

Annual Report 2017–2018



Scaling Development Effectiveness

Contents

MESSAGE FROM THE CHIEF FUNCTIONARY	2
ABOUT FMSF	3
BOARD OF TRUSTEES	4
OUR PROGRAMMES	5
1. FINANCIAL MONTORING	6
Achievements in Financial Monitoring 2017-18	7
Glimpses of Activities in Financial Monitoring	8
2. CAPACITY BUILDING.....	9
Achievements in Capacity Building 2017-18.....	10
Glimpses of Training/Workshops & Capacity Building Project	12
3. OTHER INITIATIVES	13
MEET OUR TEAM	13
OUR GOVERANCE	13

MESSAGE FROM THE CHIEF FUNCTIONARY

I am very happy to present the Annual report of FMSF for the year 2017-18. The year has been very engaging and exciting. Our core area of activities are Project accompaniment and Capacity building. We have accompanied small and medium level organizations in their development journey. We have provided training to many grass root level organizations on effective financial management systems.



We started a new initiative with a grant from Oracle to undertake a sustained capacity building process of 30 organizations. Many of them have fared very well and come up with efficient system and processes.

We launched a web based app for information dissemination for the larger community in order to access real time information.

I hope for your continued support and cooperation.

Dr. Sanjay Patra
Executive Director
FMSF, India

ABOUT FMSF

Financial Management Service Foundation (FMSF) is a development resource organization. Since January 1995, FMSF has been involved in providing support to NGOs in the fields of financial management, legal regulations and governance. In order to capacitate organizations in the voluntary sector, the activities of FMSF focus on two core strategic areas-

- Financial monitoring of development projects
- capacity building of organizations in the voluntary sector

FMSF also takes up research work on financial management, legal compliances, governance and risk management, issues that are of paramount significance to the voluntary sector. FMSF strengthens and updates its research base with the help of a dedicated 'research team'. As a result of these initiatives, FMSF has an enriched database that is continuously shared with voluntary organizations through workshops, trainings and publications.

FMSF propagates and works towards promoting accountability. Thus, all programmes and activities of FMSF are aligned with a thrust upon promoting accountability.

"Our Vision" ~

"We aspire for a reality in development cooperation where there will be overall and wholistic accountability among all the constituencies."

"Our Mission" ~

FMSF is a resource organization, which seeks to promote accountability in South Asia by:

- ***Enhancing the capacity of partners and development stakeholders in financial management & Governance.***
- ***Advocating Social Accountability through networking and influencing policies.***
- ***Research & Information Dissemination***

BOARD OF TRUSTEES



**Ms. Rosemary Viswanath,
Chairman
Independent Consultant -
Organization Change and
Development**



**Rev. C.B. Samuel,
Trustee
Mentor & Leadership Coach**



**Dr. Vidya Rao,
Trustee
Former Prof. of the Department of
Social Welfare Administration
TISS, Mumbai**



**Prof. Virginius Xaxa,
Trustee
Academician and Scholar of
Sociology**



**Ms. Anuvinda Varkey,
Trustee
Executive Director of Christian
Coalition for Health**



**Rev. Roger Gaikwad,
Trustee
General Secretary of National
Council of Churches in India**

OUR PROGRAMMES



1. FINANCIAL MONITORING

2. CAPACITY BUILDING



The objectives of FMSF's programmes are:

- To undertake financial monitoring of the projects by developing close interaction with partner organizations & ensuring regular submission of financial & progress reports; by facilitating timely & regular transfer of funds to the projects as well as develop systems & procedures to ensure timely closure of projects.
- To enhance the organizational capacity of the partner organizations in the areas of financial management, legal compliance and related governance as well as develop good accountable practices.

1. FINANCIAL MONITORING

One of the core areas of FMSF intervention is in the financial monitoring of BftW supported development projects. The overall objective of financial monitoring is to facilitate the development process by enhancing capacities of partner organizations and institutionalizing effective systems and processes.

FMSF pursues financial monitoring of BftW projects by:-

- Developing close interaction with partner organizations;
- Ensuring regular submission of financial & progress reports;
- Facilitating timely & regular transfer of funds to the projects;
- Developing systems & procedures to ensure timely closure of projects.

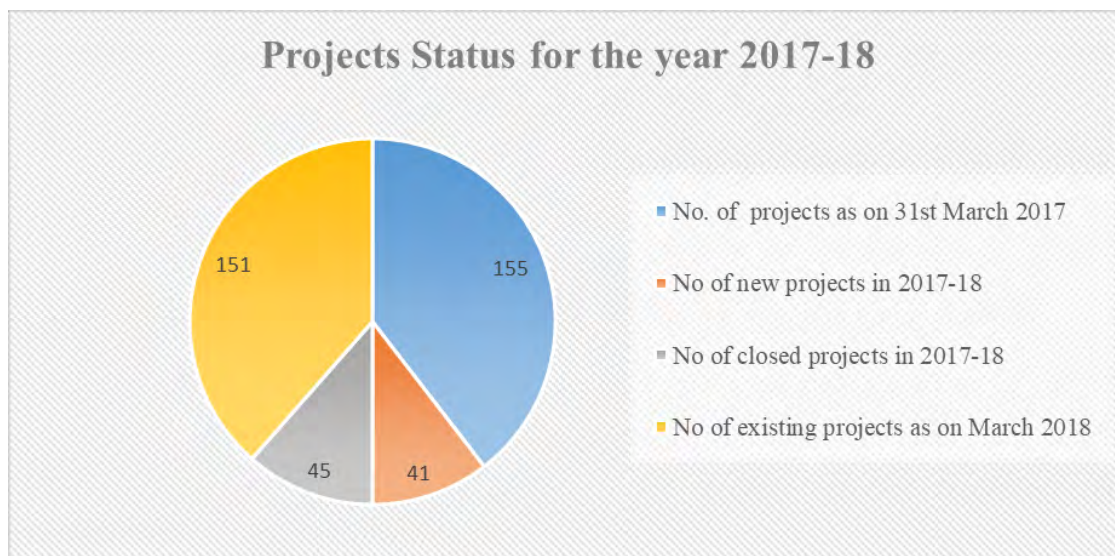


Activities undertaken by FMSF as a part of its monitoring process are:

