,46,327	4,54,786	8,91,541	33.78%
Communication, Knowledge Management and Outreach	2,35,656	4,63,789	(2,28,133)	196.81%
Strategic Engagement and Partnerships	4,35,399	17,21,972	(12,86,573)	395.49%
Secretariat support to GGI-OSOWOG Initiative	4,00,000	4,887	3,95,113	1.22%
Sub total (B)	24,17,382	26,45,434	(2,28,052)	109.43%
Management Support Cost				
Personnel and operating Cost	50,00,000	27,36,113	22,63,887	54.72%
Sub total (C)	50,00,000	27,36,113	22,63,887	54.72%
Total [(A) + (B) + (C)]	1,17,99,999	66,62,208	51,37,791	56.46%
Timing differences				
i) Management Support Expenses for other periods		1,552		
Other differences				
i) Depreciation		6,354		
ii) Tangible assets capitalized		(23,845)		
iii) Intangible asset under development		(7,194)		
Total differences		(23,133)		
Total expenses as per the Statement of Financial Performance		66,39,075		

Significant accounting policies 2
See accompanying notes forming part of the financial statements 1 to 24

In terms of our report attached.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants


Pramod B. Shukla
Partner

Place: Gurugram
Date : September 25, 2023



For and on behalf of
INTERNATIONAL SOLAR ALLIANCE


Ajay Mathur
Director General

Place: New Delhi
Date : September 25, 2023




Joshua W. Duffie
Chief Operating Officer
Place: Gurugram
Date : September 25, 2023





INTERNATIONAL SOLAR ALLIANCE
Notes forming part of the financial statements

1. Reporting Entity

International Solar Alliance (ISA) is the first Treaty-based, Inter- Governmental International organisation head quartered in India and registered under Article 102 of the Charter of the United Nations.

ISA is an alliance of more than 100 solar resource rich countries lying fully or partially between the Tropics of Cancer and Capricorn. The ISA was conceptualised on November 30, 2015 in Paris to undertake efforts required to reduce the cost of finance and cost of technology, mobilize more than USD 1,000 billion of investments needed by 2030 for massive deployment of Solar Energy, and pave the way for technologies adapted to the further needs.

ISA is working towards better harmonizing and aggregating the demand for inter alia solar finance, technologies, innovation or capacity building across member countries and thereby help in providing strong lever to lower costs, increase quality, and bring reliable and affordable solar energy within the reach of all.

The Headquarters (Host Country) agreement with Government of India was signed on March 26, 2018 and a notification dated June 05, 2018 was notified by Ministry of External Affairs ("MEA"), Government of India declaring applicability of the United Nation (Privileges and Immunities) Act, 1947 w.e.f. June 05, 2018 to ISA, its representatives and officers.

2.01 (a) Statement of Compliance

ISA has prepared these financial statements in accordance with International Public Sector Accounting Standards (IPSAS) and comply with the Financial Regulations and Rules of ISA.

(b) Basis of preparation and presentation

These financial statements are prepared on an accrual basis of accounting in accordance with IPSAS and the Financial Regulations and Rules of ISA.

The financial statements have been prepared using the historical cost convention. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Accounting policies have been consistently applied throughout the reporting year.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, ISA takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of IPSAS 13, and measurements that have some similarities to fair value but are not fair value, such as value in use in IPSAS 26.

(c) Operating cycle

Based on the nature of activities of ISA and the normal time between acquisitions of assets and their realization in cash or cash equivalents, ISA has determined its operating cycle as twelve months for the purpose of classifications of its assets and liabilities as current and non-current.

(d) Presentation in Foreign Currency

1. The functional currency of ISA is Indian Rupees (INR). However, ISA being an international treaty-based organisation, the financial statements are expressed in United States Dollar (USD).



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INTERNATIONAL SOLAR ALLIANCE
Notes forming part of the financial statements

2. Assets and liabilities in the Statement of financial position shall be translated at the closing rate at the date of Statement of financial position.
3. Revenue and expenses of Statement of financial performance is translated at average monthly exchange rates for the year; and
4. All resulting exchange differences are recognised as a separate component of net assets/ equity.
5. The rate for conversion of INR to USD for above purpose is as per the United Nations operational rates of exchange related to the month. The UN operational rates of exchange approximate market/ spot rates.

(e) Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements in conformity with IPSAS requires the ISA's Management to make judgements, estimates and assumptions in selection and application of accounting policies that affect the reported amounts of assets, liabilities, revenue and expenses, and the accompanying disclosures.

