

*2012-2013*

# Annual Report

*Building capacity  
for greater accountability*



**Financial Management Service Foundation**






## FROM THE EXECUTIVE DIRECTOR'S DESK...

We had both an exciting and challenging year at FMSF. Apart from monitoring, the other focus area of FMSF is capacity building. The capacity building initiative is undertaken through trainings, workshops, information dissemination and academic programmes.

On 1<sup>st</sup> May 2011, the new FCRA Law was enacted which entailed several changes. The whole sector was looking for clarity on various contentious areas. FMSF decided to publish "Comprehensive Commentaries on FCRA 2010" in collaboration with VANI. This book was released in July 2012 and garnered appreciation from the NGOs in India. This was a very significant and landmark publication since it was done after fair bit of research on the subject by experts. This was also the first publication to be released after the FCRA 2010 has been enacted. The other publication was the flagship book "Finance and Legal Handbook – 4<sup>th</sup> Edition". This book has become a prescribed textbook in various social work institutions, colleges and universities. In the 4<sup>th</sup> edition of the Finance and Legal handbook, we have made a lot of invaluable additions. This book also has been well received in the NGO sector.

During the period we monitored 131 projects in the South Asian region. We also conducted six workshops for our BftW partners and eight Outreach workshops on FCRA 2010 and Income Tax along with two open workshops on upcoming topics like 'Risk management' and 'Communicating finance between non-finance and finance people' for the voluntary sector.

I take this opportunity to extend my sincerest gratitude to BftW, Germany for their support and dedication, the Board of Trustees for their indispensable time and patience while constantly guiding us forward, our partners and associates for their co-operation and last but not the least our vibrant and committed staff. With this I am happy to unfold the Annual Report 2012-2013 of FMSF.

  
(Sanjay Patra)



# CONTENTS

1. OUR GUIDING PRINCIPLES	5
2. PROGRAMMES	9
2.1. <i>Financial Monitoring of Development Projects</i>	11
2.2. <i>Internal Systems and Tools</i>	15
2.3. <i>Capacity Building, Learning Systems &amp; Networks</i>	16
3. RESEARCH, PUBLICATIONS AND INFORMATION DISSEMINATION	25
3.1. <i>Research</i>	27
3.2. <i>Publications &amp; Information Dissemination</i>	27
4. GOVERNANCE	33
4.1. <i>Board of Trustees</i>	35
4.2. <i>Meetings</i>	36
4.3. <i>Audit</i>	36
4.4. <i>FMSF Team</i>	36
4.5. <i>Staff Development Programme</i>	37
4.6. <i>Performance Appraisal</i>	38
4.7. <i>Legal and Donor Compliance</i>	38
4.8. <i>Sustainability</i>	38
5. FINANCIAL INFORMATION	39
5.1. <i>Auditor's Report</i>	41
5.2. <i>Financial Statements</i>	43

## List of Tables

Table No.	Description	Page No.
Table 1	Details of Pre-funding assessments	12
Table 2	Workshops organized by FMSF for BftW (former EED) Partners	18
Table 3	Workshops organized by FMSF for BftW Partners	19
Table 4	Outreach Workshops on FCRA & Income Tax	19
Table 5	Other Workshops organized by FMSF	20
Table 6	Details of Paper & Faculties of DFMA Programme	21

## List of Charts

Chart No.	Description	Page No.
Chart 1	Details of Audited Financial Reports & Progress Reports	12
Chart 2	Number of New Projects & Closed Projects	13
Chart 3	Number of Partners visited	14
Chart 4	Publications disbursed during 2012-2013	28

## List of Figures

Figure No.	Description	Page No.
Figure 1	Core areas of intervention of FMSF	8
Figure 2	Capacity Building Module	16
Figure 3	NPO Governance Programme Modules	22
Figure 4	INTERface Vol. XI Issue 1	29
Figure 5	INTERface Vol. XII Issue 1	30
Figure 6	Standards & Norms Notice	31
Figure 7	Governance Toolbox Series	31

# 1. OUR GUIDING PRINCIPLES





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

**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.*

**Core Values** - *FMSF promotes these values as a way of work:*

- *Accountability - Our accountability to the constituency we seek to serve*
- *Transparency - to be transparent in our actions.*
- *Humaneness - Accounting practices with a human touch*
- *Sensitivity - Sensitive to development issues & programmes*

Financial Management Service Foundation (FMSF) is a development resource organization involved in the Financial Management, Legal Issues and Governance of development organizations in South Asia. FMSF strongly believes that 'accountability of development organizations is of paramount significance' and strives for enhancing the same through myriad activities. Since its inception in 1995, FMSF is consistently being guided by the core values

of promoting accountability, transparency, humanness and sensitivity.

FMSF manifests its vision and mission through its activities categorized under two core strategies i.e. financial monitoring of the development projects and Capacity Building initiatives in order to capacitate the organizations in the voluntary sector.

FMSF has also pro-actively taken up research based activities on financial management, legal regulations, governance and risk management. To strengthen and boost its research base FMSF has contrived its own 'Research Team'. As a result of this initiative, FMSF has an enriching tome of research documents which is continuously shared with the voluntary sector through workshops, publications and periodic notices.

It is an achievement for FMSF to be the pioneers in setting up Accountability Standards for the voluntary sector. The organization has grown in stature and accessibility over the years, continuously expanding its umbrella of services with continued thrust upon promoting accountability and transparency in the voluntary sector. The recent initiative in this area being the web based application 'rateyourngo.org'. This is a modular rating tool for measuring the progress of an organisation along the growth curve in terms of registration, governance, financial

management, policies, reporting and compliances. It has been structured and designed after a lot of research and feedback received from several organisations who had been expressing the absence of a diagnostic

tool for self-assessment in the voluntary sector. The application can be accessed by anyone who is desirous to do a self assessment in the areas of Financial Management, Governance and Legal Compliances.