- | | |
|---|---|
| ✓ Analysis of organizational profile and institutional audit report | ✓ Preparation of PME sheets |
| ✓ Pre-funding assessment, if applicable | ✓ Analysis of the budget revision |
| ✓ Receipt & verification of the basic documents | ✓ Analysis of partners evaluations and follow-up |
| ✓ Cash flow planning | ✓ Mid-term assessment of projects |
| ✓ Verification & processing of request for funds (ROF) and acknowledgement of receipt | ✓ Regular communication with BftW, partner organizations and auditors |
| ✓ Receipt & analysis of reports (financial & progress reports) | ✓ Partner visits |
| | ✓ Closure of project |

ACHIEVEMENTS IN FINANCIAL MONITORING 2017-18

Projects Status for 2017-18:



Key Financial Monitoring Activities Data Score:

S.no	Activities	Achievements for 2017-18
1	Analysis of OP & Institutional Audit Report	28
2	Pre-funding Assessment	17
3	Analysis of Reports:	
3.1	Financial Statements	178
3.2	Narrative Report	177
4	PME Processed	139
5	Partner Visits	68
6	Analysis of Organizational Evaluation	3
7	Preparation of EUF	45

GLIMPSES OF ACTIVITIES IN FINANCIAL MONITORING



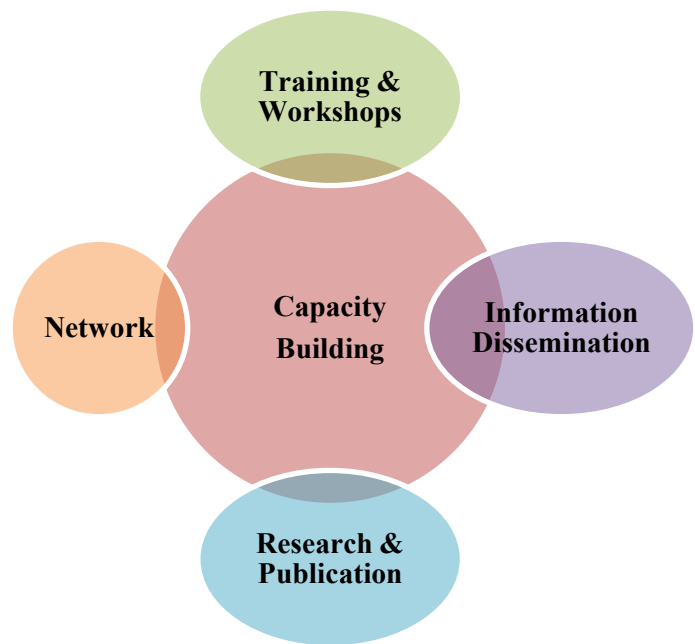
2. CAPACITY BUILDING

Capacity building of NGOs is one of the core areas of intervention of FMSF. FMSF aims to capacitate the partner organizations as well as other NGOs in the areas of financial management, internal control systems, governance and other related areas. FMSF strives to build capacities of NGOs and conducts various workshops. Apart from organizing and facilitating workshops, FMSF also provides support to partner organizations under CSR funding.

Over the past 22 years, the capacity building initiative of FMSF has undergone changes. At present, FMSF endeavors to provide specific ‘Application-based’ capacity building support to partners.

FMSF follows a four-component intervention in its capacity-building framework.

Figure 1: Four components of Capacity Building



I. Trainings & Workshops

By undertaking need assessment and internal processing of the partner wise issues, FMSF has identified six key areas for training. Separate modules have been developed for all the identified areas. The areas are as follows:

- Budget, Budgeting, Budgetary Control
- Accounting & Reporting
- Internal Control Procedures
- BftW Reporting Requirements
- Legal Issues
- Governance processes & control

These six areas are broad framework. In general, it is expected that all the partners undergo training on all the areas identified. However, depending upon the need and capacity of the organization, not all of them may be applicable. In certain cases, some areas are clubbed together for a single workshop. However, all the workshops contain an exclusive session on BftW reporting requirements. The workshops are organized for a period of 1.5 to 2 days and focuses on providing a platform for in depth discussion, solving case studies, sharing experiential learnings etc.

ACHIEVEMENTS IN CAPACITY BUILDING 2017-18

Workshops organized by FMSF for BftW partner organizations

Sl. No.	Topics Addressed	No. of organizations participated	Place & Date of Workshop
1	Workshop on Internal Controls	13	3 rd & 4 th August 2017, Kolkata
2	Workshop on Risk Management	10	19 th & 20 th September 2017, Noida
3	National Consultation on Regulatory laws and Compliances	113	7 th & 8 th December 2017, New Delhi
4	Workshop on Internal Controls	13	11 th & 12 th December 2017, Baroipara, Bangladesh
5	Workshop on Risk Management	12	13 th & 14 th December 2017, Baroipara, Bangladesh
6	Workshop on Governance for BftW Partners	7	19 th & 20 th February 2018, Hyderabad,
7	Workshop on Project Financial Management for BftW Partners	12	20 th & 21 st March 2018, Bengaluru

Other Capacity Building Projects:

“Creating Scalable & Replicable Models of Accountability “Phase-I - Oracle Foundation Supported

“Creating Scalable & Replicable Models of Accountability in NGO’s” Phase-I, is a new initiative of FMSF supported by Oracle Foundation. This program provides a unique opportunity for the NGO’s in India to develop their Governance and Financial Management system. It is a one-year program, wherein every organization selected had to undergo two workshops focusing at “Strategic Management level” and “Operational Management level” in the areas of Governance, Financial Management and Legal Compliances. This was followed by “Mentoring and Guiding Support”, which span over a 6 months period. At the end, those organizations, which successfully completed the program, were accredited by FMSF and Oracle India for a period of one year.

