



CREATING SYNERGIES



ANNUAL REPORT 2006-07

Financial Management Service Foundation

FROM THE EXECUTIVE DIRECTOR'S DESK...

We are reporting herewith, yet another year of success stories, challenges, joys and concerns. The journey has been quite exciting none the less. It has been made more meaningful with the participation of various stakeholders i.e. our partners, overseas agencies, staff members and Board of Trustees. EED, Germany plays a very significant role in our endeavor and we specially acknowledge their key role in our journey.

I hope you would enjoy going through this report, celebrate with us the success that we had and be with us through our challenges that lie ahead.



(Sanjay Patra)



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1. FMSF AT A GLANCE

FMSF is a Development Resource Organization working in the voluntary sector in South Asia since the past 13 years. Since its inception, it has worked towards promoting accountability in the voluntary sector. The core activities of FMSF can be divided into five main areas. They are:

- 1. Financial Monitoring of Development Projects;*
- 2. Capacity Building;*
- 3. Networking;*
- 4. Information dissemination, Study and Action Research;*
- 5. Consultancy.*

Each Core area will be dealt with in greater detail in the next section. All the activities of FMSF are aimed at capacitating and promoting accountability in the voluntary sector.

The regular monitoring function performed by FMSF includes projects supported by EED and few projects supported by Bread for the World (BftW).

Apart from conducting workshops and trainings on financial management, legal aspects and governance related matters, FMSF, in collaboration with the Tata Institute of Social Sciences (TISS) is now launching a one year, diploma in Financial Management and Accountability. It is a long distance education program and is designed to suit to the needs of persons working in the voluntary sector or are planning to join the sector. The

tentative date for launching the course is November 2007.

Networking at FMSF primarily involves partnering with other like minded agencies and working closely with them in realizing shared objectives. FMSF facilitates two networks namely the Forum for Ethics and Accountability (FEAT) and NGO Accountants Network (NAN).

Information dissemination is carried primarily through two main sources: Websites and Publications. Apart from the organizational website, FMSF runs 4 specialized sites which are frequently visited. In the year 2006-07 FMSF brought two new publications namely: 'Social Accountability Standards for Voluntary Organizations' and the 'Handbook on Social Audit in NGOs'. A quarterly journal, 'INTERface' which deals with various financial management, legal and development related issues was also published regularly.

In the area of Research, the social audit tool kit was developed and published as a handbook. The framework for the Social Accountability Report was also developed. Many students from various institutions from within and outside the country joined FMSF as interns.

Various agencies approached us in the past year for consultancy in different areas. Christian Aid UK, Misereor Germany & Caritas India are some of the agencies who sought consultancy services from FMSF.

FMSF is strategically positioned between the donors and the NGOs and acts primarily as a critical link to facilitate the development process. It plays a very crucial role; both from the donors' perspective as well as the NGOs' point of view. All the activities that FMSF primarily engages in

are aimed at creating synergies in the development world, thereby enhancing efficiency and effectiveness.

With this brief overview of activities, we shall now proceed and take up each core area separately.

I . Program

2. Financial Monitoring of Development Projects

Financial resources are integral to any development work. Facilitating smooth transfer of funds ensures timely and effective implementation of the development program. Financial Monitoring of Development Projects which is one of the key areas of the work of FMSF primarily aims at doing so by enabling the partner organizations in effective financial management and in complying with donor requirements.

A significant development in the monitoring area in the year 2006-07 was the inclusion of Pakistan

projects. Apart from Pakistan, FMSF has partner networks in India, Nepal, Sri Lanka, and Bangladesh. The pie chart below shows the spread of partner network of FMSF in South Asia.

The total number of Audited Financial Reports that were received and verified by FMSF was 168 and the total number of progress reports received was 160.

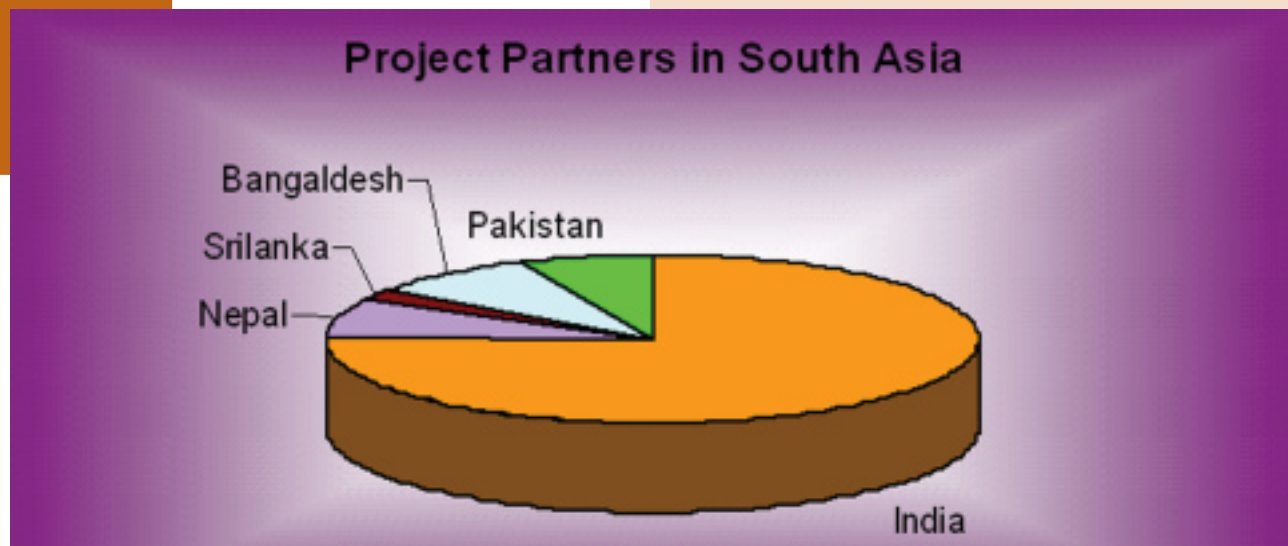


Figure - 1

Many new projects were taken up and many projects were closed as well. In the year 2006-07, the total number of projects closed is 39 and the total number of new projects taken over is 31.

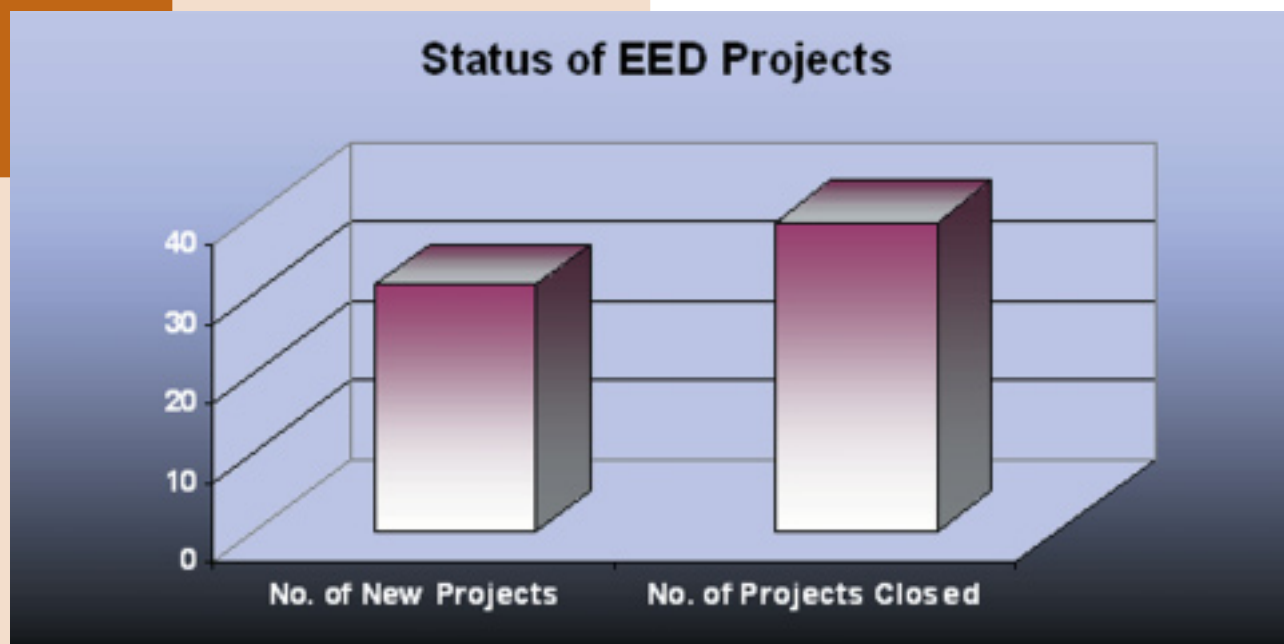


Figure - 2

In order to get a deeper understanding of the projects and ground realities, FMSF team members make regular field visits to partner organizations. As in the past, regular meetings were held with the partner organizations for discussing and sorting out issues related to the projects.

3. Capacity Building

In its endeavor to capacitate the voluntary sector, FMSF conducts various training programs and workshops. Apart from organizing workshops and consultations, members from the FMSF Resource team also facilitate various sessions in workshops organized by other agencies.

The capacity building initiative, initially was only restricted to training on EED requirements to the partner network and eventually shifted to the

broader areas of financial management, governance and social accountability issues. The shift has been from an 'awareness raising' mode to 'specific tools' followed by 'Best practices'. At present, FMSF is looking forward to involve in 'specific sustained courses'.

The workshops and trainings now have a reach even beyond the partner network.

3.1. Workshops/ Consultations organized by FMSF:

Sl No.	Workshop/Consultation	Date	Place
1	Workshop on Fund Accounting	5-6th June,2006	Bangalore
2	Workshop on EED requirements for Rongmei Naga Baptist Association (RNBA) and its members	29th August, 2006	Imphal
3	Workshop on Fund Accounting	25th and 26th September 2006	New Delhi
4	Workshop on Social Audit and Accountability for the FCFC (Forum for Collective Forms of Cooperation)members	26th and 27th October 2006	NOIDA
5	Workshop on Financial Management and Reporting	5th, 6th and 7th of November 2006.	Lahore, Pakistan
6	FCFC (Forum for Collective Forms of Cooperation) National Meet	17th and 18th November 2006	NOIDA
7	Consultation on Social Accountability –Tools and Practices	15th and 16th March 2007	New Delhi

3.2. Workshops Facilitated by FMSF:

Sl No.	Workshop/Consultation	Date	Place
1.	Workshop on Basic Financial Management For Development Alternatives for PACS (Poorest Areas of Civil Society) Program	12 th to 14 th June, 2006	Jhansi
2	Workshop for Resource Managers of Kotak Mahindra Bank For Kotak Mahindra Bank	15 th June 2006	Delhi
3	Workshop for CBOs (Community Based Organizations) by EED	6 th to 7 th July, 2006	Bangalore
4	Workshop on Board Development For NEICORD	10 th to 11 th July, 2006	Shillong
5	Workshop on Legal matters for NIPCCD (National Institute of Public Cooperation and Child Development) partners	6 th Sep.2006	Delhi
6	Normative Framework Workshop of the FCFC North Zone	12 th September 2006	Gurgaon
7	Normative Framework Workshop of the FCFC South Zone	13 th & 14 th October 2006	Chennai
8	Workshop on Financial Management in Disaster Management for Caritas India	19 th October 2006	New Delhi
9	Workshop on Governance by VANI (Voluntary Action Network of India)	26 th October 2006	Gawhati
10	Workshop on Financial Management, Monitoring and Reporting for Henry Martyn Institute	15 th and 16 th February 2007	Hyderabad
11	Workshop on basic Financial Management by Development Alternatives for PACS program	26 th and 28 th February 2007	Jhansi
12	Workshop on Good Governance by NIPCCD	29 th March 2007	New Delhi

The figure given below shows that the outreach

outreach of 9%. Pakistan is closely followed by Nepal, Bangladesh & Sri Lanka.