The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates and the differences between the actual results and the estimates are recognized in the years in which the results are known/ materialize.

i) Revenue recognition

As per Article 5 of Financial Regulations for the International Solar Alliance, contributions to the Corpus Fund and revenue earned thereon will be credited to the 'Corpus Fund' and will be spent only when the Host Country ceases to finance ISA's annual recurring expenditure. Till such year, the revenue generated on Corpus Fund investment shall be treated as part of Corpus Fund only.

In the current year 2022, the management decided to transfer USD 3,450,369 from revenue generated from Corpus Fund to the General Grants (Refer Note 11.1) to finance the ISA's expenditure as there was no sufficient amount available in the General Grants.

ii) Programme Costs

During the current year 2022, the Management has identified certain costs (such as staff cost, Consultants, external experts and other project costs, Conference and workshop expenses) and allocated the same against grants received towards specific programmes of ISA. Accordingly, the allocated costs pertaining to the period upto December 31, 2021 aggregating USD 1,013,703 were transferred to General Grants (Note 11.1) and identified costs for the year 2022 aggregating USD 2,282,730 have been routed through the Statement of Financial Performance.

iii) Selection of useful lives and the depreciation method of property, plant and equipment

All items of property, plant and equipment are stated at historical cost, less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes costs that are directly attributable to the acquisition of the asset. The threshold adopted by ISA for recognition of property, plant and equipment as an asset is USD 1,500 or more per unit.

Depreciation of property, plant and equipment is calculated using the straight-line basis over the estimated useful lives. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, that is, major components of property, plant and equipment.

f) International Public Sector Accounting Standards (IPSAS) not yet effective

The International Public Sector Accounting Standards Board (IPSASB) has published the following new and amended standards:



INTERNATIONAL SOLAR ALLIANCE
Notes forming part of the financial statements

Standard	Title	Effective Date	Anticipated impact in year of adoption
IPSAS 42	Social Benefits	1 January 2023	This standard defines social benefits as cash transfers to individuals to mitigate the effect of social risks and address the needs of society as a whole and provides guidance for their accounting. This standard will have no impact on the financial statements of ISA.
IPSAS 41	Financial Instruments and subsequent amendment	1 January 2023	This standard will replace the existing IPSAS 29 – Financial Instruments and sets out new requirements for recognition and measurement of financial instruments, including impairment, derecognition and general hedge accounting. ISA does not foresee a significant impact on the financial statements resulting from this standard.
IPSAS 44	Non-current Assets Held for Sale and Discontinued Operations	1 January 2025	This standard was developed to align with IFRS 5, Non-current Assets Held for Sale and Discontinued Operations, and specifies the accounting for assets held for sale, and presentation and disclosure of discontinued operations. ISA does not foresee a significant impact on the financial statements resulting from this standard.
IPSAS 43	Leases	1 January 2025	Supersedes IPSAS 13 (Leases) and introduces the right-of-use model for lessees. On the basis of the right-of-use model, once the new standard has been adopted and the expiration of the validity of any transitional provisions has expired, most leases will be required to be capitalized, resulting in an increase in the amount of capitalized assets and the recording of related lease liabilities. The impact on annual financial performance is expected to be broadly neutral as depreciation of leased assets and interest costs on the related lease liabilities will replace the currently recorded lease expenses.

ISA continues to assess the impact of the above standards on future financial statements in advance of their effective date.

Significant Accounting Policies

2.02 i) Cash and Cash equivalents

Cash and cash equivalents in the Statement of financial position comprise cash at banks and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For purpose of Statement of Cash Flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

ii) Statement of Cash Flows

Statement of Cash Flows is prepared segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using indirect method. Under the indirect method, the net surplus/ (deficit) is adjusted for the effects of:

- (a) transactions of a non-cash nature;
- (b) any deferrals or accruals of past or future operating cash receipts or payments and,



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INTERNATIONAL SOLAR ALLIANCE
Notes forming part of the financial statements

(c) all other items of income or expense associated with investing or financing cash flows.

The cash flows from operating, investing and financing activities of ISA are segregated based on the available information.

2.03 Financial assets classification

ISA classifies financial assets into the following categories: held to maturity; available for sale; loans and receivables; and fair value through surplus or deficit in the Statement of financial performance. The classification depends on the purpose for which the financial assets are acquired and is determined at initial recognition and re-evaluated at each reporting date. All financial assets are initially measured at fair value. ISA initially recognizes loans and receivables on the date that they originated. All other financial assets are recognized initially on the trade date, which is the date ISA becomes party to the contractual provisions of the instrument.

Financial assets with maturities in excess of 12 months at the reporting date are categorized as non-current assets in the financial statements.