During the first phase, the organizational capacity enhancement programme built capacities of 30 organizations of small and medium scale in four states i.e. New Delhi, Rajasthan, Uttar Pradesh and Uttarakhand. Out of 30, total 26 organizations took active participation in all the process. At the end of one year capacity building process only 21 organizations qualified for accreditation based on the due diligence process conducted by CPA Services. The accreditation is given on three categories of rating i.e.

- 1) Silver- Basic standards
- 2) Gold- Desirable Standards
- 3) Platinum- Advanced Standards

Four organizations were accredited under Platinum category, twelve under Gold category and five under Silver category. All these organizations were issued certificate with the seal of CPA Services, FMSF and Oracle.



S.no	Workshop topics	No. of organizations participated	Place & Date of workshop
1	Strategic Management Workshop	22	21st & 22nd September 2017 at Noida
2	Operational Management Workshop	26	1st & 2nd February 2018 at Noida

GLIMPSES OF TRAINING/WORKSHOPS & CAPACITY BUILDING PROJECT



II. Research & Publications

Research

FMSF engages in disseminating relevant and useful information in the voluntary sector. Thus, research is an integral part of FMSF's daily activities. The research work at FMSF is primarily oriented towards developing tools and concepts that would be helpful for the sector. Further, the research work also feeds into the capacity building initiatives of FMSF by developing resource materials and concept notes based on financial management, legal compliances, governance, internal controls, social accountability, etc. The following concept notes and resource materials were developed during the reporting period:

CONCEPT NOTES	Finance Manual Template	Notional Expenditure in Development Projects	Conflict of Interest
RESOURCE MATERIALS	Budget, Budgeting and Budgetary Control	Internal Control Procedures	Governance Processes & Controls

Publications

a. Publication

The books published by FMSF during the year 2017-18 are:

Handbook on FCRA & Lokpal for NPOs



This third edition on the FCRA law is a humble effort on our part to provide a comprehensive reference document on various aspects of FCRA laws. There are various controversies, confusions and apprehensions surrounding the FCRA law. We have tried to simplify the various intricacies of the law and have incorporated various queries and feedback received from all across the country after the overwhelming response to the second edition. There has been considerable changes in the FCR Rules since 2016, which have been incorporated. An overview of the law pertaining to Lokpal and Lokayuktas has also been provided.

III. Information Dissemination

INTERface

FMSF published a journal “INTERface” that covers legal, financial and governance related issues. A primary aspect of this magazine is to provide extensive and detailed information on voluntary sector laws. Thus, FMSF has been creating awareness amongst partner organizations on these latest developments in the voluntary sector. The issue of “INTERface” covered the following topics during the period:



Legal:

1. Can salaries be paid to board members & trustees
2. Can NGOS have activities outside India
3. Corpus donations analysis of recent amendments 2017
4. Budget – 2017 changes with regard to NPOS
5. Exemptions shall be withdrawn if it return not filed in time
6. Income tax returns in the amended itr-7
7. How to prepare statement of income & accumulation
8. Assessment and the power of assessing officer to deny exemptions

Finance:

1. Accountability aspects of fund accounting
2. NGO inherent characteristics necessitating fund accounting

CSR:

1. Administrative and establishment expenses
2. CSR expenditure outside India
3. Permissible CSR activities & Schedule VII
4. Understanding CSR activities charitable purpose

Governance

1. Different traits & types of board
2. Governance controls

E-communiqué - Standards & Norms

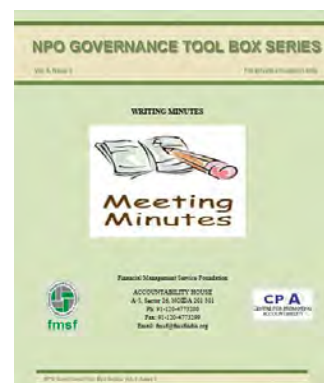
In the year 2017-18, information related to changes and amendments in the legal setting pertaining to the voluntary sector were provided through “Standards & Norms Notices” disbursed at regular intervals. These notices were brought out on the following topics :

1. Corpus donations analysis of recent amendments 2017
2. Budget – 2017 changes with regard to NPOs
3. Exemptions shall be withdrawn if IT return not filed in time
4. Income tax returns in the amended ITR-7
5. How to prepare statement of income & accumulation
6. Assessment and the power of assessing officer to deny exemptions
7. Roles & responsibilities of Bank under FCRA
8. Gifts received from relatives & foreign sources
9. Concept & controversy in applicability of GST in NGOs
10. What is relief to poor ?
11. Is corpus donation taxable without 12AA registration
12. Delhi High court on arbitrary denial of FCRA registration
13. Integration of bank accounts with PFMS under FCRA
14. Budget 2018-FCRA retrospective Amendment
15. Budget 2018-Business provisions applied to NGOs



Governance Tool Box series

Governance is one of the important areas that need to be further strengthened in the voluntary sector. Thus, to strengthen the governance process, FMSF initiated the Governance Tool Box Series in July 2012. The series is circulated through mass mail as “NPO Governance Tool box Series”, and contains 35 issues that touches upon various aspects of governance of an organization. Each issue comes with a self-assessment tool for NPOs to assess and address the critical areas.



Until date, out of 36 issues, total 23 issues have been published. All the series are published and uploaded both on the official website of FMSF (<http://www.fmsfindia.org>) as well as on the blog site of FMSF (<http://fmsf-noida.blogspot.in/>).