The core areas of intervention of FMSF are given below:



*Fig 1: Core areas of intervention of FMSF*



## 2. PROGRAMMES



## 2.1. FINANCIAL MONITORING OF DEVELOPMENT PROJECTS

Since its inception, FMSF has been involved in the financial monitoring of development projects. These projects are supported by BftW Germany in India, Bangladesh, Sri Lanka, Pakistan and Nepal. The objectives of financial monitoring is to ensure that the back donor requirements are complied with while at the same time it focuses on enabling and strengthening the capacity of partner organizations for effective financial management which ultimately would lead to development effectiveness. Financial monitoring of development projects is one of the core interventions of FMSF.

The financial monitoring is conducted to ensure the following:

- Regular and timely submission of financial and progress reports by the partner organizations;
- Analysis of periodical Financial and Progress Reports;
- Timely and regular transfer of funds to the projects;
- Regular partner and field visits to support partner organizations;
- Development of systems/ procedures for timely closure of projects.

The other activities undertaken by FMSF as a part of Monitoring system are as follows:

### 2.1.1. Institutional Audited Reports & Organizational Profile

All organizations expecting financial support from BftW need to submit organization profile along with project proposal. The organization profile includes 3 years institutional annual accounts of the organization. FMSF has been vested with the responsibility of analysing the organization profile which is done with the help of a well structured analysis tool.

The analysis tool broadly covers the following areas:

- ❖ Governance;
- ❖ Adequacy of Conflict of Interest policy;
- ❖ Linkage between the Board and the Management;
- ❖ Indication of charging Notional expenditure, if any;
- ❖ Social Security Benefits and administrations of social security funds;
- ❖ Allocation of Common Cost;
- ❖ Adequacy of Finance Policy.

The tool helps in providing information on the overall financial position of the organization, the internal processes and various policies that govern the organization. This becomes the basis for providing monitoring and support to the partner organizations.

### 2.1.2. Pre-Funding Assessments

FMSF undertakes pre-funding assessments for projects which are in the pre-approval stage.

During the assessment, various aspects of the organization mainly, financial system and processes, governance aspects, internal control mechanism and legal compliances are reviewed to assess the overall financial

management system of the organization. During this period **three pre-funding assessments** were taken up by FMSF. The details of the pre-funding assignments are given below:

Date	Name of the Organization	Place
7 <sup>th</sup> & 8 <sup>th</sup> February, 2013	Watershed Support Services and Activities Network (WASSAN)	Hyderabad, Andhra Pradesh
12 <sup>th</sup> & 13 <sup>th</sup> December, 2012	Life Education & Development Support (LEADS)	Ranchi, Jharkhand
10 <sup>th</sup> & 11 <sup>th</sup> October, 2012	Jeevika Development Society	Kolkata, West Bengal

*Table 1: Details of Pre-funding assessments*

### 2.1.3. Projects & Reports

During the reporting period, FMSF has received 204 Audited financial report and 201 Progress

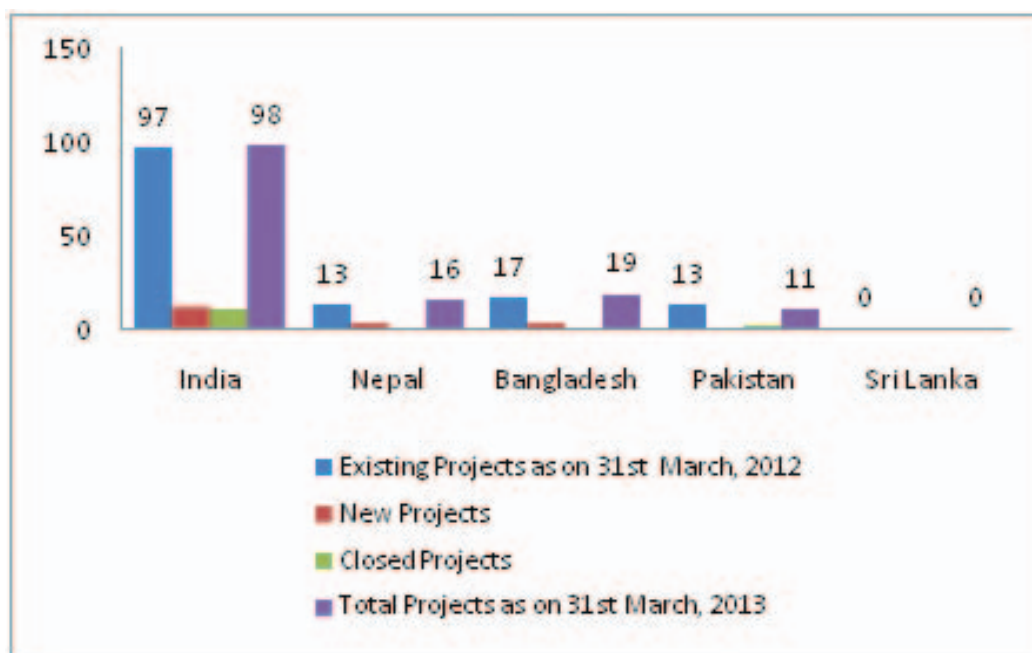
reports. However, the number of projects for which both the audited financial reports and Progress reports were received is 195.



*Chart 1: Details of Audited Financial Reports & Progress Reports*

During the reporting period, a number of new projects were taken up and some old projects were closed. In the year 2012-13, 48 new

projects were taken up and 35 old projects were closed. As on 31<sup>st</sup> March 2013, FMSF monitors 144 projects supported by BftW in South Asia.