IPSAS classification	Type of ISA financial assets
Held-to-maturity financial assets	Fixed deposits with bank
Loans and receivables	Cash and cash equivalents, advances (e.g., to staff & vendors) and GST input credit

i) Held-to-maturity financial assets

Held-to-maturity are non-derivative financial assets with fixed or determinable payments and fixed maturities that ISA has the positive intention and ability to hold to maturity. They are initially recorded at fair value plus transaction costs and subsequently recognized at amortized cost calculated using the effective interest rate method.

ii) Available-for-sale financial assets

Available-for-sale financial assets are those non-derivative financial assets that have been either designated in this category or are not classified as (a) loans and receivables, (b) held-to-maturity investments, or (c) financial assets at fair value through surplus or deficit. They are initially recorded at fair value plus transaction costs that are directly attributable to the acquisition or issue of those assets and subsequently reported at fair value with any resultant fair value gains or losses recognized directly in net assets through the Statement of changes in net assets, until the financial asset is derecognized, at which time the cumulative gain or loss previously recognized in net assets shall be recognized in surplus or deficit. Fair values used for subsequent measurement are based on quoted market prices from knowledgeable third parties. Interest on available-for-sale financial assets is calculated using the effective interest method and is recognized in surplus or deficit.

iii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are initially recorded at fair value plus transaction costs and subsequently reported at amortized cost calculated using the effective interest method. Interest revenue is recognized on a time proportion basis using the effective interest rate method on the respective financial assets.

Prepayments are issued where agreements with ISA and the executing entity/ supplier require up-front payment. Prepayments are recorded as a current asset until goods/ services associated with the prepayments are delivered and receipt by ISA of a valid invoice or certified expense reports as applicable, i.e., utilization certificate or certificate of expenditure forms. Once those invoices or certified expense reports are received, ISA recognizes expenses in its Statement of Financial Performance and the prepayment is reduced by a corresponding amount.



INTERNATIONAL SOLAR ALLIANCE
Notes forming part of the financial statements

iv) Programme expenses by executing entity and responsible party

The executing entity is the entity that has management responsibility and accountability for project implementation and results. The executing entity may contract to implement and practically deliver outputs.

v) Fair value through surplus or deficit

Financial assets at fair value through surplus and deficits are so designated on initial recognition or are held for trading. They are initially recorded at fair value and any transaction costs are expensed. The assets are measured at fair value at each reporting date, and any resultant fair value gains or losses recognized through surplus and deficit. ISA currently neither has financial assets fair valued through surplus or deficit nor has any derivatives.

2.04 Property, plant and equipment (PPE)

All items of property, plant and equipment are stated at historical cost, less accumulated depreciation and accumulated impairment loss. Historical cost includes costs that are directly attributable to the acquisition of the asset. Where an asset is acquired for Nil or nominal consideration, the fair value at the date of acquisition is deemed to be its cost. The threshold for recognition of property, plant and equipment as an asset is USD 1,500 or more per unit.

Subsequent costs are included in the asset's carrying amount or are recognized as a separate asset only when it is probable that future economic benefits associated with the item will flow to ISA and the cost of the item can be measured reliably.

Depreciation on assets has been provided on straight line basis at the estimated useful lives. The estimated useful life and depreciation method are reviewed at the end of each reporting year, with the effect of any changes in estimates being accounted for on a prospective basis. Depreciation on additions/ deductions is calculated pro-rata from/ to the month of additions/ deductions.

The estimated useful lives are as follows:

Asset Class	Useful Life
Office equipment	14 years
Furniture & fixtures	15 years
Computer	8 years

Given the expected pattern of usage of property, plant and equipment, there are no residual values following full depreciation. An item of property, plant and equipment is derecognized upon disposal. Any gain or loss arising on the disposal of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized as surplus or deficit in the Statement of Financial Performance.

2.05 Intangible assets

Intangible assets are carried at cost less accumulated amortization and impairment losses, if any. The cost of an intangible assets comprises its purchase price, including any taxes (other than those subsequently recoverable from the taxing authorities) and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset after its purchase/ completion is recognized as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and



INTERNATIONAL SOLAR ALLIANCE
Notes forming part of the financial statements

attributed to the assets reliably, in which case such expenditure is added to the cost of the asset.

Intangible assets that are not ready for the intended use on the date of the Statement of Financial Position are disclosed as "Intangible assets under development".

2.06 Employee benefits

ISA recognizes the following categories of employee benefits:

Short-term employee benefits

Liabilities for salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting year and are measured at the amounts expected to be paid when the liabilities are settled.

Long-term employee benefits

The liabilities for earned leaves are measured at the expected future payments to be made in respect of services provided by employees up to the end of the reporting year. This is currently determined on an arithmetical basis and recognised in Statement of Financial Performance.