IV. Networks

Financial Management Service Foundation (FMSF) initiated the NGO Accountants Network (NAN) in January 2005. NAN is a network of accountants working in the voluntary sector. NAN was formed with the objective of addressing the need of capacity building of the NGO accountants and thereby promoting accountability. NAN aims at providing a forum for mutual learning and growth. In order to provide a platform for sharing experiences and inputs, a convention is held where all the NAN members and accountants from other voluntary organizations are invited. Till date, FMSF has successfully organized seven NAN Conventions in India



3. OTHER INITIATIVES



Pool of auditors

FMSF has created a pool of experienced auditor, in order to increase the quality of project audit and to encourage partners to rotate the auditors. FMSF continuously works to enhance this pool with experienced auditors by regularly updating them on the BftW requirements and other financial and legal issues related to the voluntary sector. Currently, the pool comprises of 93 auditors.



Self-assessment rating tool for NPOs (www.rateyourngo.org)

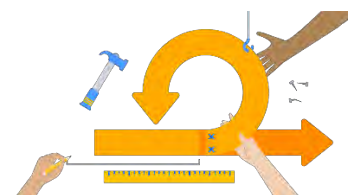
FMSF has developed a web based rating tool to assess the status of an organization in the areas of Governance, Management, Finance and Program. This internal assessment tool aims to strengthen the internal systems by diagnosing risks and determining the effectiveness of actions taken after a rating. FMSF further develops the capacity building programmes for institutions based on the ratings in order to strengthen the areas of improvements.

The web-based, self-assessment, modular rating software, 'www.rateyourngo.org' developed in 2013 is accessible to all organizations who wish to rate themselves..



Internal monitoring software

The internal monitoring software is a centralized database system. It was designed in 2011 to standardize the internal project monitoring processes, streamline the internal processes and enhanced quality at all levels. This web-based application provides real-time global and individual project status reports and helps to manage and track the BftW project monitoring processes such as receipt of reports, preparation of PME sheets, cash flow, etc.



Capacity building software

The capacity building initiatives are managed through Capacity Building software. It was developed in 2013, to implement the workshops and events in the following manner:

- Storing data such as resource materials, participant lists and feedback sheets from various workshops
- Sending invitations for workshops to the participants directly

The capacity building software is inter-linked with the monitoring software; partner-wise issues are picked up and addressed more effectively. Another benefit of this software is that the data stored in this software can be easily accessed from anywhere online.

NEW INITIATIVE

Mobile Application



MEET OUR TEAM



Dr. Sanjay Patra
Executive Director



Mr. Sandeep Sharma
Head of Program Desk



Ms. Anuradha Singh
Head of Resource Desk



Mr. Lalatendu Samantasinghar
Finance Manager



Ms. Renu Arora
Sr. IT & Admin Support Officer



Ms. Sapna Singh
Team Leader



Mr. Abhishek Dutta
Project Finance Coordinator



Mr. Benz Chell
Project Finance Coordinator



Mr. Lijomon Joy
Project Finance Coordinator



Mr. Vikas Singh Negi
Project Monitoring Coordinator



Ms. Akanksha Gupta
Project Monitoring Facilitator



Ms. Akrita Bharos
Capacity Building Coordinator



Ms. Sheetal Jachuk
Capacity Building Associate



Ms. Mohini Choudhary
Project Monitoring Coordinator



Ms. Divya Banerjee
Project Monitoring Coordinator



OUR GOVERNANCE

Good governance is the cornerstone for effective functioning of the organization. In FMSF, governance means to achieve high level of accountability, efficiency, responsibility and justice in all area of operation. The mission of FMSF is to ‘Promote Accountability’ which is practiced at all level of the organization through robust governance mechanism and processes. There is a clear distinction between governance and management. While the Board of Trustees is responsible for the governance aspects, the Management team headed by Executive Director and comprising of Head of Desks are responsible for the day to day management of the organization.

Meetings

i. Board Meetings

The Board of Trustees meets at regular intervals to review the work and to make strategic decisions for the organization. During the reporting period, the 46th Annual General meeting was held on 17th July 2017 and the 47th Board meeting on 30th January 2017 & 9th February 2018.

ii. Annual & Mid-term Planning Meeting

The annual planning meeting was held at Kolkata from 17th to 20th January 2017. The annual planning began with team building exercises, reflection processes and followed by Strategic and Operational planning of FMSF. During this planning, the new initiatives of FMSF were also presented and planned.

The mid- term planning meeting was held a Jaipur from 10th to 12th July 2017. During the mind term review, Organization development processes were taken up through team building exercises. Further, the review of FMSF achievements and planning were taken up.

Together We Matter





Financial Management Service Foundation
“Accountability House”
A-5, Sector 26, NOIDA-201301, INDIA,
Tel: 00-91-120-4773200
e-mail: fmsf@fmsfindia.org
website: www.fmsfindia.org

(Certificate to be given by Chartered Accountant)

We have audited the account of **FINANCIAL MANAGEMENT SERVICE FOUNDATION, A-17, NEETI BAGH , NEW DELHI - 110049** (name of association and its full address including State, District and Pin Code; if registered society, its registration No. and State or registration) for the year ending **31st March 2018** and examined all relevant books and vouchers and certify that according to the audited accounts :

- (i) The brought forward foreign contribution at the beginning of the year was Rs. 6,344,824.
- (ii) Foreign contribution of / worth Rs. 29,377,420 was received by the association during the year 2017-2018.
- (iii) Intrest accrued on foreign contribution and other income derived from foreign contribution or interest thereon of Rs 1,560,835 (interest on SB/FD Rs.658,567, Recovery for use of Facility Rs.864,532, sale of publication Rs 26,055, and Misc. receipts Rs.11,681) was received by the association during the year 2017-2018.
- (iv) The balance of unutilised foreign contribution with the association at the end of the year 31st March, 2018 was Rs. 6,518,989.
- (v) Certified that the Association has maintained the accounts of foreign contribution and records relating thereto in the manner specified in section 19 of the Foreign Contribution (Regulation) Act, 2010(42 of 2010) read with rule 17 of the Foreign Contribution (Regulation) Rules, 2011.
- (vi) The information furnished in this certificate and in the enclosed Balance Sheet and Statement of Receipt and Payment is correct as checked by us.
- (vii) The association has utilized the foreign contribution received for the purposes it is registered under Foreign Contribution (Regulation) Act, 2010.

