

FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2020

INTERNATIONAL SOLAR ALLIANCE

I. Statement of financial position as at December 31, 2020

(Amount in USD)

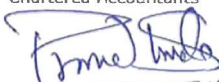
Particulars	Note No.	As at December 31, 2020	As at December 31, 2019
Assets			
Current assets			
Cash and cash equivalents	3	1,114,414	197,868
Bank balances other than cash and cash equivalents above	4	2,812,639	33,012,895
Prepayments	5	407,707	218,777
Other current financial assets	6a	340,949	640,222
Total current assets		4,675,709	34,069,762
Non-current assets			
Property, plant and equipment	7	19,193	17,160
Intangible assets under development		9,887	-
Capital work-in-progress (CWIP)		-	4,295
Other non current financial assets	6b	38,007,303	-
Total non-current assets		38,036,383	21,455
Total assets		42,712,092	34,091,217
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	8	531,238	390,265
Total current liabilities		531,238	390,265
Non-current liabilities			
Long-term provisions	9	38,392	28,801
Total non-current liabilities		38,392	28,801
Total liabilities		569,630	419,066
Net assets/equity			
Corpus fund	10	36,913,642	28,846,995
General fund	11	6,020,388	5,666,344
Award fund	12	1,555,590	740,319
Specific fund	13	118,192	-
Foreign currency translation reserve		(2,465,350)	(1,581,507)
Total net assets/equity		42,142,462	33,672,151
Total liabilities and net assets/equity		42,712,092	34,091,217

See accompanying notes forming part of the financial statements

1 to 23

In terms of our report attached

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



Pramod B. Shukla
Partner

Place: Mumbai
Date : October 11, 2021



For and on behalf of
INTERNATIONAL SOLAR ALLIANCE


Ajay Mathur
Director General

Place: Gurugram
Date : October 11, 2021




Jagjeet Sareen
Assistant Director General

Place: Gurugram
Date: October 11, 2021



INTERNATIONAL SOLAR ALLIANCE

II. Statement of financial performance for the year ended December 31, 2020

(Amount in USD)

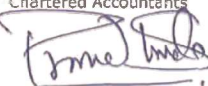
Particulars	Note No	For the year ended December 31, 2020	For the year ended December 31, 2019
Revenue			
Contribution received		2,028,929	2,131,287
Other income	14	303,494	356,998
Total revenue		2,332,423	2,488,285
Expenses			
Fellowship and training		412,830	217,846
Conference and workshop expenses		522,043	700,204
Staff cost	15	582,827	518,696
Office general expenses	16	365,018	388,723
Depreciation	7	1,645	1,438
Total expense		1,884,363	1,826,907
Surplus for the year		448,060	661,378

See accompanying notes forming part of the financial statements

1 to 23

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INTERNATIONAL SOLAR ALLIANCE

III. Statement of Changes in Net Assets/ Equity for the year ended December 31, 2020

Particular	Corpus Fund	General Fund	Award Fund	Specific Fund	Foreign currency translation reserve	(Amount in USD) Net Assets / Equity
Balance as at January 01, 2019	26,852,783	5,004,966	-	-	(1,108,688)	30,749,061
Contributions received	165,530	-	735,294	-	-	900,824
Interest on funds	1,828,682	-	5,025	-	-	1,833,707
Surplus for the year	-	661,378	-	-	-	661,378
Foreign currency translation reserve	-	-	-	-	(472,819)	(472,819)
Balance as at December 31, 2019	28,846,995	5,666,344	740,319	-	(1,581,507)	33,672,151
Contributions received	6,314,246	-	676,277	118,192	-	7,108,715
Interest on funds	1,752,401	-	163,340	-	-	1,915,741
Surplus for the year	-	448,060	-	-	-	448,060
Transfer to/(from) funds	-	(94,016)	94,016	-	-	-
Award distribution and other costs	-	-	(118,362)	-	-	-
Foreign currency translation reserve	-	-	-	-	(883,843)	(118,362)
Balance as at December 31, 2020	36,913,642	6,020,388	1,555,590	118,192	(2,465,350)	42,142,462

See accompanying notes forming part of the financial statements

1 to 23

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Chartered Accountants


Pramod B. Shukla
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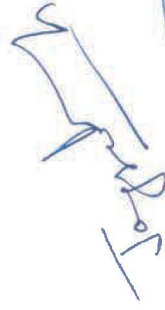
Place: Mumbai
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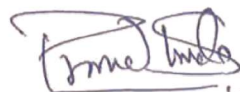
INTERNATIONAL SOLAR ALLIANCE**IV. Cash Flow Statement for the year ended December 31, 2020****(Amount in USD)**