In accordance with Staff Regulation 7.1 and Staff Rule 4.10 under Article 7 of Social Security, ISA staff members on fixed-term appointment shall be paid an allowance, equivalent to 15.8% of net salary and post adjustment, where applicable, to enrol in an appropriate pension scheme. As ISA currently does not offer organization pension scheme, the onus and responsibility of enrolling in an appropriate pension scheme lies with the staff member who provides evidence of such enrolment within three months of his/ her appointment or three months of applicability of these rules, whichever is earlier.

2.07 Financial liabilities classification

IPSAS classification	Types of financial liabilities
Current financial liabilities	Accounts payable and accrued liabilities

i) Current financial liabilities

Current financial liabilities are initially recognized at fair value, plus directly attributable transaction costs, and subsequently measured at amortized cost using the effective interest method. Financial liabilities entered into with a duration of less than 12 months are recognized at their carrying value.

Payables and accruals arising from the purchase of goods and services are recognized at invoice amounts, less payment discounts at the reporting date. Liabilities are estimated where invoices are not available at the reporting date.

ii) Fair value through surplus or deficit

Financial liabilities are designated on initial recognition for fair value through surplus or deficit. Financial liabilities which are held for trading are also fairly valued through surplus or deficit. They are initially recorded at fair value and any transaction costs are expensed. The liabilities are measured at fair value at each reporting date and any resultant fair value gains, or losses are recognized through surplus or deficit. ISA currently neither has financial liabilities fairly valued through surplus or deficit nor has any derivatives.



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INTERNATIONAL SOLAR ALLIANCE
Notes forming part of the financial statements

2.08 Revenue recognition

- a) Voluntary contributions are non-exchange transactions which are recognized as revenue when contribution agreements become enforceable or in some instances when cash is received in accordance with the Financial Regulations for the International Solar Alliance. Revenue/ general contribution received from Ministry of New and Renewable Energy (MNRE); Government of India or other agencies are utilized for financing the activities of the organization. It is shown as income in the Statement of financial performance. Also refer Note 2.01(e)(i).
- b) **Other income**
- i) Interest on savings bank account & auto sweep accounts is recorded on accrual basis which coincide with the interest credited by the bank to the savings bank account & auto sweep account.
 - ii) Interest income on fixed deposits is recorded on accrual basis and accounted on a time proportion basis. Interest earned on fixed deposits towards Corpus Fund, Award Fund and Specific Fund is directly credited to the respective Funds. Other interests are recognised in the Statement of financial performance.

2.09 a) Corpus Fund

Grants received towards Corpus by ISA are reflected in the Statement of financial position under "Corpus Fund" with the corresponding reflection in the form of bank balances including fixed deposits or other investments. Income earned on Corpus Fund is capitalized under the Corpus Fund. As per the Financial Regulations, the basic purpose of Corpus Fund is to generate revenues for the budget of the ISA post utilisation of funds from General Grant.

b) Award Fund

Grants received towards Award by ISA are reflected in the Statement of financial position under "Award Fund" with the corresponding reflection in the form of bank balances including fixed deposits or other investments. Interest income on Award Fund created by donor kept at third party is accounted for on receipt basis. Income earned on Award Funds of ISA is capitalized under the Award Fund. The Award Fund is being utilised for the designated awards being awarded as per the decision of Management of ISA .

c) Specific Fund

Grants received towards specific programmes of ISA are reflected in the Statement of financial position under "Specific Fund" with the corresponding reflection in the form of bank balances including fixed deposits or other investments. Income earned on Specific Funds is capitalized under the Specific Fund. The Specific Fund is being utilised for the activities of specific programmes of ISA which have been agreed with the donors.

d) Tax Equalisation Fund

Staff Assessment is an amount deducted from all staff members gross pay according to the UN Staff Regulations and Rules, regardless of their nationality. Staff assessment deductions are credited to the Tax Equalisation Fund, as and when determined, by appropriation from General Grants. (Refer Note 11.2)

2.10 Expenses recognition

Expenses are recognized when goods and/ or services are delivered and/ or rendered and accepted by ISA. Advances transferred to executing entities are recognized as expenses when goods are delivered or services rendered by the executing entities and confirmed by receipt by ISA of certificate of utilization or certificate of expenditure from executing entities, as applicable. Once these expense reports are received, ISA recognizes expenses in its Statement of financial performance.



INTERNATIONAL SOLAR ALLIANCE
Notes forming part of the financial statements

2.11 Taxation

As per Section 10 of "Headquarter agreement between the Government of the Republic of India and the International Solar Alliance", ISA shall be exempted from all form of taxations in the Host Country i.e., India. In view of this, there are no items resulting in timing differences, which will result in deferred tax assets/ liabilities.