Name of Chartered Accountant with seal
Address and Registration Number



Place: New Delhi
Date: **17 SEP 2018**

Name	SAMIR JAIN
Membership No.	77010
Designation	Partner
Firm Name	RAGHU NATH RAI & CO.
FRN	000451N
Address	9, Mathura Road, Jangpura "B", New Delhi – 110 014 India



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

FCRA ACCOUNT

BALANCE SHEET AS AT 31ST MARCH 2018

	Schedule	As at 31.03.2018 Amount (Rs.)	As at 31.03.2017 Amount (Rs.)
<u>SOURCES OF FUNDS</u>			
Unutilised Grants	I	-	107,904
General Fund	II	7,042,858	7,715,953
Assets Fund Account	III	9,086,954	10,399,924
TOTAL		16,129,812	18,223,781
<u>APPLICATION OF FUNDS</u>			
Fixed Assets	IV		
Gross Block		33,210,119	33,885,903
Less : Depreciation		24,123,165	23,485,979
Net Block		9,086,954	10,399,924
Investments	V	4,761,049	4,460,518
Current Assets, Loans & Advances			
Cash and Bank Balances	VI	1,757,940	1,884,306
Other Current Assets	VII	523,869	1,479,033
Less: Current Liabilities & Provisions		-	-
Net Current Assets		2,281,809	3,363,339
TOTAL		16,129,812	18,223,781

Significant Accounting Policies and Notes
forming an integral part of accounts

VIII

As per our report of even date
For RAGHU NATH RAI & CO.
Chartered Accountants

FRN: 000451N

(SAMIR JAIN)

Partner

M. No. 077010

For FINANCIAL MANAGEMENT SERVICE FOUNDATION

(EXECUTIVE DIRECTOR)



(TRUSTEES)

Place : New Delhi

Date : **17 SEP 2018**

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

SCHEDULE - I

**FOREIGN GRANTS UNUTILISED / RECEIVABLE FORMING PART OF
FCRA ACCOUNT BALANCE SHEET AS AT 31ST MARCH 2018**

Funding Agency	Opening balance as on 01.04.2017	Grant received during the year	Other Receipts	Total	Grant Utilised as per Receipts and Payments Account	Surplus / (Deficit) transferred to General Fund	Closing Balance as on 31.03.2018	
							Unutilised (7)=(4-5-6)	Receivable (8)=(5-4)
	(1)	(2)	(3)	(4)=(1+2+3)	(5)	(6)		
BFTW	-		-	-	-	-	-	-
- Project No.20140043E	(782,170)	26,308,226	396,304	25,922,360	26,446,229	-		523,869
<u>ICCO</u>								
- Main Grant	369,649	-	-	369,649	-	369,649	-	-
- Other Grant	(261,745)	-	-	(261,745)	-	(261,745)	-	-
Misereor-Project No.321-900-1465 ZG.	(696,863)	-	-	(696,863)	-	(696,863)	-	-
Charities Aid Foundation		3,069,194	-	3,069,194	1,227,282	1,841,912	-	-
Other Misc.Grants (conts. and others)	-	902,268	-	902,268	2,375,516	(1,473,248)	-	-
TOTAL	(1,371,129)	30,279,688	396,304	29,304,863	30,049,027	(220,295)	-	523,869

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

SCHEDULE - II

**GENERAL FUND FORMING PART OF
FCRA ACCOUNT BALANCE SHEET AS AT 31ST MARCH 2018**

General Fund	As at 31.03.2018 Amt. (Rs.)	As at 31.03.2017 Amt. (Rs.)
Opening Balance	7,715,953	7,753,009
Add : Income during the year		
Surplus as per Grant Account		
- ICCO Main Grant	369,649	-
- ICCO other	(261,745)	-
- Misereor	(696,863)	-
- Charities Aid Foundation	1,841,912	-
- Other Miscellaneous Grants	(1,473,248)	(642,541)
Interest on Fixed Deposit with Bank	351,399	378,212
Interest on Saving Bank Account	286,364	227,273
	8,133,421	7,715,953
Less : Payments		
Others Program Expenses out of General Fund		
- Staff cost	542,222	-
- Travel & Conveyance	17,531	-
- Loading & Boarding	3,150	-
- Professional fees/expenses	152,160	-
Less: Amount of sale proceeds of fixed assets credited to General Fund Account in 2015-16, now transferred to Grant Account of BFTW	375,500	-
	1,090,563	-
Closing Balance	7,042,858	7,715,953

SCHEDULE - III

**ASSETS FUND ACCOUNT FORMING PART OF
FCRA ACCOUNT BALANCE SHEET AS AT 31ST MARCH 2018**

Assets Fund Account	As at 31.03.2018 Amt. (Rs.)	As at 31.03.2017 Amt. (Rs.)
Opening Balance	10,399,924	9,915,882
Add:		
Assets purchased during the year	164,426	3,047,746
	10,564,350	12,963,628
Less :		
Sold	181,880	1,075,641
Depreciation for the current year	1,295,516	1,488,063
Closing Balance	9,086,954	10,399,924