*Chart 2: Number of New Projects & Closed Projects*

#### **2.1.4. Partner Visits**

FMSF also undertakes regular partner visits for monitoring and support purposes. During

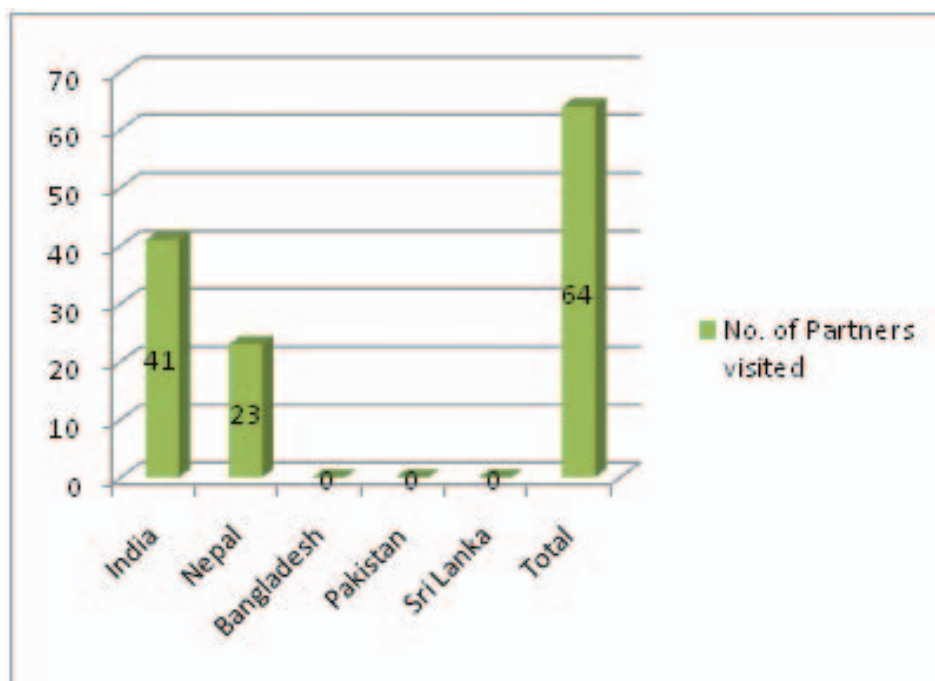
such partner visits, various project related issues are discussed and critical issues if any are resolved.





While visiting a partner organization, field areas are also visited to have an overview of the work. Such visits are at times jointly

conducted with colleague from BftW. During the period, FMSF team members visited around 64 partner organizations.



*Chart 3: Number of Partners visited*

Apart from BftW (former EED Projects), FMSF also monitors Projects supported by former BftW, Germany in North India and

Central India. During the 2012-2013, FMSF monitored 9 BftW partners and visited 5 of them.





### 2.1.5. Pool of Auditors

To increase the quality of project audit and to encourage partners to rotate the Auditors, FMSF has been trying to build/ enhance the pool of experienced Auditors. Currently, the number of auditors in our pool is around 69.

### 2.1.6. Finance Consultants

FMSF is working on identification and orientation of financial consultants for the partners, to ensure independence and quality of evaluation process. In the recent past, BftW has been commissioning the financial evaluation of BftW partners in South Asia. FMSF has been working to enhance the panel of consultants.

## 2.2. INTERNAL SYSTEMS AND TOOLS

FMSF has an effective internal monitoring and capacity building systems and tools in place. These tools and softwares have been standardized to ensure overall quality of work.

### 2.2.1. Internal Monitoring System

The Project Monitoring software, designed to standardize the internal project monitoring processes in 2011 is successfully operational. The application has a centralized database system and provides **live status of all BftW projects** with complete information. Users have an option to access the status of their projects through the internet. The application has an inbuilt function to send **auto generated email reminders** to the project monitoring staff to follow up on overdue reports, pending

Acknowledgement of Receipt of Funds, other works of utmost priority, etc. The application is also helpful to **plan and monitor** the Cash flow, EUF plans and status of fund request received from the partners. Further, there is an option to upload visit reports of the FMSF monitoring staff and the Analysis of Evaluation recommendations of the BftW partners etc. The application is customized to generate individual project wise status reports and global reports on the status of reports received, overdue, status of preparation of PME sheets, Cash Flow etc. Further, BftW also has access to the application.

### 2.2.2. Capacity Building and Other Systems

In addition to the regular monitoring activities, other achievements during this period are finalisation of the **Capacity Building software**; and finalisation of self-assessment tool '[www.rateyourngo.org](http://www.rateyourngo.org)'

The Capacity Building software helps in analysing different capacity enhancement needs of the partner organisation. Both the Project Monitoring software and the Capacity Building software are inter-connected thus inter-linking and enabling access to a wide data set.

The other considerable progress has been made is in the area of development of self assessment tools for NGO is web based application '[rateyourngo.org](http://rateyourngo.org)'. It is a modular rating system and has been structured and

designed after a lot of research and feedbacks received from our partners who had expressed the absence of such a diagnostic tool for self-assessment, in the voluntary sector.

## 2.3. CAPACITY BUILDING, LEARNING SYSTEMS & NETWORKS

### 2.3.1. Capacity Building

FMSF greatly propagates capacity building of voluntary organizations through the use of various platforms such as short term training/workshops, sustained training programs like one year Diploma in Financial Management and Accountability (DFMA) and NPO Governance Programme. FMSF also provides mentoring, coaching and accompaniment support to develop and

strengthen financial systems and processes of organizations.

In all these years, FMSF has realized the need for more in-depth focus on a particular area in individual workshops rather than providing a larger perspective on all the areas of Basic Financial Management, Legal Issues and Governance processes.

This led to a series of internal reflection process and based on first hand experiences during monitoring, evaluation findings and the current issues that are prevalent in the sector at large, six key areas were identified with an idea that each area would be treated as a separate module. Given below are the modules that were developed during the process.