2.12 Provisions, contingent liabilities and contingent assets

A provision is recognized when ISA has a present obligation (legal or constructive) as a result of past events, and it is probable that the ISA will be required to settle the obligation in respect of which a reliable estimate can be made.

Contingent liabilities are disclosed in notes in case of a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation or a present obligation arising from past events, when no reliable estimate is possible. Contingent assets are disclosed in the financial statements where an inflow of economic benefits is probable.

2.13 Budget comparison

ISA's budget is prepared preliminary on accrual basis. Budgets are prepared only for General Fund and approved on an annual basis. There are no approved budgets for other funds. All funds are administered in accordance with the "Financial regulations for the International Solar Alliance".

As required under IPSAS 24 (Presentation of Budget Information in financial statements), the actual amounts as identified and correlated by ISA for the purpose of presentation on a comparable basis to the budget, as the financial statements and the budget are not prepared on a comparable basis. The budget is reconciled to the actual amounts presented in the financial statements, identifying separately any presentation and other differences. There may also be differences in formats and classification schemes adopted for the presentation of financial statements and the budget.

Programme budget for year 2022 had been approved in the ISA's Fourth Assembly held on October 20, 2021 vide resolution no ISA/A.04/WD.14. The Statement of Comparison of Budget and Actual Amounts (Statement V) compares the final budget to actual amounts calculated on the same basis as the corresponding budgetary amounts. As the basis used to prepare the budget and financial statements differ, Note 21 reconciles the actual amounts presented in Statement V to the actual amounts presented in the Statement of Financial Performance (Statement II).



INTERNATIONAL SOLAR ALLIANCE**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2022**

(Amount in USD)

NOTE 3: Cash and cash equivalents	As at December 31, 2022	As at December 31, 2021
Foreign currency in hand (USD)	18,399	5,847
Balances with banks		
- In saving accounts [^]	18,203	2,672
- In auto sweep deposit account ^{^^}	5,26,374	1,25,826
- In foreign currency account [#]	69,04,468	27,91,183
Fixed deposits with bank (original maturity less than 3 months)*	-	12,785
Total	74,67,444	29,38,313

[^] Includes USD 2,730 (Previous year USD 1,935) towards Corpus Fund.^{^^} Includes USD Nil (Previous year USD 20,133) towards Specific Fund.[#] Includes USD 5,703,270 (Previous year USD 2,790,314) towards Specific Fund.^{*} Includes fixed deposits of Nil (Previous year USD 12,785) towards Corpus Fund.

NOTE 4: Bank balances other than cash and cash equivalents above	As at December 31, 2022	As at December 31, 2021
Fixed deposits with bank (original maturity more than 3 months but less than 12 months)**	3,33,612	19,13,926
Total	3,33,612	19,13,926

^{**} Includes fixed deposits of USD 290,059 (Previous year USD 669,607) towards Corpus Fund, USD 25,043 (Previous year USD 24,524) towards Award Fund and Nil (Previous year USD 293,055) towards Specific Fund.

NOTE 5: Prepayments	As at December 31, 2022	As at December 31, 2021
Advances to Supporting vendors	8,02,960	2,82,594
Advances to vendors	19,333	2,971
Advance to consultants	78,743	1,958
Prepaid expenses	41,618	1,461
Total	9,42,654	2,88,984

NOTE 6a: Other current financial assets	As at December 31, 2022	As at December 31, 2021
Interest accrued on fixed deposits		
- Corpus Fund	8,331	20,349
- General Fund	762	23,275
- Award Fund	62,115	731
- Specific Fund	-	7,695
Goods and service tax input credit refund receivable	4,35,431	1,33,524
Others	27,640	119
Total	5,34,279	1,85,693

Note 6b: Other Non-current Financial assets	As at December 31, 2022	As at December 31, 2021
Fixed deposits with bank (original maturity more than 12 months)##	3,25,37,052	3,99,54,250
Interest accrued on fixed deposits		
- Award Fund	1,54,198	75,465
- Corpus Fund	35,30,955	22,74,684
- General Fund	124	1,20,569
- Specific Fund	-	-
Total	3,62,22,329	4,24,24,968

^{##} Includes fixed deposits of USD 31,097,868 (Previous year USD 36,281,378) towards Corpus Fund and USD 1,421,070 (Previous year USD 1,497,763) towards Award Fund.