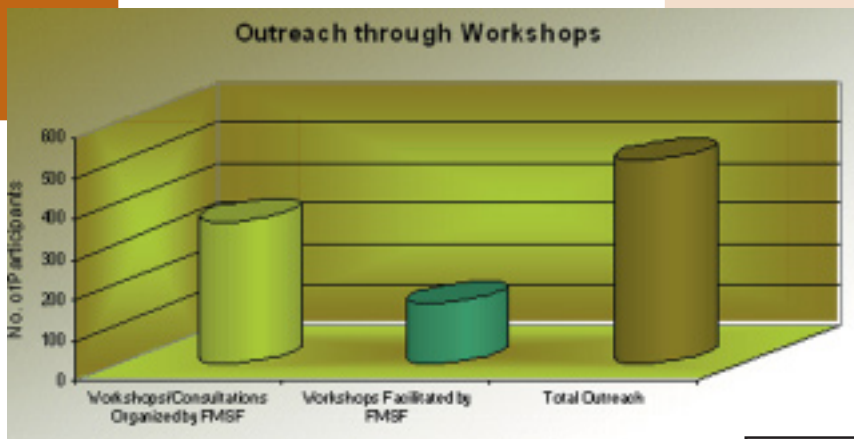


Figure - 3

of FMSF through workshops and trainings.

The regional outreach of FMSF through the workshops and trainings covering various parts of India is depicted in the figure - 4

The outreach through workshops in South Asia is depicted in the figure given. The maximum outreach of 85% is in India, followed by Pakistan with an

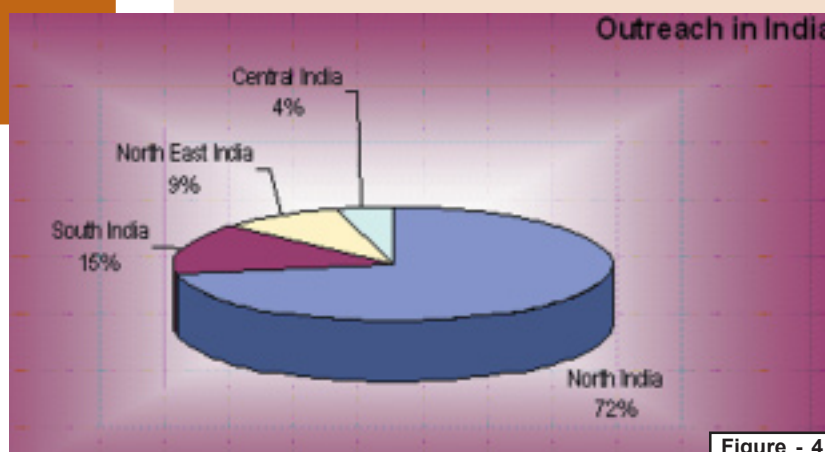


Figure - 4

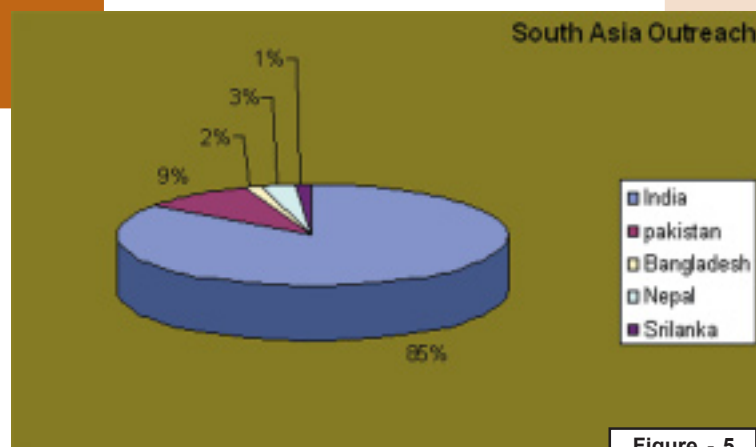


Figure - 5

workshops/consultations on the issue of Social Accountability. This consultation specifically focused on the tools and practices that would promote and enhance social accountability.

There were about 200 participants from 9 countries in the consultation. Representatives from International Donor Agencies, Voluntary organizations, partner organizations from the Indian sub-continent

participated in the consultation. The primary objective of the consultation was to deliberate upon the existing tools and practices for promoting Social Accountability; their applicability and challenges in their implementation and evolve ways and methodologies to integrate them into the organizational systems. There were four technical sessions which specifically focused on tools that promote accountability in the context of the voluntary sector. The Technical Sessions as well as the open house discussions were very enriching for the participants. As a way forward, it was agreed upon by the participants to:

- Take the process of social accountability forward by implementing the tools within the organizational context;
- Adopt the Social Accountability Standards;
- Implement Social Audit processes.

3.4. Diploma in Financial Management and Accountability (DFMA): Yet another initiative in the area of capacity building is the Diploma

in Financial Management and Accountability. Even though FMSF conducts various trainings and workshops, a need was felt for a sustained course on Financial Management. Further, it was realized that there was an unmet demand existing in the voluntary sector for such specific courses on financial management. This led to the evolution of DFMA. It is a one year long-distance education program in collaboration with the Tata Institute of Social Sciences (TISS). The course is specifically designed to suit to the needs of persons working in the voluntary sector or persons who are planning to join the sector.

The Course design has been jointly worked upon by TISS and FMSF. The software for the course is developed as well.

The course has been in the pipeline for some time and after many discussions and meetings with TISS, it has been decided that the course will be launched on November 2007.

4. Networking

The primary aim of Networking is to effectively leverage the existing resources (human & intellectual) and linkages for the overall benefit of the voluntary sector. In its endeavor to enhance the accountability and transparency of the voluntary sector, FMSF works closely with various other organizations and like minded agencies. It also runs two networks:

- a. NAN (NGO Accountants Network)
- b. FEAT (Forum for Ethics Accountability and Transparency)

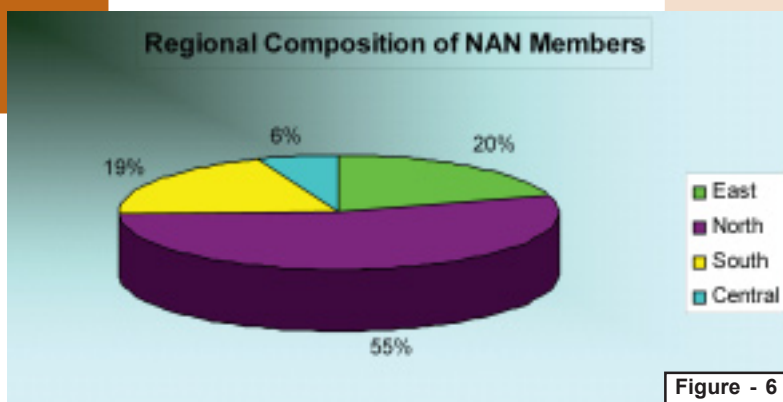
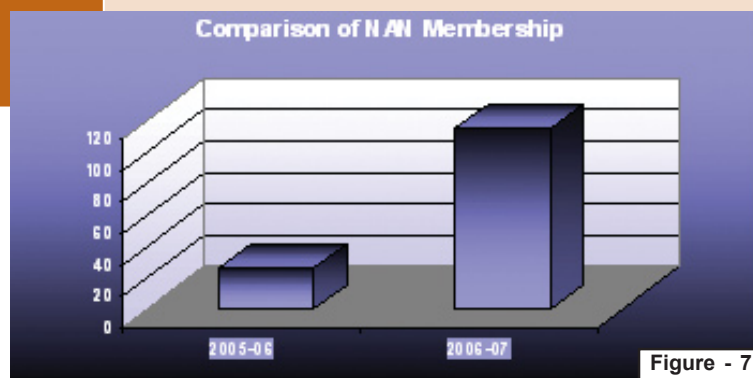
4.1 NAN: NGO Accountants Network (NAN) was formed in January 2005 with the following objectives:

- To build a pool of expertise;
- To sensitize on the field realities;
- To enable mutual learning;
- To capacitate NGO Accountants on new methodologies in Financial Management.

At present, there are about 115 members from various parts of the country. A regional composition of the NAN Members is given in figure - 6

Out of the 115 members, 23 belong to the Eastern region, 63 from the northern region, 22 from the southern region and 7 from Central India.

There has been a remarkable increase in the number of NAN Members in the year 2006-07. The membership increased from 26 to 115 in a span of one year.



4.1.1. 1st National Convention of NAN: In the year 2006-07, the 1st National Convention of NAN was organized. About 62 NAN members participated in the convention. It was organized in the Vishwa Yuva Kendra, New Delhi on the 18th & 19th Sept. 2006. As an outcome of the Convention, it was

decided that a NAN core group would be formed. The NAN convention focused on various issues like Accountability, Transparency, Understanding the Role of Accountants in Development sector, Financial Management Practices, FCRA and Income Tax.

4.2. Forum for Ethics Accountability & Transparency (FEAT):

FEAT is a network of finance consultants engaged in the voluntary sector in providing necessary consultancies in the area of financial management and related areas. The membership of FEAT has remained the same as in the previous year. The core group of FEAT met in the month of September 2006. One of the developments with regard to FEAT was the initiation of the independent registration process of this forum as a 'Charitable Society'.

The services of FEAT members are used from time to time in other advocacy initiatives like to pre-budget memorandum to the Government of India. Some of the FEAT members are also involved in the DFMA (Diploma in Financial Management & Accountability) Program as faculty. Many of them also act as accompaniers and consultants to various partners that FMSF works with.

4.3. Other Initiatives:

4.3.1. Pre-budget memorandum: FMSF in association with VANI, organized the Consultation on the Pre-Budget Memorandum to discuss and highlight those issues to be considered during the working of the forthcoming Fiscal Budget for the year 2007 by the Union Government. About 27 representatives participated in the Consultation and formulated the pre-budget memorandum on aspects related to the Voluntary sector.

4.3.2. National policy on Voluntary Sector: The National Policy on the Voluntary Sector was drafted with the combined efforts of the Planning Commission of India and Leaders from the Voluntary Sector. FMSF was part of the working group that worked in drafting the National Policy. The Union Cabinet gave its approval for the National Policy on the Voluntary Sector on the 17th of May 2007. It aims at creating an enabling environment for the Voluntary Organizations and facilitating their partnerships with the government so that they can play a constructive role in development activities effectively. The information on National Policy was shared by FMSF among its partner constituencies.

5. Information Dissemination, Study and Action Research

Information plays a key role in the present world. FMSF engages in disseminating relevant and useful information in the voluntary sector. The two primary sources of information dissemination at FMSF are:

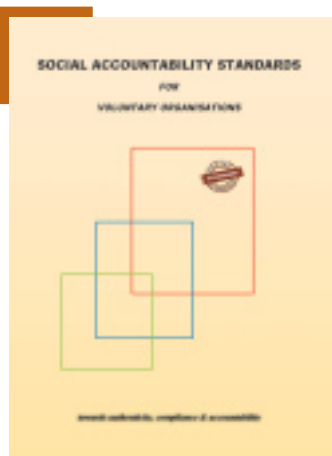
5.1. Publications: In the year 2006-07, FMSF published two new publications namely:

- Social Accountability Standards for Voluntary Organizations and
- Handbook on Social Audit in NGOs.

The above mentioned books were released in the Consultation on Social Accountability- tools and practices held in the month of March 2007.

5.1.1. Social Accountability Standards for Voluntary Organizations

This book is written by Mr. Manoj Fogla, an experienced Chartered Accountant having in-depth knowledge on the issues relating to development functions.



The book discusses the key reporting and transparency processes in 3 Divisions. In Division One, the Concept and Practices of Social Accounting is provided.

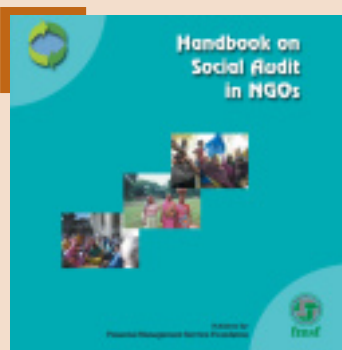
This division also brings out the limitations existing in conventional accounting and reporting and looks into the ethical and social practices and the conflicts that arise in dealing with them.

Key Eleven Social Accountability Standards (SAS) have been recommended in Division Two. These are simple norms and some are well known but somehow are not prioritized and put in common practice. As reporting is recognized as a key accountability mechanism, Division Three fully covers the concept of Fund Accounting. The accounting treatment of various Funds dealt by organizations is discussed keeping in view also the existing legal framework.