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

SCHEDULE - IV

**FIXED ASSETS FORMING PART OF
FCRA ACCOUNT BALANCE SHEET AS AT 31ST MARCH 2018**

Fixed Assets	Rate of Dep. %	Gross Block			Cost as at 31.03.2018	Depreciation Block			Net Block		
		Cost as at 01.04.2017	Additions during the year	Sales / discarded during the year		Dep. upto 31.03.2017	Adj. for sales/ discarded during the year	Dep. for current year	Dep. upto 31.03.2018	W.D.V. as on 31.03.2018	W.D.V. as on 31.03.2017
FOREIGN CONTRIBUTION ACCOUNT											
Office Premises(EED)											
Office Building	10	15,935,570	-	-	15,935,570	11,792,069	-	414,350	12,206,419	3,729,151	4,143,501
Electric Installations and Fittings	15	1,125,237	-	-	1,125,237	991,119	-	20,118	1,011,237	114,000	134,118
Furniture and Fixtures	10	1,224,054	-	-	1,224,054	892,280	-	33,177	925,457	298,597	331,774
EED Main Grant											
Computers	40	1,664,245	151,866	-	1,816,111	1,526,451	-	85,491	1,611,942	204,169	137,794
Furniture and Fixtures	10	3,566,231	-	-	3,566,231	2,557,242	-	100,899	2,658,141	908,090	1,008,989
Office Equipments	15	5,938,714	12,560	-	5,951,274	4,018,900	-	289,857	4,308,757	1,642,517	1,919,814
Vehicles											
- Cars	15	2,654,250	-	-	2,654,250	863,879	-	268,556	1,132,435	1,521,815	1,790,371
- Cycle	15	1,830	-	-	1,830	1,548	-	42	1,590	240	282
- Motorcycle	15	67,462	-	-	67,462	10,119	-	8,601	18,720	48,742	57,343
Intangible Assets											
ICCO											
Computers	40	183,971	-	183,971	-	183,828	183,828	-	-	-	143
Furniture and Fixtures	10	58,400	-	58,400	-	32,476	32,476	-	-	-	25,924
Office Equipments	15	597,839	-	597,839	-	442,026	442,026	-	-	-	155,813
Misereor											
Intangible Assets											
- Software	40	100,000	-	-	100,000	99,934	-	26	99,960	40	66
Programme Centre											
Office Equipments	15	108,100	-	-	108,100	8,108	-	14,999	23,107	84,993	99,992
Office Building	10	660,000	-	-	660,000	66,000	-	59,400	125,400	534,600	594,000
Total		33,885,903	164,426	840,210	33,210,119	23,485,979	658,330	1,295,516	24,123,165	9,086,954	10,399,924
Previous year		33,632,270	3,047,746	2,794,113	33,885,903	23,716,388	1,718,472	1,488,063	23,485,979	10,399,924	-



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

SCHEDULE - V

**INVESTMENTS FORMING PART OF
FCRA ACCOUNT BALANCE SHEET AS AT 31ST MARCH, 2018**

Investments	As at 31.03.2018 Amt. (Rs.)	As at 31.03.2017 Amt. (Rs.)
<u>Fixed Deposits with Scheduled Banks</u>		
<i>Bank of Baroda</i> - General Fund	4,761,049	4,460,518
TOTAL	4,761,049	4,460,518

SCHEDULE - VI

**CASH AND BANK BALANCES FORMING PART OF
FCRA ACCOUNT BALANCE SHEET AS AT 31ST MARCH, 2018**

Cash and Bank Balances	As at 31.03.2018 Amt. (Rs.)	As at 31.03.2017 Amt. (Rs.)
<u>Cash in hand</u>		
<i>Foreign Contribution Account</i>	23,854	43,178
<u>Balance in Saving Account with Scheduled Bank</u>		
<i>Foreign Contribution Account</i>		
<i>Bank of Baroda-SB A/c no -22750100001629 (FC A/C)</i>	1,694,980	
<i>HDFC-SB A/c 06511450000170</i>	39,106	
	1,734,086	1,841,128
TOTAL	1,757,940	1,884,306

SCHEDULE - VII

**OTHER CURRENT ASSETS FORMING PART OF
FCRA ACCOUNT BALANCE SHEET AS AT 31ST MARCH, 2018**

Other Current Assets	As at 31.03.2018 Amt. (Rs.)	As at 31.03.2017 Amt. (Rs.)
<i>Grant Receivable</i> - BFTW	523,869	479,033
TOTAL	523,869	479,033



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

**FOREIGN CONTRIBUTION ACCOUNT
RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2018**

	Schedule	Current Year Amount (Rs.)	Previous Year Amount (Rs.)
<u>RECEIPTS</u>			
<u>Cash and Bank Balances as on 1st April 2017</u>			
Cash in Hand		43,178	24,135
Balance in Saving Accounts with Scheduled Banks			
- Bank of Baroda SB A/c -22750100001629(FC A/c)		1,728,319	3,571,487
- HDFC SB A/c 06511450000170		112,809	68,332
Fixed Deposit with Bank of Baroda		4,460,518	4,136,029
Sub Total		<u>6,344,824</u>	<u>7,799,983</u>
<u>Grants Received</u>			
BFTW		26,308,226	25,203,245
Interest BFTW		20,804	21,381
Sale of Assets		-	595,400
ICCO			
- Sale of Vehicle		-	130,000
Charities Aid Foundation		3,069,194	-
Other Misc.		902,268	1,360,778
<u>General Fund</u>			
Interest on Fixed Deposit with Bank (net off Accrued Interest)		351,399	378,212
<u>Other Receipts</u>			
Interest on Saving Bank Accounts		286,364	227,273
Sub Total		<u>30,938,255</u>	<u>27,916,289</u>
GRAND TOTAL		<u>37,283,079</u>	<u>35,716,272</u>

contd.