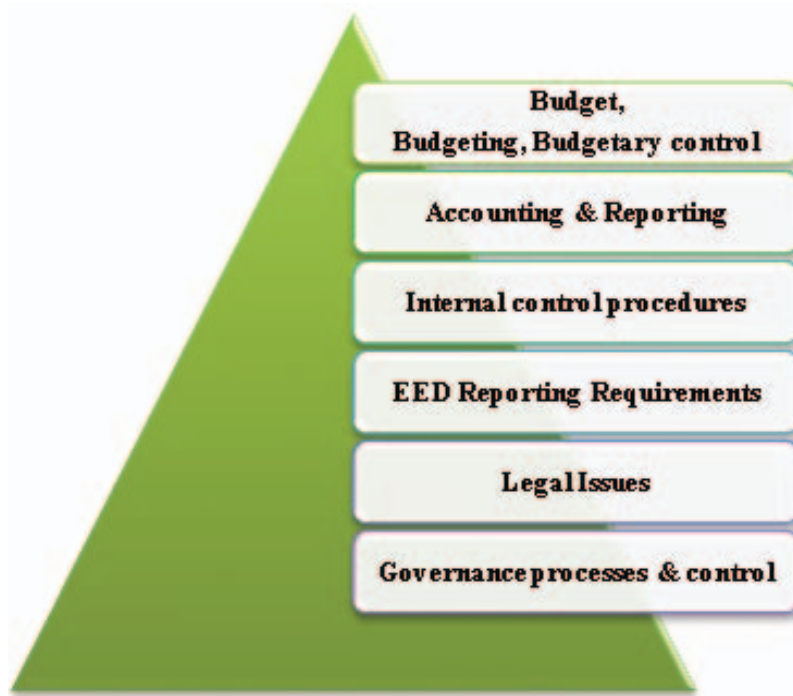


Fig 2: Capacity Building Module



These six areas are broad framework. In general, it is expected that every organization should undergo training in all these key areas. However, depending upon the need and capacity of the organization, all of them may not be applicable. In certain cases, some of the areas are also clubbed together and one workshop is conducted. However, all the workshops contain an exclusive session on BftW reporting requirements. These

workshops are organized for a period of 1.5 to 2 days and focuses on providing a platform to personnelís for in depth discussion, solving case studies, sharing experiential learningís etc.

### 2.3.2. Workshops

During the reporting period, FMSF organized five workshops for BftW partners (former EED partners) and one workshop for BftW Partners.



### 2.3.2.1. Workshop for BftW (former EED Partners)

Date of workshop	Workshop on	Place	Details
30 <sup>th</sup> & 31 <sup>st</sup> January, 2013	BftW Partners-Auditors' Meet	Hyderabad, India	24 partner auditors from all across the country participated in the meeting. This workshop aimed to re-affirm the BftW Compliance and to develop an understanding on the Audit Standards. It focused on topics like BftW reporting requirements; sharing of field level experiences; increasing the effectiveness of Audit; experiences and learning's from financial evaluations and assessments; notional expenditure; Management Letter; Legal Framework; and compliances in the changing environment.
27 <sup>th</sup> & 28 <sup>th</sup> November, 2012	Workshop on Governance	Kathmandu, Nepal	The Workshop was attended by 23 participants representing the entire BftW partner Organizations in Nepal. This workshop was conducted to provide an understanding on Governance issues like Board Recruitment & Orientation Process; Board Processes; CEO & Board; and Standards of Good Governance.
22 <sup>nd</sup> & 23 <sup>rd</sup> November, 2012	Internal Control Systems	Bengaluru, India	The workshop was attended by 21 participants from 12 BftW Partner Organization based in South India. The objectives of the workshop were to create an understanding of the concept and BftW of Internal Controls in an organization; types of internal controls with emphasis on Financial Controls; risk management; and Policy making and implementation.
16 <sup>th</sup> & 17 <sup>th</sup> April, 2012	BftW Partners-Auditors Meeting	Bengaluru, India	The objective of the meeting was "to re-affirm the BftW Compliance Requirements & Developing Common Understanding on Audit Standards & Non-negotiable." Around 20 BftW partner auditors participated in the meeting.  The sessions covered experience sharing by the auditors; Issues and Challenges on NPO Audit; Audit Quality and Standards; BftW Audit Agreement and expectations from the Auditors ; and Standard Operating Procedures (SOP)
2 <sup>nd</sup> & 3 <sup>rd</sup> April, 2012	Budgeting and Budgetary Controls	Dhaka, Bangladesh	This workshop was attended by 23 participants from 11 BftW Partner organizations. The workshop covered various funds and their budgetary implications; types of budget and budget preparation; importance of cash flow; and budget implementation, monitoring and review.

Table 2: Workshops organized by FMSF for BftW Partners

### 2.3.2.2. Workshop for BftW Partners

Date of workshop	Workshop on	Place	Details
6 <sup>th</sup> & 7 <sup>th</sup> August, 2012	Financial Management and legal issues	Mumbai, India	This workshop was attended by 19 participants from 9 BftW Partner organizations. The workshop covered various areas of financial management legal issues such as Forms of Voluntary Organizations; Laws relating to Foreign Contribution Regulation Act 2010 (FCRA 2010), etc.

Table 2: Workshops organized by FMSF for BftW Partners

### 2.3.2.3. Outreach Workshops conducted by FMSF

The Foreign Contribution (Regulation) Act, (FCRA) 2010 and the Foreign Contribution (Regulation) Rules 2011 had been enacted w.e.f. 1st May, 2011. There were drastic changes in the FCRA 2010 that needed attention of the NGOs receiving foreign contributions. Thus, FMSF took up on itself

to address this issue and educate the voluntary organizations on FCRA as a result of which Country-wide ‘**Outreach Workshops on FCRA 2010 and Income Tax**’ were planned and organized.