One of specific features of this book is that it does not stop with conceptual aspects of SAS, but also provides concrete tools for implementing the same. Various Formats are provided as Annexures which includes model formats of Memorandum of Association, Proxy Form, Minutes & Resolutions, and Disclosure of Accounting Policies etc.

Most of the concepts & standards generated in this book could be used by Voluntary Organizations who seek to understand the Social Accountability concepts and also put into practice.

5.1.2. Handbook on Social Audit in NGOs:



This handbook deals with the process of social audit and also provides greater clarity to various

concepts related to the process of social audit. It is divided into three major sections. The first section talks about social audit at a conceptual level. The second section deals with social audit –the process. It provides a clear and comprehensive methodology for conducting a social audit in an NGO. The processes of social book-keeping and social accounting are also explored in the second section. The third section covers some of the case studies. This handbook is a collective endeavor of the FMSF research team and would be helpful for individuals and organizations who want to gain knowledge about the concept as well as the process of social audit and would act as a step by step guide for those who want to conduct social audit.

The figure-8 presents the sale of the above mentioned publications till 31st march 2007.

As mentioned, both the publications were released on the 15th and 16th of March 2007 and over 149 copies of the Social Accountability Standards for Voluntary Organizations



Figure - 8

Organizations and 113 copies of the Handbook on Social Audit in NGOs. were sold by the 31st of March 2007.

Apart from the above mentioned publications, FMSF also has two other publications namely, Legal and Finance

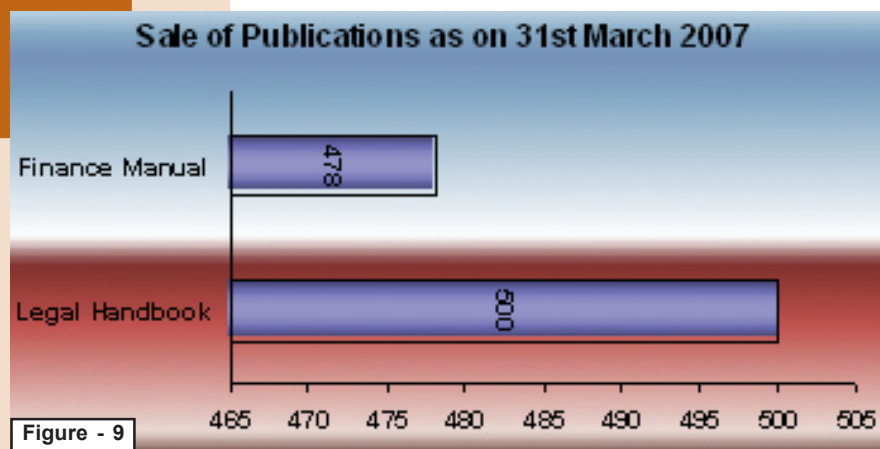


Figure - 9

Handbook for Voluntary Organizations, Manual for Financial Management and Legal Relations. The total sale of these publications till 31st march 2007 is presented in figure - 9(page-18):

As on 31st March 2007, 478 copies of the Manual on Financial Management and Legal Regulations and 500 copies of the Legal and Finance Handbook for the Voluntary Organizations were sold.

5.1.3. INTERface: As a part of its information dissemination initiative, FMSF also publishes a quarterly journal, 'INTERface' which covers various financial and legal aspects pertaining to the voluntary sector. The subscription of INTERface has been steadily increasing.



In the year 2006-07, four issues of 'INTERface' were published. Various issues related to the development sector were covered. Some of them are:

- Foreign Contribution (Management & Control) Bill, 2005;
- Legal & Financial Challenges for the voluntary sector;
- Independence of Auditors;
- Right to Information and role of Voluntary Sector;
- Social Audit and Accountability;

- Governance of Not for Profit Organizations;
- Special Economic Zones.

5.2. Websites: FMSF has five highly informative websites. Apart from the organizational website (www.fmsfindia.org), there are five other specialized sites. They provide information on various issues like, legal (www.legalissuesforngos.org), income tax related matters (www.incometaxforngos.org), FCRA(www.fcraforngos.org) and social accountability. (www.socialaccountability.net) All the websites are regularly updated and are frequently visited.

5.3. Study and Action Research:

Research at FMSF has three fold objectives:

1. Develop our knowledge/resource base;
2. Develop tools for the voluntary sector;
3. To act as a centre for providing support in Research to external agencies.

Keeping in view the above mentioned objectives, the research activities are designed at FMSF.

5.3.1. Scoping of Vulnerable Children for India Central and North High Intensity Area Framework (HIAF) for Tearfund, UK:

FMSF was approached by Tearfund, UK to commission a study on all Tearfund priority sectors including children at risk. The aim of this assignment was to provide information,



analysis and recommendations to provide a basis for developing the vulnerable children. The focus of the assignment was restricted to Kolkata, Mumbai, and Delhi, rural districts of Orissa, Jharkhand, Bihar, Madhya Pradesh and Uttar Pradesh.

The specific objectives of the Study were:

- Analyze the context of vulnerable children within specific geographical focus area.
- Document and analyze the Church and Christian NGO Response
- Make recommendations for Tearfund as it implements its high intensity area



framework in India Central and North

- Recommend potential new partners, individuals and projects for Tearfund to explore further.

As a part of the implementation of the India HIAF in central and north India, Tearfund wanted to increase its understanding and capacity to support programmes addressing the issue of vulnerable children. In this respect, there was a need for further research in the particular districts and cities identified within the India central and north high intensity area. A need at looking at the causes and effects of vulnerable children, current emerging and hidden issues was felt. Thus, the study was commissioned and FMSF was approached to conduct the research.

5.3.2. Social Audit Tool Kit:

One of the objectives of the Research initiatives at FMSF is to develop tools for the voluntary sector. Following the above mentioned objective, the research team at FMSF developed a 'Social Audit Tool Kit'. The Research on developing a methodology for conducting a social audit in NGOs was completed and published in the year 2006-07.

Social Audit is a very potent tool for promoting social accountability in the voluntary sector.

5.3.3 Framework for Social Accountability Report: The framework for the Social Accountability Report was developed during the year.

5.4. Internships: Students from various educational institutions like Tata Institute of Social Sciences (TISS) and Institute for Rural

Management, Anand (IRMA) came for internships. During the year, a student from CHINA interned at FMSF for about two months. Some of the topics that they worked upon are:

- ⇒ Cost-Benefit analysis of development Projects;
- ⇒ Integrated Monitoring Tool;
- ⇒ Micro-enterprises – an analysis.

6. Consultancy

FMSF is being approached by various organizations including donor agencies seeking consultancy on matters related to financial management and legal aspects related to development organizations. Some of the specific assignments and consultancies received by FMSF during the reporting year are as follows:

6.1. External assessment of Financial procedures of Myanmar Council of Churches (MCC)

FMSF was appointed by Christian Aid, UK along with World Council of Churches (WCC) to undertake the External Enquiry into Financial procedures of Myanmar Council of Churches (MCC), Myanmar during the period May 2006.

6.2. Consolidation of Financial Statements of SISIN project supported by European Commission and ICCO for 5 partners in India



FMSF was appointed in 2003 by ICCO to undertake the task of consolidation of the financial reports of 5 project partners for 3 years of the 'Sustainable Income Security for the Rural Poor in India' (SISIN) project supported by European Commission and ICCO in Netherlands.

The objective of the assignment for FMSF was to enable ICCO and her partners to financially implement and report on the program according to the conditions set by the European Commission, ICCO and the other donors. The major task for FMSF was to provide ICCO with a consolidated financial report for each year based on the Audited financial Reports in the European Commission Format provided for the program.

The challenge for FMSF was to consolidate the financial Statements as per the European Commission Guidelines and also with the vastness of the Reports. The final report for the



period 2005-2006 was consolidated by FMSF and was submitted to ICCO in the Year 2006.

6.3. Project Accompaniment to Christian Aid (CA) for European Commission funded European Initiative for Democracy and Human Rights (EIDHR) project on “Civil Society approach towards achieving equality and the realization of the Rights of Scheduled Castes in India”

The objective of the accompaniment was to enable Christian Aid and its partners to financially implement and report on the program according to the conditions set by the European Commission and Christian Aid. The accompaniment process started in December 2006 .By the end of the year FMSF had already completed Pre-Funding Appraisal of 8 selected partners and in the coming year would be responsible for:

- * facilitation and capacity building of EIDHR partners regarding the conditions set by the European Commission;
- * monitoring of the Financial Accounting practices of the partners and accompaniment to be provided to partners regarding the conditions

set by the European Commission and basic financial management of the organisation;

6.4. Project Monitoring and Capacity Building for 15 Indian Partner Organizations of Bread for the World (BftW)

FMSF was approached by BftW for monitoring some of the projects funded by it. The services to be rendered to BftW by FMSF includes assessment of audit report, financial reports, narrative reports, requesting corrections or additional information from partner organizations whenever BftW reporting standards would not be fulfilled. Respective Project coordinators from FMSF would make field visits to the project partners. Training, coaching and capacity building for selected partner organizations would also be conducted by FMSF.

6.5. MISEREOR: FMSF is facilitating the capacity building initiatives of MISEREOR. This includes the Assessment, Accompaniment and Mentoring in the areas of Financial Management, Compliance to Legal Requirements and



Governance aspects of its selected partner organizations.

MCITRA, one of the partner organizations of MISEREOR in Kerala, has been provided the Assessment and Accompaniment service in establishing the financial management systems and procedures. Mentoring aspect is being worked out presently.

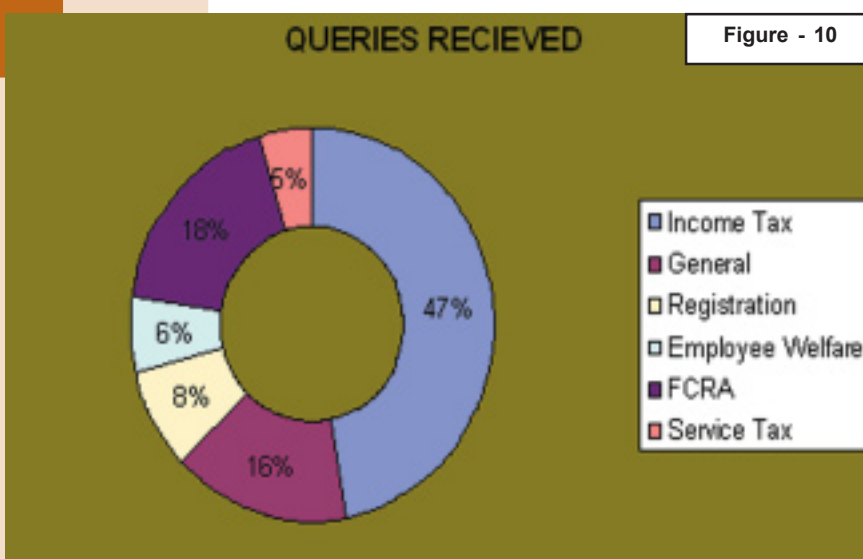
A Financial Management Training is being finalized for another partner organisation in Karnataka, Don Bosco Child Labour Mission to be held in April 2007.

The other aspect of MISEREOR's capacity building initiative is to hold a workshop for its partner organizations on Basic Financial Management and Reporting Requirements towards the 3rd quarter of 2007.

6.6. German Agro Action (GAA): FMSF has facilitated the establishment of Liaison Office of German Agro Action (GAA) in New Delhi. This includes forwarding the application to Reserve Bank of India and necessary follow-up for receiving the approval. In instances, where any additional information is required by Reserve Bank of India it is also obtained and provided to facilitate the approval process.



Apart from these specific assignments, a number of queries on various issues like, income-tax, registration, FCRA are received and replied through e-mails. The figure below shows the queries received during the year of reporting. Of all the queries received, 47% queries were regarding Income Tax and 18% were regarding FCRA. 16% queries were general in nature while 8 % were regarding registration. Only 6% of queries related to Employee Welfare Schemes.



7. FMSF Program Centre

FMSF also runs a program centre in its office premises. It is an initiative to provide support to various development organizations and like minded agencies in conducting workshops and organizing training programs. It also offers accommodation facilities at reasonable rates. Various NGOs and development organizations during the year have sought the services of FMSF program centre. Figure-11 represents the total amount of revenue received in the year 2006-07 which is about 50% more than the revenue earned previous year.