INTERNATIONAL SOLAR ALLIANCE**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2022****NOTE 7: Property, plant and equipment**

(Amount in USD)

Particulars	Office Equipment	Furniture & Fixtures	Computers	Total
Gross Carrying Amount				
As at January 01, 2021	20,530	4,145	-	24,675
Addition during the year	4,160	-	24,312	28,472
As at December 31, 2021	24,690	4,145	24,312	53,147
Addition during the year	2,819	-	21,026	23,845
As at December 31, 2022	27,509	4,145	45,338	76,992
Accumulated Depreciation				
As at January 01, 2021	3,647	276	-	3,923
Depreciation during the year	1,422	277	553	2,252
As at December 31, 2021	5,069	553	553	6,175
Depreciation during the year	1,760	261	4,333	6,354
As at December 31, 2022	6,829	814	4,886	12,529
Gross Carrying Amount as at December 31, 2021	24,690	4,145	24,312	53,147
Accumulated Depreciation as at December 31, 2021	5,069	553	553	6,175
Adjustments (represents FCTR*)	(1,890)	(38)	(318)	(2,246)
Net Carrying Amount as at December 31, 2021	17,731	3,554	23,441	44,726
Gross Carrying Amount as at December 31, 2022	27,509	4,145	45,338	76,992
Accumulated Depreciation as at December 31, 2022	6,829	814	4,886	12,529
Adjustments (represents FCTR*)	(3,678)	(371)	(3,526)	(7,575)
Net Carrying Amount as at December 31, 2022	17,002	2,960	36,926	56,888

Note:

* Foreign currency translation reserve (FCTR) arising on account of conversion of amounts initially recorded at historical value into presentational currency on reporting date.



INTERNATIONAL SOLAR ALLIANCE**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2022**

(Amount in USD)

NOTE 8: Accounts payable and accrued liabilities*	As at December 31, 2022	As at December 31, 2021
Payable to vendors	2,633	2,44,659
Payable to Supporting vendors	2,16,097	-
Payable to staff and consultants	1,26,060	19,243
Payable to experts	-	6,263
Accruals	19,55,662	5,92,278
Total	23,00,452	8,62,443

* Refer Note 2.07

NOTE 9: Long-term provisions	As at December 31, 2022	As at December 31, 2021
Provision for compensated absences	62,998	8,341
Total	62,998	8,341

NOTE 10: Corpus Fund	As at December 31, 2022	As at December 31, 2021
Opening balance	4,20,02,733	3,69,13,642
Contribution received	8,46,023	30,68,996
Interest on Corpus Fund	20,66,711	20,20,095
Transferred to General Fund {Refer Note 2.01(e)(ii)}	(34,50,369)	-
Total	4,14,65,098	4,20,02,733

NOTE 11: General Fund - This Note provides fund balance details for the General Fund

NOTE 11: General Fund	As at December 31, 2022	As at December 31, 2021
General Grants (Refer Note 11.1)	12,09,376	32,34,862
Tax Equalisation Fund (Refer Note 11.2)	4,46,228	2,13,533
Total	16,55,604	34,48,395

NOTE 11.1 : General Grants	As at December 31, 2022	As at December 31, 2021
Opening balance	32,34,862	58,54,930
Transferred to Awards funds	-	53,586
Transferred from Corpus funds {Refer Note 2.01(e)(i)}	34,50,369	-
Transferred from Specific funds {Refer Note 2.01(e)(ii)}	10,13,703	-
Deficit for the year	(62,56,863)	(26,25,579)
Tax Equalisation appropriation {Refer Note 2.09(d)}	(2,32,695)	(48,075)
Total	12,09,376	32,34,862

NOTE 11.2 : Tax Equalisation Fund (Refer below Foot Note-1)	As at December 31, 2022	As at December 31, 2021
Opening balance	2,13,533	1,65,458
Tax Equalisation appropriation from General Grant	2,32,695	48,075
Total	4,46,228	2,13,533

Foot Note 1:

All international staff assessment deductions from ISA staff will be credited into Tax Equalisation fund. The amount placed in this fund will be utilized in line with the provision of Circular dated August 05, 2020 with the approval of

NOTE 12: Award Fund	As at December 31, 2022	As at December 31, 2021
Opening balance	16,52,092	15,55,590
Transferred from General Grants	-	(53,586)
Interest on Award Fund#	1,57,815	1,51,444
Less: Award distribution and other costs (Net)	-	(1,356)
Total	18,09,907	16,52,092

Includes interest amounting USD 65,405 (Previous year USD 69,413) received on fixed deposits of USD 1,207,584 which is kept, as Corpus Fund for Kalpana Chawla Haryana Solar Award, at the disposal of Haryana Renewable Energy Development Agency (HAREDA). HAREDA is custodian of funds on behalf of ISA. Interest earned on deposit in Corpus Fund will be utilized for award distribution and administrative setup in the proportion 90:10.