The details of the 8 Outreach Workshops series organized during the reporting period are given below:

Date	Place
8 <sup>th</sup> October, 2012	Manipur
1 <sup>st</sup> November, 2012	Anantpur
2 <sup>nd</sup> November, 2012	Bengaluru
6 <sup>th</sup> November, 2012	Hyderabad
7 <sup>th</sup> November, 2012	Mumbai
27 <sup>th</sup> November, 2012	New Delhi
20 <sup>th</sup> March, 2013	Jaipur
23 <sup>rd</sup> March, 2013	Chennai

Table 4: Outreach Workshops on FCRA & Income Tax

#### 2.3.2.4. Other Workshops organized by FMSF

Other workshops organized by FMSF for the voluntary organizations are 'Communicating finance between non-finance and finance people' and 'Risk management'. FMSF has also conducted a series of workshops for

OXFAM during June-December 2012 on topics pertaining to strengthening of overall financial management system of NGOs and legal issues such as FCRA and Income Tax that has a strong bearing on the affairs of NGOs.

Date	Place	Workshop on
27 <sup>th</sup> & 28 <sup>th</sup> Sept, 2012	New Delhi	Communicating finance between non- finance and finance people
26 <sup>th</sup> & 27 <sup>th</sup> Jan, 2013	Mumbai	Risk Management

Table 5: Other Workshops organized by FMSF

The workshop on 'communicating finance between non-finance and finance people' was facilitated by Mr. John Cammack who is a highly experienced adviser, consultant, trainer and coach in international development sector, working with non-profit and non-governmental organizations (NGOs). It was a two days workshop with focus on these key issues such as- challenges and opportunities with financial communication; finance and non-finance relationships; International variations; working with different stakeholders; communicating in specific situations; and presenting and training with financial information.

The workshop on 'risk management' was facilitated by FMSF Team and the issues that were

taken up are- identifying and managing risks; risk assessment in NPOs in the areas of governance, legal compliance, new partners, fund utilization & fund disbursement; and risk analysis tools.

#### 2.3.3. Learning Systems

FMSF takes pride in being the flag bearer of two productive, online programmes that was the need of the time. The need for such programmes which could expose the participants to various aspects of financial management and Governance processes was identified by FMSF. It was with this background that FMSF launched the first online learning systems program, Diploma in Financial management & Accountability in 2008. The Diploma in Financial Management & Accountability (DFMA) is a joint initiative of FMSF and TISS.



The second programme of NPO Governance is a sole initiative of FMSF which was started in the year 2012. With these initiatives, FMSF has been imparting knowledge to enhance the capacity of professionals already working in the voluntary sector.

**2.3.3.1. Diploma in Financial Management & Accountability (DFMA)** is a one year long-distance education program jointly run with the Tata Institute of Social Sciences (TISS), Mumbai. This programme caters to the unmet demand of sustained financial management trainings for voluntary sector. The course is specifically designed for personnel already working in voluntary sector seeking to equip themselves with financial management skills and for persons who are seeking to join the voluntary sector in near future.

The DFMA Programme provides the perfect concoction of theoretical and practical knowledge on the intricacies of day to day functioning of NGOs in India. The indispensable elements involved in the daily operations of organizations in the voluntary sector such as book-keeping and accounting, budgeting and moni-

toring, control systems, audit are well captured by the programme. The programme also contains a separate paper on legal framework and governance which are very crucial with the changing legal milieu in the country and the rules and regulations becoming more stringent.

The course is entirely web-based and the study materials are also sent in hardcopy to the students. The course design has been jointly developed by FMSF and TISS. The course was launched for the very first time in India in August 2008. As on 31<sup>st</sup> March, 2013, five batches have successfully attained closure while the session for sixth batch is in progress, and registration for the seventh batch is in progress.

The faculties for the DFMA Program have rich experience and background in their respective areas. They are renowned persons who have acclaimed wide recognition in the field of academics as well as vocation. The students get a chance not only to learn from such experienced faculties but also to discuss and debate the concepts and issue in interactive discussion forum. The details of the paper and the faculty are given below:

Name of the Paper	Name of the Faculty
Introduction to Voluntary Sector	Dr. Vidya Rao, Academician, Author
Legal Framework	Dr. Manoj Fogla, CA & Legal Expert
Book-keeping & Accounting	Ms. Rozmin Ajani, CA
Budgeting & Monitoring	Mr. Joselyn Martins, CA
Project Fund Accounting	Mr. Sanjay Patra, CA
Control Systems	Mr. Suresh Kejriwal, CA
Audit	Mr. Suresh Kejriwal, CA
Governance	Dr. Manoj Fogla, CA & Legal Expert

*Table 6: Details of paper & faculties of DFMA Programme*

**2.3.3.2. NPO Governance Programme** is an online programme on governance run by FMSF. Governance plays a crucial role in effective functioning of an NGO. Further, governance standards of organizations are recognized as critical in maintaining the transparency and accountability of the organization. Good governance is crucial and critical factor for both corporate as well as government sectors and over the years, both these sectors has increasingly recognized the need for good governance practices. This gets reflected in the emphasis on the corporate governance best practices and the regulatory frameworks that have emerged. However, in the NGO sector, such good practices are yet to develop and even the current regulatory framework does not lay emphasis on good governance practices. Further, there is also lack of training opportunities where an individual can get oriented on good governance practices concerning NGOs.

Over the years, FMSF has been engaging in the area of governance and has been one of the pioneers in setting up of accountability standards for the NGO Sector. However, a need for sustained training program was also felt. The online program on NPO Governance is a humble effort in this direction.

The course is designed with the following objectives:

- Gain a basic understanding of the Governance mechanism in NPOs;
- Have an overview of the Governance Structures & Processes;
- Be able to understand the Basic Roles & Responsibilities of the Board Members;
- Gain a basic understanding of the Governance Controls required for an NPO;
- Identify the common myths and misconceptions in the Governance of NPOs.