Particulars	For the year ended December 31, 2020	For the year ended December 31, 2019
Cash flows from operating activities		
Surplus for the year	448,060	661,378
<i>Adjustments to reconcile surplus for the year to net cash flows:</i>		
Depreciation during the year	1,645	1,438
Interest income	(303,494)	(356,998)
Foreign currency translation reserve adjustments (net)	(883,843)	(472,819)
	(737,632)	(167,001)
Changes in assets		
(Increase)/ Decrease in prepayments	(188,930)	147,736
(Increase)/ Decrease in other financial assets	(20,594)	(51,574)
Changes in liabilities		
Increase/ (Decrease) in payables and accruals	116,627	155,280
Increase/ (Decrease) in long-term provisions	9,591	28,801
Total changes in working capital	(83,306)	280,243
Cash flows from operating activities	(820,938)	113,242
Cash flows from investing activities		
Payment for property, plant and equipment (including CWIP)	-	(4,054)
Payment for Intangible assets under development	(9,270)	-
Changes in bank balance other than cash and cash equivalents	30,200,256	(3,695,706)
Investment in fixed deposits	(37,646,691)	-
Interest received (including interest on Corpus Fund and Award Fund)	2,178,490	2,160,435
Cash flows used in investing activities	(5,277,215)	(1,539,325)
Cash flows from financing activities		
Corpus fund received	6,314,246	165,530
Specific fund received	118,192	-
Award fund received	676,277	735,294
Award fund utilised	(94,016)	-
Cash flows from financing activities	7,014,699	900,824
Net increase/ (decrease) in cash and cash equivalents	916,546	(525,259)
Cash and cash equivalents as on beginning of the year (Refer Note 3)	197,868	723,127
Cash & cash equivalent at the closing of the year (Refer Note 3)	1,114,414	197,868

See accompanying notes forming part of the financial statements

1 to 23

In terms of our report attached

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Partner

Place: Mumbai

Date : October 11, 2021

For and on behalf of
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Ajay Mathur
Director General

Place: Gurugram

Date : October 11, 2021

**Jagjeet Sareen**
Assistant Director General

Place: Gurugram

Date: October 11, 2021

INTERNATIONAL SOLAR ALLIANCE

V. Statement of Comparison of Budget and Actual Amounts for the year ended December 31, 2020
(Refer note 20)

Description	Budget Amount 2020	Actual Amount 2020	Difference - Budget and Actual	(Amount in USD) Implementation %
Programme Cost				
Affordable Finance at Scale Programme	287,000	114,110	172,890	39.76%
Scaling Solar Applications for Agriculture Use Programme	144,000	53,193	90,807	36.94%
Scaling Solar Mini Grids Programme	153,525	54,152	99,373	35.27%
Scaling Rooftop Solar Programme	185,250	49,525	135,725	26.73%
Scaling E-mobility and Storage Programme	89,525	50,330	39,195	56.22%
ISA Programme on Solar Parks	200,000	51,064	148,936	25.53%
Capacity Building	1,180,000	485,114	694,886	41.11%
Sub total (A)	2,239,300	857,488	1,381,812	38.29%
Communications, Outreach and Strategic Engagement				
Communication, Knowledge Management and Outreach	157,500	55,114	102,386	34.99%
Strategic Engagement and Partnerships	340,000	44,816	295,184	13.18%
Sub total (B)	497,500	99,930	397,570	20.09%
Management Support Cost				
Management Support	2,835,000	856,659	1,978,341	30.22%
Sub total (C)	2,835,000	856,659	1,978,341	30.22%
Total [(A) + (B) + (C)]	5,571,800	1,814,077	3,757,723	32.56%
Timing differences				
i) Management Support Expenses for other periods		77,331		
Other differences				
i) Depreciation		1,645		
ii) Foreign exchange loss (net)		1,129		
iii) Intangible assets under development presented in statement of financial position		(9,819)		
Total differences		70,286		
Total expenses as per the Statement of Financial Performance		1,884,363		

See accompanying notes forming part of the financial statements 1 to 23

In terms of our report attached.

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


Pramod B. Shukla
Partner

Place: Mumbai
Date : October 11, 2021



For and on behalf of
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Place: Gurugram
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Jagjeet Sareen
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Place: Gurugram
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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 121 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 1000 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 financial statements as on December 31, 2020 in accordance with International Public Sector Accounting Standards (IPSAS).