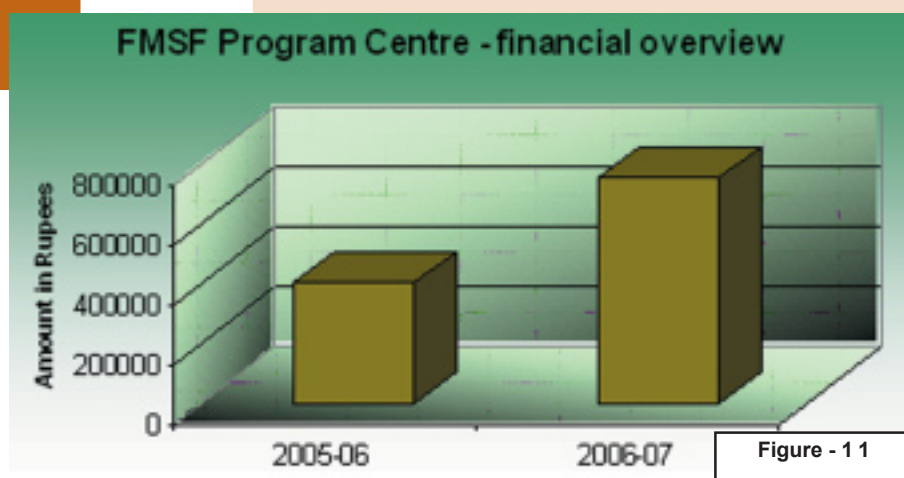


Figure - 11

Some of the organizations that availed the facilities of the FMSF Program Centre during the year are:

1. EFICOR;
2. Geneva Global;
3. Orissa Development Action Forum;
4. DEVPRO;
6. Christian Aid;
7. Church of North India Synodical Board of Social Services
8. SPAR;
9. CWS
10. EED

8. OTHER EVENTS

8.1. Ecumenical Visit : A delegation of members of EED's Governing Body who hold high positions in German Churches visited India from 8th to 17th January 2007. The visit was aimed at providing an opportunity for some of the members to get to know the partners of EED and their work. The delegation consisted of the following members:

1. *Bishop Martin Schindehuette, Bishop for International Affairs of the German Protestant Churches (EKD)*
2. *Mrs. Barbara Bauer, Senior Church Official, Regional Church in Baden*
3. *Mr. Thomas Kemper, Senior Church Official, Union of Independent Evangelical Churches*
4. *Mrs. Margit Rupp, Senior Church Official, Regional Church in Wuettemberg*
5. *Dr. Konrad von Bonnin, Executive Director, EED*
6. *Erika Maerke, Head of Africa 2 Desk, EED*

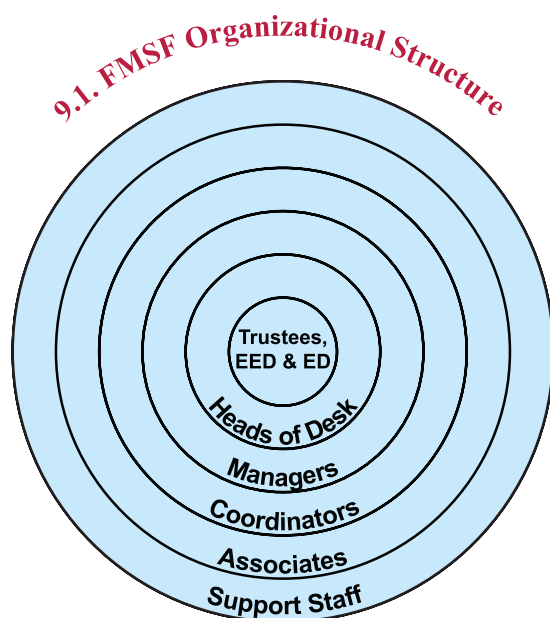
FMSF facilitated the visit process and two staff members accompanied the delegation to project areas in Uttar Pradesh and Rajasthan.



II . Governance

9. GOVERNANCE - an overview

9.1 FMSF Organizational Structure.



a. Chairman – Bishop (Dr.) C.L. Furtado

is a retired Bishop of Church of South India. He has rich experience of governance of faith based as well as secular Voluntary Organizations. He has an outstanding track record of management of various organizations.

b. Trustee - Ms. Rosemary Viswanath

is an Organizational Development expert having rich experience in the Voluntary Sector. She has been involved in many study and evaluation processes that has contributed in strengthening organizational processes of NGOs and has wider knowledge of the grassroot realities of the development organizations.

9.2 Board of Trustees.

The Board leads the organization. It has the ultimate authority for directing the affairs of the organization and to ensure that the objective for which it has come into being is achieved.

9.2.1. Composition:

FMSF has a highly multi-skilled Board of Trustees. EED is always represented in the Board of Trustees.





c. **Trustee - Dr. Cornelius S. Walter** is the former Director (South Asia) of the Leprosy Mission, a charity based in U.K and operating in many parts of the world. He is experienced in governance of many hospitals and other community health organizations.

d. **Trustee - Dr. (Ms.) Nalini Abraham** is presently working as advisor to Plan International in India. She is a renowned consultant in community health and is into governance of many Voluntary Organizations in India.

e. **Trustee - Mr. C.B. Samuel** is an experienced resource person and is heading a network of voluntary organizations known as PRABHAAV. He has been involved in various mentoring and counseling processes in the Leadership Development in NGOs. He has also been involved in building capacities in the areas of programme and governance matters in the development organizations.

f. **Trustee - Prof. (Dr.) Vidya Rao** is from the academic background and is the professor of the Department of Social Welfare Administration in the Tata Institute of Social Sciences, Mumbai. She brings in rich academic background and contributes in FMSF's capacity building initiatives to be more effective.

9.3. Board Meetings: The Board of Trustees meets once in six months to review the work of the organization and in making strategic decisions of the organization. Some of the key decisions taken during the year 2006-07 are:

9.3.1. Registration of Centre for Promoting Accountability (CPA):

FMSF ever since its inception has grown and stretched itself to a large extent in terms of its work. It started as a financial monitoring agency of EED and has now developed as a development resource organization. In due course, a need for getting involved in diversified areas of work was realized and FMSF in this context has a limitation of specializing in Finance related aspects. Thus, there was a felt need of having a separate entity which would be a spin-off or off-shoot of FMSF but would specifically deal with other related aspects of the development work.

This led to the evolution of centre for Promoting Accountability (CPA)

Thereafter, the idea of having CPA evolved and the decision to register it as a Charitable Trust was taken during the Board Meeting.

9.3.2. Registration of FEAT (Forum for Ethics Accountability and Transparency):

It was also decided to register FEAT

(Forum for Ethics Accountability & Transparency) as a Society.

The decision to register FEAT was evoked by the idea of making it an independent entity and enlarging its

sphere of activity which would provide more ownership to its members and flexibility in work.

9.3.3. Social Accountability & Audit Processes:

One of the decisions was to take forward the social accountability and audit processes

9.4. Audit: FMSF has a clear policy for audit. The Statutory Auditors are appointed in the Annual General Meeting of the Board of Trustees and their remuneration is fixed. The Audit Report along with the Management Report is received by the Board of Trustees. The Internal Audit is also carried out at regular intervals and the recommendations are considered by the strategic

core team.

9.5. The Staff Team: The staff team consists of people from various backgrounds like chartered accountants, I.T professionals, rural management professionals etc. The staff team at FMSF is led by Mr. Sanjay Patra, Executive Director. During the year, Mr. K.K.Samantaray, left the organization and Mr. Sameer Thapa was recruited.



9.6. Performance Appraisal -

The Board evaluates the performance of the Executive Director once in three years. The process includes feed-backs from the Board Members, EED and certain staff

members. The performance of the staff is also evaluated every year. For this purpose, a structured format is used. The appraisal is participatory in nature.

9.7. Legal & Donor Compliance - FMSF is a registered Charitable Trust. It is also registered under the Income Tax Act, 1961 and the Foreign Contribution (Regulation) Act, 1976. Filing of audited reports and returns are regularly made as required under the legal framework. Further, FMSF also complied with the reporting requirements of the resource sharing agencies like EED, BftW, ICCO, Tearfund U.K., German Agro Action, Tearfund, Netherlands etc., with whom it has participated during the year.

9.7.1. Social security to staff: FMSF provides the benefits of provident fund and gratuity to all its employees.

9.8. Additions to Fixed Assets: During the year, the fixed assets that were acquired basically included computers, furniture and other office equipments and vehicles worth Rs. 16,85,506/-

9.9. Sustainability:

9.9.1. Financial Sustainability: The sources of resources continue to be derived out of services rendered against the major thrust areas. Some of the specific aspects that contribute in resource mobilization of FMSF are:

9.9.1.1. Working with other donors: FMSF, primarily, receives support from EED for the financial monitoring of development projects supported by it. However, it is also working with other funding agencies such as Bread for the World (BftW), ICCO, Christian Aid, Tearfund, U.K., etc. This has enabled FMSF to receive support from these agencies for the services rendered to them.

9.9.1.2. Training fees from workshop: FMSF receives contribution towards course fees from the participants for the workshops and trainings organized by it.

9.9.1.3. Income from “Programme Centre”: FMSF offers conference / meeting facilities as well as accommodation facilities in its Programme Centre at nominal rates to like-minded organizations and agencies. Through this facility, FMSF raises income.

9.9.2. Programmatic sustainability – FMSF believes that sustainability is not only linked with financial resources but it also includes organizational and programmatic sustainability. It aims to achieve programmatic sustainability through new initiatives like launching a one year course on Financial Management & Accountability. The follow-up of the recommendations of the FEAT (Forum for Ethics Accountability & Transparency) Confluence on aspects such as standardizing the Reporting Format for NGOs, Accrual Basis of Accounting for NGOs, and Specific Accounting Standards for NGOs etc. will contribute towards programme sustainability. Also the follow-up of the initiatives in progress relating to Social Audit Toolkit, Social Accountability Processes for NGOs, taking forward the two networks FEAT (Forum for Ethics Accountability & Transparency) and NAN (NGO Accountants Network) continues to contribute towards enhancing the accountability aspects of NGOs and thus to also programme sustainability of FMSF.

III . Finance

10. Responsibility Statement

FMSF Confirms:

1. That in the preparation of Annual Accounts, the applicable Accounting Standards have been followed.
2. Sufficient care has been taken for maintenance of adequate Accounting Records in accordance with the necessary requirements of Income Tax Act, 1961 as well as Foreign Contribution (Regulation) Act, 1976.
3. The Statutory Auditors have performed their task in an independent manner and every care has been taken to ensure their independence. The management report submitted by the Statutory Auditors has been considered by the management.
4. Internal Audit has been conducted on a periodic basis and the recommendations have been incorporated duly.
5. During the day-to-day operations of the organisation, ethical accountability, value for money and environmental concerns has been given highest priority.
6. None of the members of Board of Trustees has been given any honorarium and none of them occupies a place of profit in the organisation.
7. That no part of its income during the previous year has been applied or used directly for the benefit of:
 - (a) the Author or Founder of the Institution
 - (b) any person who has made a substantial contribution to the trust
 - (c) any trustee of the trust
 - (d) any relative of the Founder or Trustees
 - (e) any concerns in which the above mentioned category of persons have substantial interest.(as required under Sec. 13(3) of Income Tax Act, 1961)

KUMAR MITTAL & CO
CHARTERED ACCOUNTANTS

303-White House, 382, Sant Nagar, East of Kailash, New Delhi – 110 065 Phone-Fax : 26236154-55, 26226155

**AUDITOR'S REPORT TO THE MEMBERS OF THE GOVERNING BODY OF
FINANCIAL MANAGEMENT SERVICE FOUNDATION**

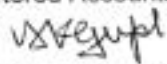
We have audited the attached Balance Sheet of FINANCIAL MANAGEMENT SERVICE FOUNDATION as at March 31, 2007 and also the Income and Expenditure Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the management of FINANCIAL MANAGEMENT SERVICE FOUNDATION. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statements presentation. We believe that our audit provides reasonable basis for our opinion.