Fig 3: NPO Governance Programme Modules



The course is completely web-based. The whole course is divided into 4 modules and will be completed in four months. For each module, course material is parked online for the access of the students coaching. Further the program is open for individuals across the globe. As of 31<sup>st</sup> March, 2013, batches 1 and 2 have successfully attained closure and registration for batch 3 is in progress.

#### **2.3.4. Networks**

The main objective of creating different network is to effectively leverage the existing resources and develop linkages for the overall benefit of the voluntary sector. FMSF works closely with various organizations and like minded agencies to build linkages and to enhance the accountability and transparency in the voluntary sector. It primarily facilitates two networks, namely:

- ❖ Forum for Ethics Accountability and Transparency (FEAT)
- ❖ NGO Accountants Network (NAN)

**2.3.4.1. Forum for Ethics Accountability and Transparency (FEAT)** is a network of finance consultants engaged in the voluntary sector providing necessary consultancies in the areas of Financial Management, Legal Aspects and

Governance. The forum also provides a platform for mutual learning amongst its members. The services of FEAT members are being used from time to time in various initiatives by different agencies as well. Some of the FEAT members are also faculty members of the DFMA and NPO Governance Program. Further, the members regularly contribute to the half yearly journal *INTERface* published by FMSF. The BftW auditors meet was organized from 30<sup>th</sup> January 2013 to 31<sup>st</sup> January 2013 in Hyderabad as a part of the FEAT initiative.

**2.3.4.2. NGO Accountants Network (NAN)** is a network of Accountants and finance persons working in the voluntary sector. It aims at providing a forum for mutual learning and sharing of experiences. It 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.

All members regularly receive publications and e-communiqué.



### **3. RESEARCH, PUBLICATIONS AND INFORMATION DISSEMINATION**



FMSF engages in research work on issues pertaining to the voluntary sector which are disseminated to organizations in the voluntary sector. This role of FMSF is being facilitated through its rich collection of **Research & Publication**. These resources are storehouse of information for the voluntary sector.

### 3.1. RESEARCH

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.

#### 3.1.1. In-House Research

During regular monitoring process it was observed that cost allocation policy has been a crucial subject in every organization. Due to complex funding arrangements cost allocation policy is very important for partners who are implementing multiple projects. In order to enhance knowledge of the partners on the Cost Allocation policy, FMSF has developed a handout on Cost allocation policy. All these concept notes and tools are widely circulated among partner constituencies and also made available on the website of FMSF.

FMSF also receives a number of queries on various issues pertaining to Income Tax, FCRA and other laws from a number of voluntary organizations. All the queries are duly responded to by the research team.

#### 3.1.2. Internship

FMSF also hosts interns from various educational institutions like Tata Institute of Social Science (TISS), Mumbai, Institute for Rural Management, Anand (IRMA), Delhi University and Narsee Monjee Institute of Management Studies, Mumbai to work on wide range of projects such as risk management system in the Voluntary sector, the Panchayat Raj Institutions in India.

### 3.2. PUBLICATIONS & INFORMATION DISSEMINATION

FMSF regularly authors and publishes books/journal on legal aspects, financial management, governance related and other issues pertinent to the voluntary sector. These publications are widely circulated and therefore are highly recognized in the sector.

#### 3.2.1. Publications

During the reporting period, FMSF brought out two books, one titled 'Comprehensive Commentaries on FCRA Act 2010' and the other titled 'Finance and Legal hand Book for NPOs - 4<sup>th</sup> Edition'. Both books are comprehensive and give a detailed overview on various aspects of legal and financial management.

The Comprehensive commentaries on FCRA 2010 provides an in depth analysis on FCRA Act 2010 and FCRA Rules 2011, and its implications on the voluntary sector.

The finance hand book covers the nitty-gritty of finance, legal and governance in NPOs and provides some important tools for application in the day to day functioning of the NGOs. This being the revised edition, efforts were made to ensure that it is comprehensive and updated to meet the current requirements of the civil society. It is also the prescribed text book in some of the renowned social works institute of the country. Both books are written by Dr. Manoj Fogla, CA and Legal Expert with FMSF team providing the core research support.

The books published by FMSF till date is enlisted below:

- ❖ Manual of Financial Management & Legal Regulations
- ❖ Legal & Finance Handbook for Voluntary Organizations
- ❖ Social Accountability Standards for Voluntary Organizations
- ❖ Handbook on Social Audit for NGOs
- ❖ Handbook on Bombay Public Trust Act
- ❖ Handbook on Financial Audit & Reporting for NGOs
- ❖ Revised Finance Handbook for Voluntary Organizations
- ❖ Finance & Legal Handbook for NPOs 4th Edition;
- ❖ Comprehensive Commentaries on FCRA 2010