(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).



2. Assets and liabilities in the statement of financial position presented 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 these 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. Therefore, Interest income earned on General Fund is recognized as revenue income and interest income earned on Corpus Fund is credited to the Corpus Fund.

ii) 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. 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.

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) Cash flow statement

Cash flow statement 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,
- (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 asset
Held-to-maturity financial assets	Fixed deposits with bank
Loans and receivables	Cash and cash equivalents, receivables from vendor, 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 asset.

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.



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.

iv) 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 losses. 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

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 in surplus or deficit in the statement of financial performance.

2.05 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 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.

2.06 Financial liabilities classification

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

i) Current financial liabilities

Other 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 fair 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 fair valued through surplus or deficit nor has any derivatives.

2.07 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 are utilized for financing the activities of the organization. It is shown as income in the statement of financial performance.

b) Other income

- i) Interest on savings bank account is recorded on accrual basis which coincide with the interest credited by the bank to the savings bank 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 and Award Fund is directly credited to the respective Funds. Other interests are recognised in the statement of financial performance.

2.08 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 current 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 Corpus of 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 award committee.

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 has 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)

2.09 Expenses recognition

Expenses are recognized when goods and/or services are delivered and/or rendered and accepted by ISA or 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.

2.10 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.

2.11 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.

2.12 Budget comparison

ISA's budget are 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".



INTERNATIONAL SOLAR ALLIANCE
Notes forming part of the financial statements

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.

Through the adoption of resolution ISA/PC.01/WD.03 (2019), the Programme committee in his first meeting held on September 02, 2019, approved the Programme budget for the year 2020. Further, the budget has been approved in the Second assembly of the ISA on October 31, 2019. 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 20 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**

(Amount in USD)

NOTE 3: Cash and cash equivalents	For the year ended December 31, 2020	For the year ended December 31, 2019
Foreign currency in hand (USD)	9,150	96
Balances with banks		
- In saving accounts	18,219	10,428
- In auto sweep deposit account	212,081	187,344
- In foreign currency account#	120,537	-
Fixed deposits with bank (original maturity less than 3 months)*	754,427	-
Total	1,114,414	197,868

* Includes fixed deposits of USD 754,427 (Previous year USD Nil) towards Award Fund.

Includes USD 118,192 (Previous year USD Nil) towards Specific Fund.

NOTE 4: Bank balances other than cash and cash equivalents above	For the year ended December 31, 2020	For the year ended December 31, 2019
Fixed deposits with bank (original maturity more than 3 months but less than 12 months)**	2,812,639	33,012,895
Total (A)	2,812,639	33,012,895

** Includes fixed deposits of USD 647,203 (Previous year USD 27,167,578) towards Corpus Fund and USD 750,133 (Previous year USD 725,298) towards Award Fund.

NOTE 5: Prepayments	For the year ended December 31, 2020	For the year ended December 31, 2019
Advance to National Institute of Solar Energy (NISE)	323,766	211,254
Advance to United Nations Development Programme (UNDP)	49,794	-
Advances to vendor	14,238	962
Advance to consultants	4,100	3,230
Prepaid expenses	15,809	3,331
Total	407,707	218,777

NOTE 6a: Other current financial assets	For the year ended December 31, 2020	For the year ended December 31, 2019
Interest accrued on fixed deposits		
- Corpus Fund	19,990	329,893
- General Fund	34,278	89,888
- Award Fund	50,603	4,957
Amount receivable from National Institute of Solar Energy (NISE) (against taxes)	119,713	123,187
Goods and service tax input credit refund receivable	116,070	90,447
Others	295	1,850
Total	340,949	640,222

Note 6b: Other Non-current Financial assets	For the year ended December 31, 2020	For the year ended December 31, 2019
Fixed deposits with bank (original maturity more than 12 months)##	37,646,691	-
Interest accrued on fixed deposits		
- Corpus Fund	323,507	-
- General Fund	37,105	-
Total	38,007,303	-

Includes fixed deposits of USD 33,846,706 (Previous year USD Nil) towards Corpus Fund.