NOTE 13: Specific Fund	As at December 31, 2022	As at December 31, 2021
Opening balance	31,40,852	1,18,192
Contribution received during the year	63,65,254	30,67,126
Interest on Specific Fund	6,909	7,799
Less: Utilization	-	(52,265)
Less: Transferred from Statement of Financial Performance {Refer Note 2.01(e)(iii)}	(22,82,730)	-
Less: Transferred to General Grants {Refer Note 2.01(e)(ii)}	(10,13,703)	-
Total	62,16,582	31,40,852



INTERNATIONAL SOLAR ALLIANCE**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2022**

(Amount in USD)

Note 14: Other income	For the year ended December 31, 2022	For the year ended December 31, 2021
<u>Interest income on general fund with:</u>		
- Saving bank accounts	337	42
- Auto sweep accounts	7,861	4,719
- Fixed deposits	36,155	2,28,561
Interest income - Others	7,727	9,376
Foreign exchange gain (net)	3,09,713	9,078
Miscellaneous income	61	4,089
Other Income	20,359	-
Total	3,82,213	2,55,865

Note 15: Staff cost	For the year ended December 31, 2022	For the year ended December 31, 2021
Salary (including for deputed staff)*	14,45,331	2,92,280
Other staff cost - consultants	3,10,271	2,75,068
Total	17,55,602	5,67,348

*Includes payment towards pension fund of USD 132,592 (Previous year USD 33,912) recognised during the year and provision for compensated absences of USD 62,213 (Previous year USD 11,873).

Note 16: Other general expenses	For the year ended December 31, 2022	For the year ended December 31, 2021
Advertisement Expenses	8,013	23,927
Travel and conveyance	1,54,292	64,526
Meeting expenses	31,971	10,880
Consultancy and professional fees	3,22,070	4,15,794
Contractual administrative staff	44,970	46,765
Low value assets charged off	14,460	1,001
Printing and stationary	79,845	37,217
Auditor's remuneration (Refer Note below)	17,006	16,292
Late Fees	5,506	-
Website maintenance	5,019	23,632
Security Expenses	3,191	7,133
Office maintenance	96,044	29,166
Office Rent	58,273	-
Advance written off	51,211	-
ERP - Software charges	35,482	24,328
Staff Welfare Expenses	11,419	-
Miscellaneous	1,54,589	41,751
Total	10,93,361	7,42,412

Note:**Auditor's remuneration**

Particulars	For the year ended December 31, 2022	For the year ended December 31, 2021
Audit fees	16,869	16,275
Out of pocket Expenses	137	17
Total	17,006	16,292



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INTERNATIONAL SOLAR ALLIANCE
Notes forming part of the financial statements

17 Financial instruments and risk management

As per the current activities, ISA is not exposed to significant financial risk due to sufficient Fund.

a) Credit risk: The risk of financial loss to ISA may arise from the failure of an entity or counterparty to meet its financial obligations to ISA.

b) Liquidity risk: The risk that ISA might not have adequate funds to meet its obligations as they fall due.

c) Market risk: The risk that ISA might incur financial losses on its financial assets due to unfavourable movements in foreign currency exchange rates, interest rates and/ or prices of investment securities.

The following tables show the value of ISA financial assets and financial liabilities outstanding at year end based on the classification adopted by ISA.

i) Financial assets as at reporting date

(Amount in USD)

Particulars	As at December 31, 2022	As at December 31, 2021
Bank balances including cash and cash equivalents	40,338,108	44,806,489
Other financial assets	4,219,556	2,656,411
Total financial assets	44,557,664	47,462,900

ii) Financial liabilities as at reporting date

(Amount in USD)

Particulars	As at December 31, 2022	As at December 31, 2021
Accounts payable and accrued liabilities	2,300,452	862,443
Total financial liabilities	2,300,452	862,443

The carrying amount of above non-current and current financial assets and non-current and current financial liabilities measured at amortised cost are considered to be the same as their fair values due to their short-term nature.

There are no amounts recognised at fair value through surplus or deficit, and other comprehensive income.

18 Related Parties

Key management personnel

Director General: Dr. Ajay Mathur (w.e.f. March 15, 2021)
 Mr. Upendra Tripathy (upto March 14, 2021)

The leadership structure of ISA consists of Director General who is responsible for the strategic direction and operational management of ISA and is entrusted with significant authority to execute the ISA mandate.