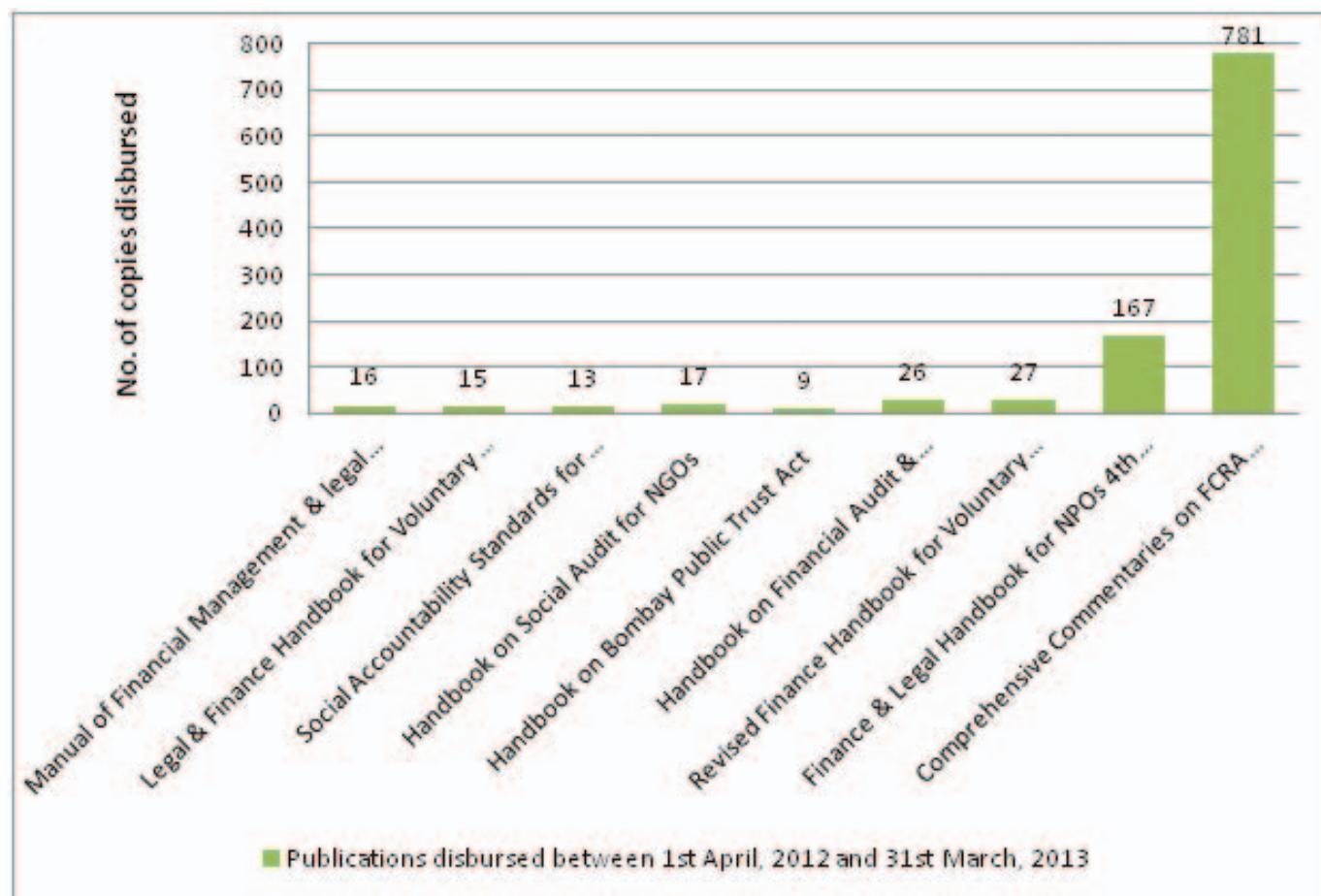


Chart 4: Publications disbursed during 2012-2013

The publications disbursement graph depicts the disbursement of FMSF Publications during the reporting period. In the year 2012-2013, 16 copies of Manual of Financial Management & legal Regulations, 15 copies of Legal & Finance Handbook for Voluntary Organizations; 13 copies of Social Accountability Standards for Voluntary Organizations, 17 copies of Handbook on Social Audit for NGOs, 9 copies of Handbook on Bombay Public Trust Act, 26 copies of Handbook on Financial Audit & Reporting for NGOs, 27 copies of Revised Finance Handbook for Voluntary Organizations, 167 copies of Finance and Legal handbook-4<sup>th</sup> edition and 781 copies of Comprehensive commentaries on FCRA 2010 were disbursed.

### 3.2.2. *INTERface*

As a part of information dissemination initiative, FMSF publishes a six monthly journal 'INTERface' that covers legal, financial and governance related issues pertaining to voluntary sector. During the reporting period, some amendments were made in the Country's legal setting pertaining to the voluntary sector. For instance, the old FCRA Act was completely repealed and a new Act termed, FCRA, 2010 came into force. This new Act has certain provisions which may have drastic implications on the voluntary organisations. Other Acts like Income Tax and Service Tax have also been considerably amended which can cause hardships for the sector. Thus, taking a leaf out of the situation,

FMSF took the initiative and dedicated one issue of *INTERface* to disseminate first hand information on the new FCRA 2010.



Fig 4: *INTERface* Vol. XI Issue 1

The issues covered by *INTERface* released during the reporting period are as under:

- ❖ Applicability of FCRA
- ❖ Foreign Contribution & Foreign Hospitality
- ❖ Organizations of Political Nature
- ❖ Service Tax on NPOs after Budget 2012
- ❖ Analysis of EPF & Misc. Provisions Act
- ❖ Analysis of Payment of Gratuity Act
- ❖ Characteristics of Board Members
- ❖ What materials to be shared with Board Members
- ❖ Report on NGO Accountant Network (NAN) Convention
- ❖ CSO Partners Outstanding Annual Report Award for NGOs



Fig 5: *INTERface* Vol. XII Issue 1

Another issue of *INTERface* also released during the reporting period covered these topics:

- ❖ What is Foreign Source
- ❖ Who Cannot Receive Foreign Contribution
- ❖ Income Tax - Privileges to the Donors u/s Section 80G
- ❖ Carbon Credits - An Accounting Perspective
- ❖ Board Members - Commitment Sheet
- ❖ Areas to be Covered in Board Orientation
- ❖ Board Size
- ❖ Board Diversity Matrix
- ❖ Source for Potential Board Members and Creating a Support Base

### 3.2.3. Standards & Norms

Since October 2008, FMSF has been regularly disseminating information on legal and financial aspects through its monthly E-communique