We report that

1. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
2. In our opinion proper books of account as required by law have been kept by FINANCIAL MANAGEMENT SERVICE FOUNDATION so far as it appears from our examination of those books.
3. The Balance Sheet and Income and Expenditure Account dealt with by this report are in agreement with the books of account.
4. The Balance Sheet, and Income and Expenditure Account dealt with by this report are prepared in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India.
5. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with Accounting Policies and Notes to Accounts (Schedule – XIII) give the information required, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :
 - (a) in the case of Balance Sheet, of the state of affairs of the Trust as at March 31st, 2007 ;
 - and
 - (b) in the case of the Income and Expenditure Account, of the excess of income over expenditure for the year ended on that date.

For **KUMAR MITTAL & CO.**
Chartered Accountants


(AMRISH KUMAR)
Partner
M. No.90553

Date : 14.07.2007
Place : New Delhi



**FINANCIAL MANAGEMENT SERVICE FOUNDATION
(A REGD. PUBLIC CHARITABLE TRUST), NOIDA**

BALANCE SHEET AS AT 31ST MARCH 2007

	Schedule	As at 31.03.07 Amount (Rs.)	As at 31.03.06 Amount (Rs.)
<u>SOURCES OF FUNDS</u>			
Unutilised Grants	I	3,405,475	387,851
Corpus Fund	II	8,498	8,211
General Fund	III	7,296,519	4,796,584
Assets Fund Account	IV	20,658,071	22,362,488
TOTAL		31,368,563	27,555,134
<u>APPLICATION OF FUNDS</u>			
Fixed Assets	V		
Gross Block		30,299,300	29,637,620
Less : Depreciation		9,641,229	7,275,132
Net Block		20,658,071	22,362,488
Investments	VI	4,300,000	-
Current Assets, Loans & Advances			
Cash and Bank Balances	VII	5,998,460	4,646,392
Other Current Assets	VIII	83,554	11,186
Loans and Advances	IX	509,888	708,297
		6,591,902	5,365,875
Less: Current Liabilities & Provisions	X		
Expenses Payable		159,908	136,743
Other Liabilities		21,502	36,486
Net Current Assets		6,410,492	5,192,646
TOTAL		31,368,563	27,555,134

Significant Accounting Policies and Notes forming an integral part of accounts

XIII

As per our report of even date
For KUMAR MITTAL & CO.
Chartered Accountants

(AMRISH KUMAR)
Partner
M. No. 90553



For FINANCIAL MANAGEMENT SERVICE FOUNDATION

EXECUTIVE DIRECTOR

CHAIRMAN

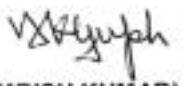


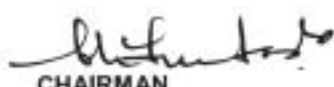

TRUSTEES

Place : Noida
Date : 14.07.2007

(Signature)

FINANCIAL MANAGEMENT SERVICE FOUNDATION
(A REGD. PUBLIC CHARITABLE TRUST), NOIDA
FOREIGN CONTRIBUTION ACCOUNT
EED MAIN GRANT

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2007

	Schedule	Current Year Amount (Rs.)	Previous Year Amount (Rs.)
INCOME			
Grant Received		15,890,856	11,061,404
Bank Interest		98,219	69,207
Sale of Fixed Assets		171,580	2,000
		<u>16,160,655</u>	<u>11,132,611</u>
EXPENDITURE			
<u>Programme Costs</u>	XI		
Salary and Benefits		3,850,150	3,074,106
Documentation, Information, Study and Action Research		2,463,643	1,705,619
Workshops and Consultations		1,310,992	1,481,806
Networking		542,819	647,866
Travel Costs		373,400	289,485
Capacity Building		382,929	545,612
<u>Co-ordination and Administration Costs</u>	XII		
Office Running Expenses		2,243,062	1,422,890
Capital Costs		1,196,884	1,594,923
Salary and Benefits		836,364	692,247
Vehicle Running and Maintenance		182,874	270,276
Payments to Auditors		78,634	98,568
		<u>13,461,751</u>	<u>11,823,398</u>
Unspent / (Overspent) during the year transferred to Grant Account	I	2,698,904	(690,787)
Significant Accounting Policies and Notes forming an integral part of accounts	XIII		
As per our report of even date For KUMAR MITTAL & CO. Chartered Accountants		For FINANCIAL MANAGEMENT SERVICE FOUNDATION	
 (AMRISH KUMAR) Partner M. No. 90553		 EXECUTIVE DIRECTOR	
		 CHAIRMAN	
Place : Noida Date : 14.07.2007		TRUSTEES 	

**FINANCIAL MANAGEMENT SERVICE FOUNDATION
(A REGD. PUBLIC CHARITABLE TRUST), NOIDA**

**FOREIGN CONTRIBUTION ACCOUNT
ECUMENICAL VISIT (EED)**

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2007

	Schedule	Current Year Amount (Rs.)	Previous Year Amount (Rs.)
<u>INCOME</u>			
Grant Received		687,278	-
		<u>687,278</u>	<u>-</u>
<u>EXPENDITURE</u>			
Travel and Conveyance		151,333	-
Boarding and Lodging		298,810	-
Other Expenses		32,185	-
		<u>482,328</u>	<u>-</u>
Unspent / (Overspent) during the year transferred to Grant Account	I	204,950	-

Significant Accounting Policies and Notes
forming an integral part of accounts

XIII

As per our report of even date
For **KUMAR MITTAL & CO.**
Chartered Accountants


(AMRISH KUMAR)
Partner
M. No. 90553

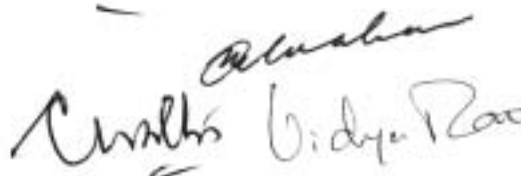


For **FINANCIAL MANAGEMENT SERVICE FOUNDATION**


EXECUTIVE DIRECTOR


CHAIRMAN

TRUSTEES


Trustees

Place : Noida
Date : 14.07.2007

**FINANCIAL MANAGEMENT SERVICE FOUNDATION
(A REGD. PUBLIC CHARITABLE TRUST), NOIDA**

**FOREIGN CONTRIBUTION ACCOUNT
TEARFUND (UK)**

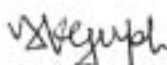
INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2007

	Schedule	Current Year Amount (Rs.)	Previous Year Amount (Rs.)
<u>INCOME</u>			
Grant Received		897,766	190,134
		<u>897,766</u>	<u>190,134</u>
<u>EXPENDITURE</u>			
Travel and Conveyance		208,903	62,002
Boarding and Lodging		50,736	26,064
Professional Fees and Honorarium		90,000	21,000
Printing and Stationary		682	21,658
Other Expenses		1,860	4,200
		<u>352,181</u>	<u>134,924</u>
Unspent / (Overspent) during the year transferred to Grant Account	I	545,585	55,210

Significant Accounting Policies and Notes
forming an integral part of accounts

XIII

As per our report of even date
For **KUMAR MITTAL & CO.**
Chartered Accountants


(AMRISH KUMAR)
Partner
M. No. 90553

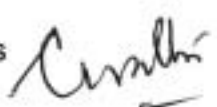



For **FINANCIAL MANAGEMENT SERVICE FOUNDATION**


EXECUTIVE DIRECTOR


CHAIRMAN

TRUSTEES

 
Trustees

Place : Noida
Date : 14.07.2007

**FINANCIAL MANAGEMENT SERVICE FOUNDATION
(A REGD. PUBLIC CHARITABLE TRUST), NOIDA**

**FOREIGN CONTRIBUTION ACCOUNT
ICCO (EU)**

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2007

	Schedule	Current Year Amount (Rs.)	Previous Year Amount (Rs.)
<u>INCOME</u>			
Grant Received		579,742	326,449
		<u>579,742</u>	<u>326,449</u>
<u>EXPENDITURE</u>			
Travel and Conveyance		39,220	52,243
Boarding and Lodging		15,491	3,249
Professional Fees and Honorarium		140,300	-
Printing and Stationery		385	-
		<u>195,396</u>	<u>55,492</u>
Unspent / (Overspent) during the year transferred to Grant Account	I	384,346	270,957

Significant Accounting Policies and Notes
forming an integral part of accounts

XIII

As per our report of even date
For KUMAR MITTAL & CO.
Chartered Accountants

(Signature)
(AMRISH KUMAR)
Partner
M. No. 90553



For FINANCIAL MANAGEMENT SERVICE FOUNDATION

(Signature)
EXECUTIVE DIRECTOR

(Signature)
CHAIRMAN

TRUSTEES

(Signature)

(Signature)
(Signature)
Vidya Rao

Place : Noida
Date : 14.07.2007

**FINANCIAL MANAGEMENT SERVICE FOUNDATION
(A REGD. PUBLIC CHARITABLE TRUST), NOIDA**

**FOREIGN CONTRIBUTION ACCOUNT
CHRISTIAN AID**

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2007

	Schedule	Current Year Amount (Rs.)	Previous Year Amount (Rs.)
<u>INCOME</u>			
Grant Received		296,004	-
		<u>296,004</u>	<u>-</u>
<u>EXPENDITURE</u>			
Travel and Conveyance		203,233	-
Boarding and Lodging		37,730	-
Other Expenses		718	-
		<u>241,681</u>	<u>-</u>
Unspent / (Overspent) during the year transferred to Grant Account	I	54,323	-

Significant Accounting Policies and Notes
forming an integral part of accounts

XIII

As per our report of even date
For **KUMAR MITTAL & CO.**
Chartered Accountants

vskegph
(AMRISH KUMAR)
Partner
M. No. 90553



For **FINANCIAL MANAGEMENT SERVICE FOUNDATION**

[Signature]
EXECUTIVE DIRECTOR

[Signature]
CHAIRMAN

TRUSTEES

[Signatures of Trustees]

Place : Noida
Date : 14.07.2007

**FINANCIAL MANAGEMENT SERVICE FOUNDATION
(A REGD. PUBLIC CHARITABLE TRUST), NOIDA**

**FOREIGN CONTRIBUTION ACCOUNT
MISEREOR**

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2007

	Schedule	Current Year Amount (Rs.)	Previous Year Amount (Rs.)
<u>INCOME</u>			
Grant Received		95,101	-
		<u>95,101</u>	<u>-</u>
<u>EXPENDITURE</u>			
Travel and Conveyance		62,516	-
Boarding and Lodging		3,592	-
Honorarium		12,000	-
		<u>78,108</u>	<u>-</u>
Unspent / (Overspent) during the year transferred to Grant Account	I	16,993	-

Significant Accounting Policies and Notes
forming an integral part of accounts

XIII

As per our report of even date
For **KUMAR MITTAL & CO.**
Chartered Accountants

(Signature)
(AMRISH KUMAR)
Partner
M. No. 90553



For **FINANCIAL MANAGEMENT SERVICE FOUNDATION**

(Signature)
EXECUTIVE DIRECTOR

(Signature)
CHAIRMAN

TRUSTEES

(Signature)
(Signature)

Place : Noida
Date : 14.07.2007

**FINANCIAL MANAGEMENT SERVICE FOUNDATION
(A REGD. PUBLIC CHARITABLE TRUST), NOIDA**

**FOREIGN CONTRIBUTION ACCOUNT
SPAR & CWS**

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2007

	Schedule	Current Year Amount (Rs.)	Previous Year Amount (Rs.)
<u>INCOME</u>			
Grant Received		441,904	-
		<u>441,904</u>	<u>-</u>
<u>EXPENDITURE</u>			
Travel and Conveyance		277,679	-
Boarding and Lodging		156,709	-
Printing and Stationery		7,016	-
Other Expenses		500	-
		<u>441,904</u>	<u>-</u>
Unspent / (Overspent) during the year transferred to Grant Account	I	-	-