Chief Operating Officer: Mr. Joshua Wycliffe (w.e.f. June 13, 2022)



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INTERNATIONAL SOLAR ALLIANCE
Notes forming part of the financial statements

Related party transactions

(Amount in USD)

Particulars	Dr. Ajay Mathur (DG w.e.f. March 15, 2021)	Mr. Upendra Tripathy (DG upto March 14, 2021)	Mr. Joshua Wycliffe (COO w.e.f. June 13, 2022)	Total
Remuneration#	190,061	-	39,468	229,529
	(150,037)	(37,284)	(-)	(187,321)
Pension Fund	30,030	-	9,755	39,785
	(23,706)	(5,891)	(-)	(29,597)
Provision for compensated absences	13,355	-	6,385	19,740
	(5,548)	(2,641)	(-)	(8,189)
Others	-	-	29,430	29,430
	(-)	(2,247)	(-)	(2,247)
Total	233,446	-	85,038	318,484
	(179,291)	(48,063)	(-)	(2,27,354)

*Previous year amounts are in the bracket.

Excludes staff assessment allowance, if any, which has been credited to the Tax Equalisation Fund through appropriation of General Grants.

Balances as at year end*- Rs Nil (As at December 31, 2021: Nil)

* Excludes provision for compensated absences payable on leaving the service of the ISA.

19. Capital Commitment

(Amount in USD)

Particulars	As at December 31, 2022	As at December 31, 2021
Amount of contract remaining to be executed on account of intangible assets not provided for	4,383	9,714

20. In-kind contribution

- ISA receives in-kind contributions from the Government of the Republic of India ("GOI") of the right to use office space and other facilities in its operations. ISA has not received title to these properties. The facilities are provided to ISA without charge under the Headquarters Agreement between GOI and ISA.
- ISA receives in-kind contribution in form of Eight (previous year: Fourteen) senior management personnel seconded at ISA secretariat by various international organizations/ foreign governments.

Given the salary and other information confidential in nature, the ISA Secretariat is not able to adequately measure these in-kind contributions. However, since both the value of the donated right to use and other facilities provided by the GOI and service cost of personnel from donor organizations foreign governments; as well as revenue of in-kind contribution of an equivalent amount would have been accrued for in the Statement of financial performance, there is no impact on the surplus/ deficit for the year or on the Statement of financial position of ISA.



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INTERNATIONAL SOLAR ALLIANCE
Notes forming part of the financial statements

- 21.** Programme budget for year 2022 had been approved in the ISA's Fourth Assembly held on October 20, 2021 vide resolution no ISA/A/.04/WD.14. The Statement of Comparison of Budget and Actual Amounts (Statement V) compares the final budget to actual amounts calculated on the same basis as the corresponding budgetary amounts. Further, the actual amounts have been identified and correlated by ISA for the purpose of presentation on a comparable basis to the budget for purpose of Statement V.

As required by IPSAS 24 (Presentation of Budget Information in Financial Statements), reconciliation is provided on a comparable basis between the actual amounts as presented in Statement V and the actual amounts in the financial statements identifying separately any basis, timing, entity and presentation differences.

The overall budget amount for General Fund has been utilised to the tune of 56.46%.

Basis differences occur when the components of the approved budget are used for activities other than the implementation of technical programmes. Examples of this include other non-programme budget utilization and special arrangements.

Timing differences represent the inclusion in ISA's financial statements of budget expenses in other financial years.

There are no entity differences since, ISA's financial statements include one budget only. Presentation differences concern differences in the format and classification schemes in the Statement of Cash Flows (Statement IV) and the Statement of Comparison of Budget and Actual Amounts (Statement V).

A reconciliation between the actual amounts on a comparable basis in Statement V and the actual amounts in Statement IV for year ended on December 31, 2022 is presented below:

(Amount in USD)

Description	Operating	Investing	Financing	Total
Actual amount on a comparable basis (Statement V)	6,662,208	-	-	6,662,208
Basis differences	-	10,056,823	4,928,547	14,985,370
Timing differences	1,552	-	-	1,552
Presentation differences	(17,088,960)	(31,039)	-	(17,119,999)
Actual amount in the Statement of Cashflows (Statement IV)	(10,425,200)	10,025,784	4,928,547	4,529,131

22. Events after reporting date

The reporting date for these financial statements is December 31, 2022. There have been no material events, favourable or unfavourable, that occurred between the date of the financial statements and the date when the financial statements were authorized for issue that would have had a material impact on these statements.

23. Authorization to submit financial statements for audit

These financial statements are approved and certified by the Director General and Chief Operating Officer.



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INTERNATIONAL SOLAR ALLIANCE
Notes forming part of the financial statements

24 Previous year's figures

Previous year's figures have been regrouped/ reclassified, wherever necessary, to correspond with current year's classification/ disclosure.

On Behalf of International Solar Alliance




Ajay Mathur
Director General

Place: New Delhi

Date: September 25, 2023




Joshua Wycliffe
Chief Operating Officer

Place: Gurugram

Date: September 25, 2023