INTERNATIONAL SOLAR ALLIANCE**Notes to the financial statements****NOTE 7: Property, plant and equipment (PPE)****(Amount in USD)**

Particulars	Office Equipment	Furniture & Fixtures	Total
Gross Carrying Amount			
As at January 01, 2019	20,530	-	20,530
Addition during the year	-	-	-
As at December 31, 2019	20,530	-	20,530
Addition during the year	-	4,145	4,145
As at December 31, 2020	20,530	4,145	24,675
Accumulated Depreciation			
As at January 01, 2019	840	-	840
Depreciation during the year	1,438	-	1,438
As at December 31, 2019	2,278	-	2,278
Depreciation during the year	1,369	276	1,645
As at December 31, 2020	3,647	276	3,923
Gross Carrying Amount as at December 31, 2019	20,530	-	20,530
Accumulated Depreciation as at December 31, 2019	2,278	-	2,278
Adjustments (represents FCTR*)	(1,092)	-	(1,092)
Net Carrying Amount as at December 31, 2019	17,160	-	17,160
Gross Carrying Amount as at December 31, 2020	20,530	4,145	24,675
Accumulated Depreciation as at December 31, 2020	3,647	276	3,923
Adjustments (represents FCTR*)	(1,586)	27	(1,559)
Net Carrying Amount as at December 31, 2020	15,297	3,896	19,193

Note :

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



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INTERNATIONAL SOLAR ALLIANCE**Notes to the financial statements**

(Amount in USD)

NOTE 8: Accounts payable and accrued liabilities *	For the year ended December 31, 2020	For the year ended December 31, 2019
Payable to vendors	212,801	252,712
Payable to staff and consultants	3,848	51,880
Payable to experts	21,820	12,025
Accruals	292,769	73,648
Total	531,238	390,265

* Refer Note 2.06

NOTE 9: Long-term provisions	For the year ended December 31, 2020	For the year ended December 31, 2019
Provision for compensated absences	38,392	28,801
Total	38,392	28,801

NOTE 10: Corpus Fund	For the year ended December 31, 2020	For the year ended December 31, 2019
Opening balance	28,846,995	26,852,783
Contribution received	6,314,246	165,530
Interest on Corpus Fund	1,752,401	1,828,682
Total	36,913,642	28,846,995

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

NOTE 11: General Fund	For the year ended December 31, 2020	For the year ended December 31, 2019
General Grants (Refer Note 11.1)	5,854,930	5,666,344
Tax Equalisation Fund (Refer Note 11.2)	165,458	-
Total	6,020,388	5,666,344

NOTE 11.1 : General Grants	For the year ended December 31, 2020	For the year ended December 31, 2019
Opening balance	5,666,344	5,004,966
Transfer to Award Fund**	(94,016)	-
Surplus for the year	448,060	661,378
Tax Equalisation appropriation (Refer Note 2.08(d))	(165,458)	-
Total	5,854,930	5,666,344

**Amount transferred to Award Fund for payment to Winners for ISA Solar Award and other routine expenses.

NOTE 11.2 : Tax Equalisation Fund (Refer below Foot Note-1)	For the year ended December 31, 2020	For the year ended December 31, 2019
Opening balance	-	-
Tax Equalisation appropriation(Refer Note 2.08(d))	165,458	-
Total	165,458	-

Foot Note 1:

During the year 2020, ISA has decided to create a Tax Equalization Fund and all staff assessment deductions from ISA staff will be credited into this 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 competent authority.

NOTE 12: Award Fund	For the year ended December 31, 2020	For the year ended December 31, 2019
Opening balance	740,319	-
Transfer from General Fund (Grants)**	94,016	-
Contribution received	676,277	735,294
Interest on Award Fund#	163,340	5,025
Less: Award distribution and other costs	(118,362)	-
Total	1,555,590	740,319

Includes interest amounting USD 72,903 (previous year Nil) received on fixed deposits of USD 1,362,027 which is kept, as Corpus Fund for Kalpana Chawla Haryana Solar Award, at the disposal of Haryana Renewable Energy Development Agency (HAREDA), State Government and 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.

**Amount transferred from General Fund for payment to Winners for ISA Solar Award and other routine expenses.

NOTE 13: Specific Fund	For the year ended December 31, 2020	For the year ended December 31, 2019
Opening balance	-	-
Contribution received during the year	118,192	-
Total	118,192	-



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INTERNATIONAL SOLAR ALLIANCE**Notes to the financial statements**

(Amount in USD)

Note 14: Other income	For the year ended December 31, 2020	For the year ended December 31, 2019
Interest income on general fund with:		
- Saving bank accounts	600	819
- Auto sweep accounts	4,461	16,334
- Fixed deposits	298,433	302,295
Interest income from National Institute of Solar Energy (NISE)	-	37,550
Total	303,494	356,998

Note 15: Staff cost	For the year ended December 31, 2020	For the year ended December 31, 2019
Salary (including for deputed staff)*	371,353	323,835
Other staff cost - consultants	211,474	194,861
Total	582,827	518,696

*Includes payment towards pension fund of USD 104,284 (including USD 75,975 for previous year) recognised during the year and provision for compensated absences of USD 10,403 (Previous year USD 29,197). (Also Refer Note 18).