Significant Accounting Policies and Notes
forming an integral part of accounts

XIII

As per our report of even date
For **KUMAR MITTAL & CO.**
Chartered Accountants

VS Keyuph
(AMRISH KUMAR)
Partner
M. No. 90553



For **FINANCIAL MANAGEMENT SERVICE FOUNDATION**

S. P. Singh
EXECUTIVE DIRECTOR

Arjun Kumar
CHAIRMAN

TRUSTEES

Aluacham
Armita *Vidya Rao*

Place : Noida
Date : 14.07.2007

**FINANCIAL MANAGEMENT SERVICE FOUNDATION
(A REGD. PUBLIC CHARITABLE TRUST), NOIDA**

**FOREIGN CONTRIBUTION ACCOUNT
BREAD FOR THE WORLD**

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2007

	Schedule	Current Year Amount (Rs.)	Previous Year Amount (Rs.)
<u>INCOME</u>			
Grant Received		373,797	450,000
		<u>373,797</u>	<u>450,000</u>
<u>EXPENDITURE</u>			
Salaries and Benefits		266,400	278,474
Expenses for use of facilities		20,000	-
Travel and Conveyance		42,467	-
Boarding and Lodging		2,476	-
		<u>331,343</u>	<u>278,474</u>
Unspent / (Overspent) during the year transferred to Grant Account	I	42,454	171,526

Significant Accounting Policies and Notes
forming an integral part of accounts

XIII

As per our report of even date
For **KUMAR MITTAL & CO.**
Chartered Accountants

(Signature)
(AMRISH KUMAR)
Partner
M. No. 90553



For **FINANCIAL MANAGEMENT SERVICE FOUNDATION**

(Signature)
EXECUTIVE DIRECTOR

(Signature)
CHAIRMAN

TRUSTEES

(Signature)
(Signature)

Place : Noida
Date : 14.07.2007

**FINANCIAL MANAGEMENT SERVICE FOUNDATION
(A REGD. PUBLIC CHARITABLE TRUST), NOIDA**

**FOREIGN CONTRIBUTION ACCOUNT
GERMAN AGRO ACTION**

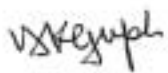
INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2007

	Schedule	Current Year Amount (Rs.)	Previous Year Amount (Rs.)
<u>INCOME</u>			
Grant Received		51,128	439,505
		<u>51,128</u>	<u>439,505</u>
<u>EXPENDITURE</u>			
Travel and Conveyance		-	148,213
Boarding and Lodging		-	95,695
Honorarium		-	10,000
Printing and Stationery		-	13,960
Advertisement		6,538	-
Communication Costs		4,500	-
		<u>11,038</u>	<u>267,868</u>
Unspent / (Overspent) during the year transferred to Grant Account	I	40,090	171,637

Significant Accounting Policies and Notes
forming an integral part of accounts

XIII

As per our report of even date
For **KUMAR MITTAL & CO.**
Chartered Accountants


(AMRISH KUMAR)
Partner
M. No. 90553



For **FINANCIAL MANAGEMENT SERVICE FOUNDATION**


EXECUTIVE DIRECTOR


CHAIRMAN

TRUSTEES



Place : Noida
Date : 14.07.2007

**FINANCIAL MANAGEMENT SERVICE FOUNDATION
(A REGD. PUBLIC CHARITABLE TRUST), NOIDA**

LOCAL CONTRIBUTION ACCOUNT

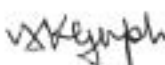
INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2007

	Schedule	Current Year Amount (Rs.)	Previous Year Amount (Rs.)
<u>INCOME</u>			
Workshops / Consultations		224,650	278,522
Rent		509,271	315,606
Facilities for Conference		97,900	63,214
Income for other facilities provided		139,553	19,537
Sale of publications		74,050	156,800
Bank Interest		167,838	74,466
Sale of old asset		201,420	-
		<u>1,414,682</u>	<u>908,145</u>
<u>EXPENDITURE</u>			
Expenses on facilities provided		161,595	47,079
Workshops / Consultations		-	47,385
Amount written off		4,000	-
Bank Charges		29	655
		<u>165,624</u>	<u>95,119</u>
Surplus / (Deficit) during the year transferred to General Fund	III	1,249,058	813,026

Significant Accounting Policies and Notes
forming an integral part of accounts

XIII

As per our report of even date
For **KUMAR MITTAL & CO.**
Chartered Accountants


(AMRISH KUMAR)
Partner
M. No. 90553

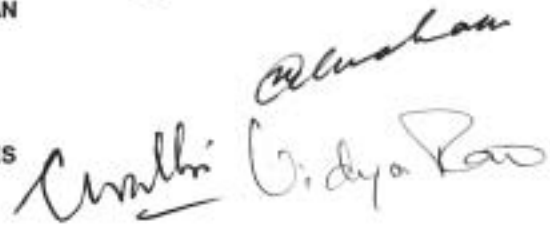


For **FINANCIAL MANAGEMENT SERVICE FOUNDATION**


EXECUTIVE DIRECTOR


CHAIRMAN

TRUSTEES



Place : Noida
Date : 14.07.2007

FINANCIAL MANAGEMENT SERVICE FOUNDATION
(A REGD. PUBLIC CHARITABLE TRUST), NOIDA

SCHEDULE - I

UNUTILISED FOREIGN GRANTS FORMING PART OF
BALANCE SHEET AS AT 31ST MARCH 2007

Funding Agency	Opening balance as on 01.04.2006	Transactions during the year			Surplus/ (Deficit) transferred to General Fund	Closing balance as on 31.03.2007
		Income	Expenditure	Unspent / (Overspent)		
<u>EED</u>						
- Main Grant	197,803	16,160,655	13,461,751	2,698,904	-	2,896,707
- Ecumenical Visit	-	687,278	482,328	204,950	-	204,950
Tear Fund (UK)	-	897,766	352,181	545,585	545,585	-
ICCO (EU)	-	579,742	195,396	384,346	384,346	-
Christian Aid	18,522	296,004	241,681	54,323	-	72,845
Misereor	-	95,101	78,108	16,993	-	16,993
SPAR & CWS	-	441,904	441,904	-	-	-
Bread for the World	171,526	373,797	331,343	42,454	-	213,980
German Agro Action	-	51,128	11,038	40,090	40,090	-
TOTAL	387,851	19,583,375	15,595,730	3,987,645	970,021	3,405,475

Signature
Gidya Rao

Signature

Signature

Signature



**FINANCIAL MANAGEMENT SERVICE FOUNDATION
(A REGD. PUBLIC CHARITABLE TRUST), NOIDA**

SCHEDULE - II

**CORPUS FUND FORMING PART OF
BALANCE SHEET AS AT 31ST MARCH 2007**

Corpus Fund	As at 31.03.07 Amt. (Rs.)	As at 31.03.06 Amt. (Rs.)
<u>Contribution made by the Settler Trustees</u>		
Opening Balance	8,211	7,933
Add : Interest thereon	287	278
Closing Balance	8,498	8,211

SCHEDULE - III

**GENERAL FUND FORMING PART OF
BALANCE SHEET AS AT 31ST MARCH 2007**

General Fund	As at 31.03.07 Amt. (Rs.)	As at 31.03.06 Amt. (Rs.)
Opening Balance	4,796,584	3,540,558
Add : Income during the year		
<u>Foreign Contribution Account</u>		
Surplus as per Grant Account		
- ICCO (EU)	384,346	270,957
- Tear Fund (UK)	545,585	55,210
- Tear Fund (Netherlands)	-	78,690
- German Agro Action	40,090	171,637
Consultancies		
- Workshop on Monitoring & Reporting of Development	-	54,000
- Workshop on Fund Management	5,000	9,821
- Workshop on Financial Management and Accountancy Skills	120,000	60,000
- Services for opening Liaison Office	66,195	-
Interest on Fixed Deposit with Bank	41,911	-
Income from Bread for the World for use of common facilities	20,000	-
Sale of old project assets	27,750	258,400
Excess recovery of expense	-	8,926
<u>Local Contribution Account</u>		
Surplus as per Income and Expenditure Account	1,249,058	813,026
	7,296,519	5,321,225
Less : Expenditure during the year		
<u>Foreign Contribution Account</u>		
Deficit as per Grant Account		
- Office Premises	-	524,641
Closing Balance	7,296,519	4,796,584



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Gidya Rao

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FINANCIAL MANAGEMENT SERVICE FOUNDATION
(A REGD. PUBLIC CHARITABLE TRUST), NOIDA

SCHEDULE - IV

ASSETS FUND ACCOUNT FORMING PART OF
BALANCE SHEET AS AT 31ST MARCH 2007

Assets Fund Account	As at 31.03.07 Amt. (Rs.)	As at 31.03.06 Amt. (Rs.)
Opening Balance	22,362,488	22,008,636
<u>Add:</u>		
Assets purchased during the year	1,685,506	3,602,587
	24,047,994	25,611,223
<u>Less:</u>		
Value of assets sold/discarded	493,336	313,101
Depreciation for the current year	2,896,587	2,935,634
Closing Balance	20,658,071	22,362,488



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FINANCIAL MANAGEMENT SERVICE FOUNDATION
(A REGD. PUBLIC CHARITABLE TRUST), NOIDA

FIXED ASSETS FORMING PART OF
BALANCE SHEET AS AT 31ST MARCH 2007

Fixed Assets		Rate of Dep. %	Gross Block			Depreciation Block			Amount (Rs.)			
			Cost as at 01.04.2006	Additions during the year	Sales / discarded during the year	Cost as at 31.03.2007	Dep. upto 01.04.2006	Adj. for sales/ discarded during the year	Dep. for current year	Dep. upto 31.03.2007	W.D.V. as on 31.03.2007	W.D.V. as on 31.03.2006
Office Premises(EED)												
Office Building	10	15,935,570	-	-	-	15,935,570	2,731,741	-	1,320,383	4,052,124	11,883,446	13,203,829
Electric Installations and Fittings	15	1,125,237	-	-	-	1,125,237	323,775	-	120,219	443,994	681,243	801,462
Furniture and Fixtures	10	1,224,054	-	-	-	1,224,054	166,809	-	105,725	272,534	951,520	1,057,245
EED Main Grant												
Computers	60	1,424,012	176,849	(107,544)	1,493,317	1,117,629	(104,349)		273,702	1,266,982	206,335	306,383
Furniture and Fixtures	10	3,236,293	109,878	(27,684)	3,318,487	667,423	(14,310)		263,186	916,311	2,402,176	2,588,870
Office Equipments	15	4,917,820	331,123	(207,567)	5,041,376	1,547,776	(64,233)		520,850	2,004,393	3,036,983	3,370,044
Vehicles												
- Cars	15	1,018,563	1,024,373	(300,000)	1,742,936	207,012	(153,120)		253,357	307,249	1,435,687	811,551
- Cycle	15	3,600	-	-	3,600	779	-		423	1,202	2,398	2,621
- Motorcycle	15	-	43,283	-	43,283	-	-		6,492	6,492	36,791	-
Intangible Assets												
- Softwares	60	371,440	-	-	371,440	317,710	-		32,238	349,948	21,492	53,730
Local Contribution												
- Car	15	381,031	-	(381,031)	-	194,478	(194,478)		-	-	-	186,553
Total			29,637,620	1,685,506	(1,023,826)	30,299,300	7,275,132	(530,490)	2,896,587	9,641,229	20,658,071	22,362,488
Previous year			27,032,767	3,602,587	(997,734)	29,637,620	5,024,131	(684,633)	2,935,634	7,275,132	22,362,488	



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Rane

**FINANCIAL MANAGEMENT SERVICE FOUNDATION
(A REGD. PUBLIC CHARITABLE TRUST), NOIDA**

SCHEDULE - VI

**INVESTMENTS FORMING PART OF
BALANCE SHEET AS AT 31ST MARCH, 2007**

Investments	As at 31.03.07 Amt. (Rs.)	As at 31.03.06 Amt. (Rs.)
<u>Fixed Deposits with Scheduled Banks</u>		
<u>Bank of Baroda</u>		
- General Fund	1,800,000	-
<u>Standard Chartered Bank</u>		
- General Fund	2,000,000	-
<u>ICICI Bank</u>		
- General Fund	500,000	-
TOTAL	4,300,000	-

SCHEDULE - VII

**CASH AND BANK BALANCES FORMING PART OF
BALANCE SHEET AS AT 31ST MARCH, 2007**

Cash and Bank Balances	As at 31.03.07 Amt. (Rs.)	As at 31.03.06 Amt. (Rs.)
<u>Cash in hand</u>		
- EED Main Grant	812	3,510
- General Fund	7,258	904
<u>Balance in Saving Accounts with Scheduled Banks</u>		
<u>Bank of Baroda</u>		
- EED Main Grant	2,458,152	-
- Ecumenical Visit(EED)	204,950	-
- Christian Aid	72,845	18,522
- Misereor	16,993	-
- Bread for the World	213,980	171,526
- Tearfund (UK)	1,050	
- General Fund	1,255,742	1,743,646
<u>Standard Chartered Bank</u>		
- General Fund	805,876	2,081,224
- Corpus Fund	8,498	8,211
<u>ICICI Bank</u>		
- EED Main Grant	434,211	127,192
- General Fund	518,093	491,657
TOTAL	5,998,460	4,646,392