PAYMENTS**BFTW Main Grant****Monitoring Staff Costs and Training**

Staff Costs	6,412,165	5,846,291
Travel Costs for Partner Visits		
Travel and Conveyance	1,233,710	1,056,431
Boarding and Lodging	1,018,591	978,359
Other Expenses	16,578	40,166
Capacity Building - Workshops, Consultancies		
Annual Planning and Core Group Meeting Expenses	576,598	440,066
Workshops and Seminars (TOT & Auditors)	1,261,892	1,290,694
Training Fees	111,671	
Travel and Conveyance	79,214	-
Boarding and Lodging	5,564	-
Staff Costs Capacity Building	3,309,006	2,914,985
Publications, Research, FMSF Websites		
Cost of Newsletter	58,623	163,087
Website Expenses	44,600	41,759
Staff Costs	2,268,224	2,093,775
Software Expenses	177,010	232,581
Membership & Subscription Fees	-	480
Cost of Publications		
- Author Fees	492,500	350,000
Co-ordination and Administration Costs		
Staff Costs and Training		
Staff Costs	4,885,725	4,572,120
Office Costs		
Electricity and Water Charges	647,889	757,769
Printing and Stationary	165,319	169,411
Courier and Postage Charges	177,901	135,599
Generator Running and Maintenance	141,306	197,708
Computers Maintenance	102,186	87,615
Telephone Expenses	231,795	225,554
Internet Expenses	299,906	296,758
Insurance	18,018	15,966
Building Maintenance	66,376	246,525
Office Maintenance	451,674	407,051
Office Equipments Maintenance	287,670	182,260
Professional Charges	334,530	15,525
Recruitment Expenses	10,769	24,335
Staff Welfare	533,027	506,636
Conveyance	-	2,381
Vehicle Running and Maintenance	348,734	347,350
Audit Fees	180,920	163,926
Other Expenses	18,944	25,722

contd.



Travel Costs		
Director and Core Staff	262,645	135,953
Trustees Meetings	50,523	51,988
Capital Costs		
Office Equipments	12,560	1,005,782
Computer & Printer	151,866	45,500
Vehicle	-	1,174,578
ICCO		
Co-ordination and Administration Costs		
Office Cost		
Vehicle Running and Maintenance	-	12,204
ICCO - Governance Programme		
Program Cost		
Postage	-	92
Staff Cost	-	794,236
Co-ordination and Administration Costs		
Expenses for use of facilities	-	204,278
Misereor		
Professional Fees Coaching	-	45,633
Co-ordination and Administration Costs		
Office Cost		
Audit Fees	-	69,000
Charities Aid Foundation		
<i>(Creating scalable & replicable models of</i>		
Conducting Workshop for CSOs		
- Boarding and Lodging	683,222	-
- Venu Charges	49,922	-
- Module / Resource Material	13,707	-
- Stationary Charges	22,583	-
Monitoring & Guiding Support		
- Travel and Conveyance	268,849	-
- Boarding and Lodging	167,149	-
- Staff Cost	-	-
Co-ordination and Administration Costs		
Audit Fees	5,000	-
Printing and Stationary	16,850	-
Other Misc. Grants		
Staff Cost	1,783,604	794,236
Co-ordination and Administration Costs		
Office Cost		
Expenses on facilities provided	158,342	236,705
Expenses on use of facilities	433,570	204,278
Capital Costs		
- Programme Center - Office Equipment	-	108,100
- Programme Center - Office Building	-	660,000



contd.

General Fund

Others		
- Staff cost	542,222	-
- Travel & Conveyance	17,531	-
- Loading & Boarding	3,150	-
- Professional fees/expenses	152,160	-

Sub Total	<u>30,764,090</u>	<u>29,371,448</u>
-----------	-------------------	-------------------

Cash and Bank Balances as on 31st March 2018

Cash in Hand	23,854	43,178
Balance in Saving Account with Scheduled Bank		
- Bank of Baroda SB A/c -22750100001629(FC A/c)	1,694,980	1,728,319
- HDFC SB A/c 06511450000170	39,106	112,809
Fixed Deposit with Bank of Baroda	4,761,049	4,460,518

Sub Total	<u>6,518,989</u>	<u>6,344,824</u>
-----------	------------------	------------------

GRAND TOTAL	<u>37,283,079</u>	<u>35,716,272</u>
-------------	-------------------	-------------------

Significant Accounting Policies and Notes
forming an integral part of accounts

VIII

As per our report of even date
For RAGHU NATH RAI & CO.

Chartered Accountants
FRN: 000451N



(SAMIR JAIN)
Partner
M. No. 077010

For FINANCIAL MANAGEMENT SERVICE FOUNDATION



(EXECUTIVE DIRECTOR)



(TRUSTEES)

Place : New Delhi

Date : 17 SEP 2018

**FINANCIAL MANAGEMENT SERVICE FOUNDATION
(A REGD. PUBLIC CHARITABLE TRUST)
FOREIGN CONTRIBUTION ACCOUNT**

CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2018

	Schedule	Current Year Amount (Rs.)	Previous Year Amount (Rs.)
<u>INCOME</u>			
<u>BFTW</u>			
Grant Received		26,308,226	25,203,245
Interest		20,804	21,381
Sale of Assets		375,500	595,400
<u>ICCO-FMSF Decentralisation Project</u>			
Sale of Vehicle		-	130,000
<u>Charities Aid Foundation</u>			
Grant Received		3,069,194	-
<u>Other Miscellaneous Grants</u>			
Sale of Publications		26,055	18,777
Rent		491,475	829,386
Bank Interest		626,178	564,992
Income from other facilities provided		430,494	211,460
Other		11,681	-
Amount written back		-	101,190
Total		31,359,607	27,675,831
<u>EXPENDITURE</u>			
<u>BFTW</u>			
<u>Programme Costs</u>			
<i>(Standardizing Capacity and Compliance - From Concept to Praxis)</i>			
<u>Monitoring and Consultancy Staff Costs and Training</u>			
Staff Costs		6,412,183	5,838,573
<u>Travel Costs for Partner Visits</u>			
Travel and Conveyance		1,283,825	1,085,117
Boarding and Lodging		955,388	978,359
Other Expenses		16,578	40,166
<u>Capacity Building - Workshops, Consultancies</u>			
Annual Planning and Core Group Meeting Expenses		576,598	440,066
Workshops and Seminars (TOT & Auditors)		1,275,129	1,290,694
Training Fees		111,671	-
Travel and Conveyance		79,214	-
Boarding and Lodging		5,564	-

contd.