Note 16: Other general expenses	For the year ended December 31, 2020	For the year ended December 31, 2019
Advertisement Expenses	16,941	-
Travel and conveyance	40,530	94,941
Consultancy and professional fees	152,225	83,300
Contractual administrative staff	43,839	40,196
Low value assets charged off	15,465	19,656
Printing and stationary	28,726	57,174
Meeting expenses	5,766	52,498
Guest house expenses	2,035	3,674
Auditor's remuneration (Refer Note below)	13,425	13,159
Website maintenance	10,653	7,413
Office maintenance	406	3,356
ERP - License fees	7,513	-
Foreign exchange loss (net)	1,129	44
Miscellaneous	26,365	13,312
Total	365,018	388,723

Note :

Auditor's remuneration -

Particulars	For the year ended December 31, 2020	For the year ended December 31, 2019
Audit fees	13,390	12,787
Out of pocket Expenses	34	372
Total	13,424	13,159



17 Financial instruments and risk management

As per the current activities ISA is not exposed to significant financial risk due to sufficient Corpus and General 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 obligation 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

Particulars	(Amount in USD)	
	As at December 31, 2020	As at December 31, 2019
Bank balances including cash and cash equivalents	41,934,356	33,210,763
Other financial assets	340,949	640,222
Total financial assets	42,275,305	33,850,985

ii) Financial liabilities as at reporting date

Particulars	(Amount in USD)	
	As at December 31, 2020	As at December 31, 2019
Accounts payable and accrued liabilities	531,238	390,265
Total financial liabilities	531,238	390,265

The carrying amount of above current financial assets 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

The leadership structure of ISA consists of Mr. Upendra Tripathy, Director General (upto March 14, 2021), is responsible for the strategic direction and operational management of ISA and is entrusted with significant authority to execute the ISA mandate.

Related party transactions

Key managerial personnel	(Amount in USD)	
	For the year ended December 31, 2020	For the year ended December 31, 2019
Remuneration#	180,144	182,575
Pension Fund	104,284	Nil
Provision for compensated absences	10,403	29,197
Others	2,934	5,591
Total	297,765	217,363



INTERNATIONAL SOLAR ALLIANCE
Notes forming part of the financial statements

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

Balances as at year end

Key managerial personnel	(Amount in USD)	
	As on December 31, 2020	As on December 31, 2019
Payable towards salary and reimbursement *	-	18,370
Total	-	18,370

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

19. In-kind contribution

- a. 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.
- b. The Government of India provides hospitality and conference facilities for hosting Assembly, etc.
- c. ISA receives in-kind contribution in form of Twelve (previous year: Six) 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.

- 20.** The ISA's Programme Committee in its first meeting held on September 02, 2019 approved the Programme budget vide resolution ISA/PC.01/WD.03 (2019), for the year 2020. Further, the budget has been approved in the Second assembly of the ISA on October 31, 2019. 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 accounts identifying separately any basis, timing, entity and presentation differences.

The overall budget amount for General Fund has been utilised to the tune of 32.56%, this is mainly due to the reason that the implementation of ISA programmes, projects and activities were affected due to sudden Covid-19 outbreak.

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 accounts of budget expenses in other financial years.

There are no entity differences since, ISA's financial accounts include one budget only.



INTERNATIONAL SOLAR ALLIANCE
Notes forming part of the financial statements

Presentation differences concern differences in the format and classification schemes in the Cash Flow Statement (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 December 2020 is presented below:

Description	Operating	Investing	Financing	Total
Actual amount on a comparable basis (Statement V)	3,757,723	-	-	3,757,723
Basis differences	-	(5,267,945)	7,014,699	1,746,754
Timing differences	77,331	-	-	77,331
Presentation differences	(4,655,992)	(9,270)	-	(4,665,262)
Actual amount in the Cash Flow Statement (Statement IV)	(820,938)	(5,277,215)	7,014,699	916,546

21 Events after reporting date

The reporting date for these financial statements is December 31, 2020. 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.


22 Authorization to submit financial statements for audit

These financial statements are approved and certified by the Director General and Assistant Director General.

23 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

International Solar Alliance

Jagjeet Sareen
 Assistant Director-General

Place: Gurugram
 Date: October 11, 2021

Place: Gurugram
 Date: October 11, 2021