**FINANCIAL MANAGEMENT SERVICE FOUNDATION
(A REGD. PUBLIC CHARITABLE TRUST), NOIDA**

SCHEDULE - VIII

**OTHER CURRENT ASSETS FORMING PART OF
BALANCE SHEET AS AT 31ST MARCH, 2007**

Other Current Assets	As at 31.03.07 Amt. (Rs.)	As at 31.03.06 Amt. (Rs.)
Interest accrued but not due		
- Foreign Contribution Account	43,273	1,033
- Local Contribution Account	16,500	5,457
Tax Deducted at Source		
- Foreign Contribution Account	6,120	-
- Local Contribution Account	17,661	4,696
TOTAL	83,554	11,186

SCHEDULE - IX

**LOANS AND ADVANCES FORMING PART OF
BALANCE SHEET AS AT 31ST MARCH, 2007**

Loans and Advances	As at 31.03.07 Amt. (Rs.)	As at 31.03.06 Amt. (Rs.)
Security Deposits		
- EED Main Grant	64,245	63,900
Prepaid Expenses		
- EED Main Grant	67,808	83,060
Amount Recoverable in cash or kind or value to be received		
- Foreign Contribution Account	104,999	141,337
- Local Contribution Account	272,836	420,000
TOTAL	509,888	708,297



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 1. *Sumit*
 2. *Vidya Rao*
 3. *Almash*
 4. *Behtash*
 5. *John*

**FINANCIAL MANAGEMENT SERVICE FOUNDATION
(A REGD. PUBLIC CHARITABLE TRUST), NOIDA**

SCHEDULE - X

**CURRENT LIABILITIES AND PROVISIONS FORMING PART OF
BALANCE SHEET AS AT 31ST MARCH, 2007**

Current Liabilities and Provisions	As at 31.03.07 Amt. (Rs.)	As at 31.03.06 Amt. (Rs.)
<u>Expenses payable</u>		
EED Main Grant		
- Audit Fees	58,712	74,641
- Telephone and Internet Expenses	30,406	28,176
- Electricity Charges	21,852	28,357
- Office Maintenance	10,651	860
- Staff Welfare	8,518	-
- Honorarium	7,592	-
- Printing and Stationery	7,236	-
- Salaries Support Staff	6,948	690
- Courier Charges	5,524	4,019
Terfund (UK)		
- Travel and Conveyance	1,050	-
Local Contribution Account		
- Expenses on facilities provided	1,419	-
Sub Total	159,908	136,743
<u>Other Liabilities</u>		
EED Main Grant		
- Security Deposit Received	16,548	21,548
- TDS Payable	3,954	3,938
Local Contribution Account		
- Membership/Workshop fees received in advance	1,000	11,000
Sub Total	21,502	36,486
GRAND TOTAL	181,410	173,229









FINANCIAL MANAGEMENT SERVICE FOUNDATION
(A REGD. PUBLIC CHARITABLE TRUST), NOIDA

SCHEDULE - XI

PROGRAMME COSTS FORMING PART OF EED MAIN GRANT
INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2007

Programme Costs	Current Year Amt.(Rs.)	Previous Year Amt.(Rs.)
Salary and Benefits		
Director and Core Staff	3,850,150	3,074,106
Sub Total	3,850,150	3,074,106
Documentation, Information, Study and Action Research		
Salary and Benefits (Communication & Research Associates)	651,064	523,668
Cost of Publications		
- Paper and Printing	361,300	-
- Honorarium to Authors	110,000	-
Cost of Newsletter	337,719	234,353
Computers	176,849	197,115
Softwares	-	46,500
Telephone Equipments	110,870	-
Cellular Phone	70,547	-
Computers Maintenance	82,758	60,335
Travel and Conveyance	58,072	106,554
Boarding and Lodging	4,255	50,729
Capacity Assessment Study	-	26,000
Membership Fees	42,527	-
Telephone, Internet and Website Expenses	348,032	325,140
Printing of Annual Report and Brochures	108,150	115,374
Other Expenses	1,500	19,851
Sub Total	2,463,643	1,705,619
Workshops and Consultations		
Travel and Conveyance	288,065	177,840
Boarding and Lodging	773,105	153,906
Printing & Stationery	99,218	130,595
Photocopier	-	350,000
UPS for Photocopier	59,850	-
Furniture and Fixtures	-	310,000
LCD Projector	-	160,000
Laptop	-	96,500
Honorarium	63,000	102,000
Gift Articles and Felicitation	27,754	-
Other Expenses	-	966
Sub Total	1,310,992	1,481,806
Networking		
Travel and Conveyance	128,429	233,401
Boarding and Lodging	189,568	335,233
Documentary	135,650	-
Printing of Souvenir	66,200	-
Printing and Stationary	14,400	73,522
Other Expenses	8,572	5,710
Sub Total	542,819	647,866
Travel Costs		
Director and Core Staff	292,515	232,553
Trustees Meetings	80,885	56,932
Sub Total	373,400	289,485
Capacity Building		
Travel and Conveyance	145,434	289,911
Boarding and Lodging	149,856	151,332
Professional Fees and Honorarium	-	51,542
Multigrade Water Filter Systems	70,506	-
Courses and Workshop Participation	11,000	38,927
Other Expenses	6,133	13,900
Sub Total	382,929	545,612
GRAND TOTAL	8,923,933	7,744,494



[Handwritten signatures and names: G. Jayarao, and others]

FINANCIAL MANAGEMENT SERVICE FOUNDATION
(A REGD. PUBLIC CHARITABLE TRUST), NOIDA

SCHEDULE - XII

COORDINATION AND ADMINISTRATION COSTS FORMING PART OF EED MAIN GRANT
INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2007

Coordination and Administration Costs	Current Year Amt.(Rs.)	Previous Year Amt.(Rs.)
Office Running Expenses		
Electricity and Water Charges	350,007	226,901
Printing and Stationary	187,123	132,765
Courier and Postage Charges	84,262	101,477
Generator Running and Maintenance	263,174	159,891
Professional Charges	68,950	33,000
Staff Welfare	284,202	231,746
Insurance	94,774	45,111
Building Maintenance	152,336	83,704
Office Maintenance	261,643	197,606
Office Equipments Maintenance	403,860	112,373
Other Expenses	92,731	98,316
Sub Total	2,243,062	1,422,890
Capital Costs		
Office Equipments	19,350	565,078
Furniture and Fixtures	109,878	309,452
Car	1,024,373	718,563
Motorcycle	43,283	-
Cycle	-	1,830
Sub Total	1,196,884	1,594,923
Salary and Benefits		
Support Staff	636,364	692,247
Sub Total	636,364	692,247
Vehicle Running and Maintenance		
Fuel	128,206	128,513
Maintenance	54,668	141,763
Sub Total	182,874	270,276
Payments to Auditors		
Audit Fees	15,730	15,714
Income Tax Matters	22,472	22,448
Certification	40,432	60,406
Sub Total	78,634	98,568
GRAND TOTAL	4,537,818	4,078,904



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 - Top left: *Amal*
 - Top middle: *Vidya Rao*
 - Top right: *Subhash*
 - Bottom left: *Ravi*
 - Bottom middle: *Prakash*

**FINANCIAL MANAGEMENT SERVICE FOUNDATION
(A REGD. PUBLIC CHARITABLE TRUST), NOIDA**

**SCHEDULE – XIII : SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART
OF ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH 2007.**

A. SIGNIFICANT ACCOUNTING POLICIES

1. The accounts are prepared on historical cost basis as a 'going concern'. Income and expenses are accounted for on accrual basis following generally accepted accounting principles and practices and Accounting Standards issued by the Institute of Chartered Accountants of India for NGOs, wherever applicable, except otherwise stated.
2. Fixed Assets acquired / received in kind are directly charged to expenses accounts and stated in the Balance Sheet through Assets Fund Account.
3. Fixed Assets are stated as under:
 - a) Assets directly acquired – at purchase cost less accumulated depreciation.
 - b) Assets received in kind – at stated / estimated cost less accumulated depreciation.
4. Depreciation on fixed assets is provided as per written down value method as per the rates prescribed in Income Tax Act, 1961 but not charged to expense accounts as per the provisions of Income Tax Act applicable to Trust.
5. Only those Grants / Donations are accounted for as Income which have been received or have accrued and become due as per the sanctions of the funding / donor agencies.
6. Inventories are valued and disclosed as under:
 - a) Acquired / self produced – at cost.
 - b) Received free of cost or at a nominal charge – at market price or estimated net realizable value.
7. Accounts for the purpose of submission to FCRA are compiled on cash basis.



B. NOTES TO ACCOUNTS

1. Trust has taken Group Gratuity Scheme with Life Insurance Corporation of India which has been approved by Income Tax Authorities hence no provision for gratuity has been made in the books of accounts and premium paid has been charged to expense accounts.
2. a) Trust has provided the facilities / services to the programmes of the other funding agencies from the infrastructure / resources created out of the funds of main funding agency.

b) The funding agencies from whom no grants have been received during the year, no previous years figures have been provided as the same are not comparable.
3. The incomes generated out of the assets other than bank deposits acquired from Foreign Contributions are accounted for as local income.
4. As per the management policy the surplus / (deficit) of the completed projects are transferred to General Fund and the remaining balances of continuing projects are reported under Unutilized Grants.
5. No provision for leave encashment entitlement has been made since as per Trust policy, the leaves are to be availed and can not be encashed.
6. During the year management has carried out the physical verification of fixed assets and discarded the old fixed assets having Gross value of Rs.1,48,892 with Accumulated depreciation of Rs.1,27,728 and Written Down Value of Rs.21,164.



7. In terms of AS-2, the details of the inventories of the items (purchased / received free of cost), in hand at the close of the accounting year are valued as under:

Name of the item	Opening Stock as on 01.04.06	Receipts during the year	Sales during the year	Complimentary Distribution during the year	Closing stock as on 31.03.07	Valued at (Rs.)	Total Value (Rs.)
Finance Manual (2 nd edition)	520	-	25	11	484	500	242,000
Legal Handbook (2 nd edition)	526	-	30	13	483	500	241,500
T. Shirt	6	-	-	6	-	-	-
Caps	3	-	-	3	-	-	-
Book on Social Accounting Standards	-	1,000	149	-	851	250	212,750
Handbook on Social Audit	-	1,000	113	-	887	200	177,400

8. Income and expenses are generally disclosed as per budget of the funding / donor agencies.
9. Previous year figures have been regrouped / reclassified, whenever necessary.

Signature to Schedule – I to XIII of the Balance Sheet.