Staff Costs Capacity Building	3,309,006	2,914,985
Publications, Research, FMSF Websites		
Cost of Newsletter	59,360	196,748
Website Expenses	44,600	41,759
Staff Costs	2,268,224	2,093,775
Software Expenses	148,510	114,706
Membership & Subscription Fees	-	480
Cost of Publications		
- Author Fees	450,000	350,000
<u>Co-ordination and Administration Costs</u>		
Staff Costs and Training		
Staff Costs	5,257,725	4,572,120
Office Costs		
Electricity and Water Charges	648,777	665,063
Printing and Stationary	165,342	169,502
Courier and Postage Charges	177,901	135,599
Generator Running and Maintenance	141,306	197,708
Computers Maintenance	102,186	87,615
Telephone Expenses	231,795	225,554
Internet Expenses	299,906	296,758
Insurance	16,078	15,966
Building Maintenance	66,376	246,525
Office Maintenance	442,634	411,823
Office Equipments Maintenance	233,884	184,567
Professional Charges	334,530	15,525
Recruitment Expenses	10,769	24,335
Staff Welfare	534,481	505,182
Conveyance	-	2,381
Vehicle Running and Maintenance	348,734	352,881
Audit Fees	199,892	177,679
Other Expenses	18,944	25,722
Travel Costs		
Director and Core Staff	262,645	135,953
Trustees Meetings	50,523	51,988
Capital Costs		
Office Equipments	12,560	1,059,568
Computer & Printer	151,866	45,500
Vehicle	-	1,174,578
<u>Misereor</u>		
(Diploma in Financial Management and Accountability)		
Audit Fees	-	40,375
<u>ICCO-FMSF Decentralisation Project</u>		
Office Expenses		
Vehicle Running and Maintenance	-	12,204
Security Deposit Written off	1,750	-

contd.



ICCO - Governance Programme

Postage	-	92
Staff Cost	-	794,236
Expenses for use of facilities	-	204,278

Charities Aid Foundation

(Creating scalable & replicable models of accountability in NGO's)

Conducting Workshop for CSOs		
Boarding and Lodging	683,222	-
Venu Charges	49,922	-
Module / Resource Material	13,707	-
Stationary Charges	39,433	-
Resource Person travel cost	52,000	-
Resource Person Accommodation	24,000	-
Staff cost	200,000	-
Monitoring & Guiding Support		
- Travel and Conveyance	284,465	-
- Boarding and Lodging	167,149	-
- Staff Cost	1,300,000	-
Audit Fees	59,000	-
Printing and Stationary	16,850	-
Workshop and support coordination cost	146,194	-
Administrative overhead	50,000	-

Other Miscellaneous Grants

(Programmes for the poorest and most deprived section of the community and evaluation of performances)

Staff Cost	1,783,604	794,236
Office Cost		
Expenses for use of facilities	433,570	204,278
Expenses on facilities provided	158,342	236,705
Capital Costs		
- Programme Center -Office Equipment	-	108,100
- Programme Center -Office Building	-	660,000
Total	32,167,912	29,220,024
Unspent / (Overspent) during the year transferred to Grant Account	I (808,305)	(1,544,193)

Significant Accounting Policies and Notes forming an integral part of accounts

XI

As per our report of even date
For RAGHU NATH RAI & CO.
Chartered Accountants

FRN: 000451N

(SAMIR JAIN)

Partner

M. No. 077010

For FINANCIAL MANAGEMENT SERVICE FOUNDATION



(EXECUTIVE DIRECTOR)

(TRUSTEES)

Place : New Delhi

Date :

17 SEP 2018

FINANCIAL MANAGEMENT SERVICE FOUNDATION

(A REGD. PUBLIC CHARITABLE TRUST)

SCHEDULE – VIII : SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH 2018

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 except for Foreign Contribution Books which are prepared on cash 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.



5. 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.
6. Accounts for the purpose of submission to FCRA are compiled on cash basis.
7. Restricted Grants are utilized as per the conditions of the grant agreement and to the extent utilized they are netted off from the Other Current Liabilities item in the Balance Sheet and transferred to separate account of the granting authority and spent for its pre-determined purpose.
8. Upon completion of the life or obligation of the restricted grant, if any surplus grant remains unutilized the amount is, either in compliance with the grant agreement or upon due consent of the granting authority, either returned to the granting authority or transferred as unrestricted grant or income in Income and Expenditure statement.
9. The assets acquired by the trust while acting as a trustee of the Restricted Grant and fulfilling the conditions of the grant agreement, the asset acquired (primarily fixed assets) is shown at notional value in the Balance Sheet. Any receipts from sale of such assets, in accordance with the terms of the grant agreement, are transferred back again to the appropriate Restricted Fund – Grant Balance and utilized further in accordance with the grant agreement.



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. Premium paid for employees has been charged to expense accounts.
2. 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.
3. 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.
4. Expenses have been allocated to various programmes based on the approved activities and budgets of the respective programme.
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. The management has allocated the expenses between the Projects (Bread for the World, and Others) as per the best estimate made by them. The Auditors have relied on the same.
7. Previous year figure has been regrouped wherever necessary.



8. Income and expenses are reported as per budget of the funding / donor agencies received on grant to grant basis, hence previous year figures are not comparable.
9. The Fixed Assets having WDV of Rs.1,81,880 has been written off as these has been discarded during the year.

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

For RAGHU NATH RAI & CO.
CHARTERED ACCOUNTANTS
FRN: 000451N

For FINANCIAL MANAGEMENT SERVICE FOUNDATION

(SAMIR JAIN)
PARTNER
Membership No : 077010

(EXECUTIVE DIRECTOR)



(TRUSTEES)

Place : New Delhi

Date : 17/9/18