As per our report of even date.
For KUMAR MITTAL & CO.
Chartered Accountants


(AMRISH KUMAR)
Partner
M. No. 90553



Place : Noida
Date : 14.07.2007

For FINANCIAL MANAGEMENT SERVICE FOUNDATION


(EXECUTIVE DIRECTOR)


(CHAIRMAN)

(TRUSTEES) 


**FINANCIAL MANAGEMENT SERVICE FOUNDATION
(A REGD. PUBLIC CHARITABLE TRUST), NOIDA**

**LOCAL CONTRIBUTION ACCOUNT
RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2007**

	Schedule	Current Year Amount (Rs.)	Previous Year Amount (Rs.)
RECEIPTS			
Cash and Bank Balances as on 1st April 2006			
Cash in Hand		904	6,250
Balance in Saving Accounts with Scheduled Banks			
- Standard Chartered Bank		2,089,435	2,037,155
- ICICI Bank		390,924	34,250
Workshops / Consultations		212,685	289,522
Rent		508,476	315,606
Facilities for Conference		97,900	63,214
Receipts for other facilities provided		139,553	19,537
Sale of publications		74,050	156,800
Sale of old assets		201,420	-
Advance recovered from staff		150,000	-
Bank Interest			
- On Corpus Fund		287	278
- On Others		137,132	73,770
TOTAL		4,002,766	2,996,382
PAYMENTS			
Expenses on facilities provided		160,176	47,079
Workshops / Consultations		-	47,385
Advance to Staff / Others		2,836	420,000
Bank Charges		29	655
Fixed Deposits with Scheduled Banks			
- Standard Chartered Bank		2,000,000	-
- ICICI Bank		500,000	-
Cash and Bank Balances as on 31st March 2007			
Cash in Hand		7,258	904
Balance in Saving Accounts with Scheduled Banks			
- Standard Chartered Bank		814,374	2,089,435
- ICICI Bank		518,093	390,924
TOTAL		4,002,766	2,996,382

Significant Accounting Policies and Notes
forming an integral part of accounts

XIII

As per our report of even date
For KUMAR MITTAL & CO.
Chartered Accountants

(AMRISH KUMAR)
Partner
M. No. 90553



For FINANCIAL MANAGEMENT SERVICE FOUNDATION

EXECUTIVE DIRECTOR

CHAIRMAN

TRUSTEES

Place : Noida
Date : 14.07.2007

**FINANCIAL MANAGEMENT SERVICE FOUNDATION
(A REGD. PUBLIC CHARITABLE TRUST), NOIDA**

**FOREIGN CONTRIBUTION ACCOUNT
RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2007**

	Schedule	Current Year Amount (Rs.)	Previous Year Amount (Rs.)
RECEIPTS			
Cash and Bank Balances as on 1st April 2006			
Cash in Hand - EED Main Grant		3,510	17,863
Balance in Saving Accounts with Scheduled Banks			
- EED Main Grant		128,225	1,441,004
- ICCO		-	-
- Bread for the world		171,526	-
- Tear Fund		-	-
- Christian Aid		18,522	18,522
- General Fund		1,849,836	1,466,836
Grants Received	Sub Total	<u>2,171,619</u>	<u>2,944,225</u>
EED			
- Main Grant		15,890,856	11,061,404
- Ecumenical Visit		687,278	-
Tear Fund(UK)		897,766	190,134
Tear Fund(Netherlands)		-	120,661
ICCO		-	17,619
Christian Aid		296,004	-
Bread for the World		373,797	450,000
ICCO (EU)		579,742	326,449
German Agro Action		51,128	439,505
Misereor		95,101	-
SPAR & CWS		441,904	-
General Fund			
Consultancies			
- Workshop on Monitoring & Reporting of Development		-	54,000
- Workshop on Fund Management		5,000	9,821
- Workshop on Financial Management and Accountancy Skills		116,940	-
- Registration for opening Liaison Office		66,195	-
Income from Bread for the World for use of common facilities		20,000	-
Sale of old project assets		27,750	258,400
Excess recovery of expense		-	8,926
Other Receipts			
Bank Interest		96,857	69,207
Sale of Fixed Assets		171,580	2,000
Amount recovered from others		26,175	66,400
	Sub Total	<u>19,844,073</u>	<u>13,074,526</u>
GRAND TOTAL		<u>22,015,692</u>	<u>16,018,751</u>



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PAYMENTS**EED MAIN GRANT**

Salary and Benefits		
Director and Core Staff	3,851,389	3,072,722
Documentation, Information, Study and Action Research		
Salary and Benefits (Communication & Research Associates)	651,189	523,668
Cost of Publications		
- Paper and Printing	361,300	-
- Honorarium to Authors	110,000	-
Cost of Newsletter	337,730	235,015
Computers	176,849	197,565
Softwares	-	46,500
Telephone Equipments	110,870	-
Cellular Phone	70,547	-
Computers Maintenance	86,768	23,143
Travel and Conveyance	58,072	106,554
Boarding and Lodging	4,255	50,729
Capacity Assessment Study	-	26,000
Membership Fees	53,369	-
Telephone, Internet and Website Expenses	348,483	310,610
Printing of Annual Report and Brochures	108,150	115,374
Other Expenses	1,500	19,851
Workshops and Consultations		
Travel and Conveyance	288,065	177,840
Boarding and Lodging	773,105	148,905
Printing & Stationery	91,834	130,595
Photocopier	-	350,000
UPS for Photocopier	59,850	-
Furniture and Fixtures	-	310,000
LCD Projector	-	160,000
Laptop	-	96,500
Honorarium	55,000	102,000
Gift Articles and Felicitation	27,754	-
Other Expenses	-	966
Networking		
Travel and Conveyance	128,429	238,175
Boarding and Lodging	189,568	335,233
Documentary	135,650	-
Printing of Souvenir	66,200	-
Printing and Stationary	14,400	73,522
Other Expenses	8,572	5,710
Travel Costs		
Director and Core Staff	292,515	254,116
Trustees Meetings	80,885	56,932
Capacity Building		
Travel and Conveyance	145,434	289,911
Boarding and Lodging	149,856	151,332
Professional Fees and Honorarium	-	51,542
Multigrade Water Filter Systems	70,506	-
Courses and Workshop Participation	11,000	38,927
Other Expenses	6,133	13,900









Office Running Expenses		
Electricity and Water Charges	356,512	233,948
Printing and Stationary	187,123	130,745
Courier and Postage Charges	82,757	129,278
Generator Running and Maintenance	263,282	159,891
Professional Charges	68,950	33,000
Staff Welfare	275,684	233,314
Insurance	68,841	70,603
Building Maintenance	152,224	83,704
Office Maintenance	247,252	199,796
Office Equipments Maintenance	399,586	123,532
Other Expenses	92,568	100,626
Capital Costs		
Office Equipments	19,350	565,078
Furniture and Fixtures	109,878	306,452
Car	974,373	718,563
Motorcycle	43,283	-
Cycle	-	1,830
Advance for Car	-	50,000
Salary and Benefits		
Support Staff	825,456	687,695
Vehicle Running and Maintenance		
Fuel	128,206	128,513
Maintenance	54,868	142,397
Payments to Auditors		
Audit Fees	15,714	13,382
Income Tax Matters	22,448	17,645
Certification	57,242	40,094
Other Payments		
Security Deposits	5,345	16,975
Advance to Staff	5,000	5,000
Advance/Payment to Others	43,059	66,400
Office Premises (EED)		
Cost of Improvement of Property		
- Office Building	-	617,164
- Electric Installations and Fittings	-	221,172
- Furniture and Fixtures	-	17,575
Security Deposits	-	222,575
Ecumenical Visit (EED)		
Travel and Conveyance	151,333	-
Boarding and Lodging	298,810	-
Other Expenses	32,185	-
Tearfund (UK)		
Travel and Conveyance	207,853	62,002
Boarding and Lodging	50,736	26,064
Professional Fees and Honorarium	90,000	21,000
Printing and Stationary	682	21,658
Other Expenses	1,860	4,200
Tearfund (Netherlands)		
Travel and Conveyance	-	29,606
Boarding and Lodging	-	12,365
ICCO		
Travel and Conveyance	-	17,619
ICCO-EU		
Travel and Conveyance	39,220	52,243
Boarding and Lodging	15,491	3,249
Professional Fees and Honorarium	140,300	-
Printing and Stationary	385	-









Christian Aid		
Travel and Conveyance	203,233	-
Boarding and Lodging	37,730	-
Other Expenses	718	-
Bread for the World		
Salaries and Benefits	266,400	278,474
Expenses for use of facilities	20,000	-
Travel and Conveyance	42,467	-
Boarding and Lodging	2,476	-
German Agro Action		
Travel and Conveyance	-	148,213
Boarding and Lodging	-	95,695
Honorarium	-	10,000
Printing and Stationery	-	13,960
Advertisement	6,538	-
Communication Costs	4,500	-
Misereor		
Travel and Conveyance	62,516	-
Boarding and Lodging	3,592	-
Honorarium	12,000	-
SPAR & CWS		
Travel and Conveyance	277,679	-
Boarding and Lodging	156,709	-
Printing and Stationery	7,016	-
Other Expenses	500	-
Investments		
Fixed Deposits with Bank of Baroda		
- General Fund	1,800,000	-
Sub Total	17,356,957	13,847,132
Cash and Bank Balances as on 31st March 2007		
Cash in Hand - EED Main Grant	812	3,510
Balance in Saving Accounts with Scheduled Banks		
- EED Main Grant	2,892,363	128,225
- Ecumenical Visit(EED)	204,950	-
- Christian Aid	72,845	18,522
- Misereor	16,993	-
- Bread for the World	213,980	171,526
- Tearfund (UK)	1,050	-
- General Fund	1,255,742	1,849,836
Sub Total	4,658,735	2,171,619
GRAND TOTAL	22,015,692	16,018,751

Significant Accounting Policies and Notes
forming an integral part of accounts

XIII

As per our report of even date
For KUMAR MITTAL & CO.
Chartered Accountants

(AMRISH KUMAR)
Partner
M. No. 90553



For FINANCIAL MANAGEMENT SERVICE FOUNDATION

EXECUTIVE DIRECTOR

CHAIRMAN

TRUSTEES

Place : Noida
Date : 14.07.2007

6

11. Conclusion

FMSF is stepping into another year wherein the various initiatives are to be taken forward. At the same time, the achievements of the past year would not have been possible without the co-operation and hard work of FMSF team who exhibited enormous commitment.

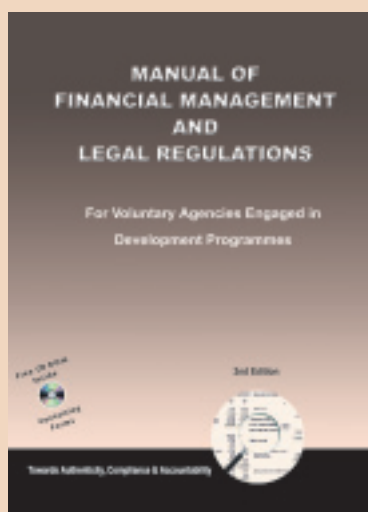
The continuing support and co-operation extended by EED and other agencies like Bread for the World, ICCO, Christian Aid, MISEREOR has enabled FMSF reach new heights.

The Board of Trustees of FMSF has been very supportive and encouraging in all our endeavors.

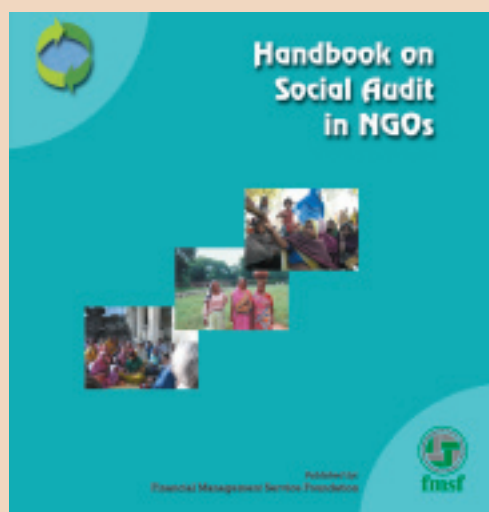
With renewed spirits, FMSF is entering into a new year of emerging challenges.



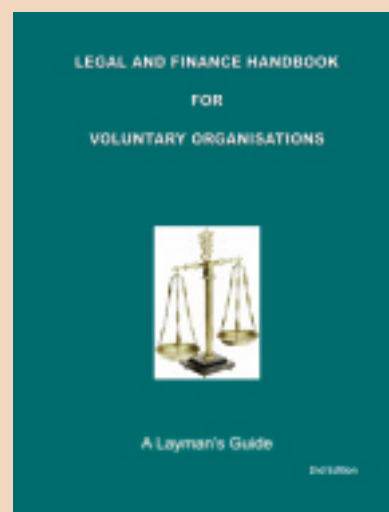
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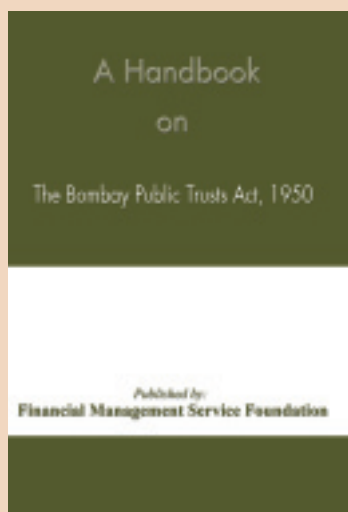
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