'Standards & Norms'. The main objective of this E-communique is to be a resource support on NGO Governance, Accounting & Legal Regulations whereby regular updates are provided. The chief contributor of legal inputs for this E-communique is Dr. Manoj Fogla, FCA and Senior Consultant supported by editorial team of FMSF consisting of Mr. Sanjay Patra, Executive Director and Mr. Sandeep Sharma, Head-Program Desk. The E-communique is widely circulated and reaches to more than one thousand organizations and individuals. During the reporting period 11 issues of Standards & Norms were published. The lists of the topics are given below:

- ❖ Treatment of Project Grants, *May 2012*
- ❖ Updated analysis of FCRA 2010, *June 2012*
- ❖ Business activities cannot affect Charitable status, *July 2012*
- ❖ The legally unsustainable cancellation of FC registration, *August 2012*
- ❖ Review of multi State Society Registration Bill, *September 2012*
- ❖ Recognition and disclosure of various Grants, *October 2012*
- ❖ Loans from Domestic and Other Sources, *November 2012*
- ❖ Change in more than 50% of Board Members under FCRA, *December 2012*
- ❖ Tax deduction at Source on Payment & Income, *January 2013*
- ❖ Compounding of offences under FCRA 2010, *February 2013*
- ❖ Treatment of capital gains for NPOs, *March 2013*





Fig 6: Standard & Norm Notice

### 3.2.4. Standard and Norms Notices

This is a new initiative in the areas of information dissemination that was started in September 2012. As immediate information to the voluntary sector specially pertaining to the changes or introduction of new provisions in the legal regulations are disseminated through S&N Notice. During the reporting period, the number of notices that has been circulated to the voluntary sector is 6.



Fig 7: Governance Toolbox Series

The topics covered by these 6 notices are given below;

- ❖ New Filing Requirements For Liaison Offices Of Foreign Donors/Entities
- ❖ Madras High Court Quashes FCRA Cancellation Order Passed Against 2 NGOs
- ❖ NGOs Receiving More Than One Crore Rupees From Government Fall Under RTI
- ❖ NGOs Cannot Receive More Than ₹ 10,000 in Cash as Donation Under Section 80g
- ❖ Beware Of FCRA Even When You Receive Funds From Indian Companies
- ❖ Budget 2013 - Service Tax Hit On NPOs

### 3.2.5. Governance Toolbox Series

Governance is one of the important areas that need to be further strengthened in the NPO sector. With an objective to strengthen Governance process in the NPO sector, FMSF has initiated a Governance Tool Box Series from July 2012. FMSF has been brining an e-publication on tools for identifying, recruiting and developing a board and sharing the same through blog post. The series is circulated as 'NPO GOVERNANCE TOOL BOX SERIES', and contains a total of 32 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. During the reporting period, 14 issues have been published and uploaded both in our official website [www.fmsfindia.org](http://www.fmsfindia.org) as well as in <http://fmsf-noida.blogspot.in/> URL.

During the reporting period volume I of the Toolbox series was published. The themes of the released volumes are ‘Tools for identifying, recruiting and developing a Board, Job description, Board Evaluation’. The list of released issues is given below:

#### **Volume I – Tools for identifying, recruiting and developing a Board**

- ❖ Characteristics of Board Members, *May 2012*
- ❖ What materials to be shared with the Board Members, *June 2012*
- ❖ Board Members commitment sheet (to be reviewed every year), *July 2012*
- ❖ Areas to be covered in Board Orientation process, *July 2012*
- ❖ Board Diversity Matrix, *August 2012*
- ❖ Board Size, *September 2012*
- ❖ Source for Potential Board Members and creating a database of the Board Members, *September 2012*

#### **Volume II – Job description (Including dos and don'ts)**

- ❖ Issue 1: Chairperson, *October 2012*
- ❖ Issue 2: Board Members, *November 2012*

- ❖ Issue 3: Secretary, *December 2012*
- ❖ Issue 4: Treasurer, *January 2013*
- ❖ Issue 5: Vice-Chairman, *January 2013*

#### **Volume III – Board Evaluations**

- ❖ Issue 1: Board Evaluation Form, *February 2013*
- ❖ Issue 2: CEO Performance Appraisal Form, *March 2013*

#### **3.2.6. Websites**

FMSF propagates relevant and useful information for the voluntary sector through its various websites. It has five different websites that cater to different issues related to voluntary sector. Apart from the official organizational website [www.fmsfindia.org](http://www.fmsfindia.org) there are four other specialized websites. They provide information on various issues like:

- ❖ Legal ([www.legalissuesforngos.org](http://www.legalissuesforngos.org)),
- ❖ Income Tax related matters ([www.incometaxforngos.org](http://www.incometaxforngos.org))
- ❖ FCRA ([www.fcraforngos.org](http://www.fcraforngos.org))
- ❖ Social Accountability ([www.socialaccountability.net](http://www.socialaccountability.net))

## 4. 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.

#### 4.1. BOARD OF TRUSTEES

The Board is the ultimate authority and seeks to ensure that the affairs of the organization are in line with the vision, mission and objective of the organization. Our Board of Trustees comprises of highly talented and multi-skilled individuals.

**Bishop (Dr.) C.L. Furtado, Chairman**, is a retired Bishop of Church of South India with a rich experience on Governance of faith-based as well as secular voluntary organizations. He is known for his remarkable track record of management of various organizations.

**Ms. Rosemary Viswanath, Trustee**, is a Post Graduate Diploma in Management with dual specialization in Personnel Management & Organizational Behavior and Habitat and Human Settlements from Indian Institute of

Management, Bangalore. She is an Organizational Development expert and is currently Director of EQUATIONS, a research, campaign and advocacy organization that studies the social, cultural, economic and environmental impact of tourism on local communities. She has been involved in many research and evaluation processes that has contributed in strengthening organizational processes of NGOs and has a solid knowledge of the ground realities of the development organizations.

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

**Prof. (Dr.) Vidya Rao, Trustee**, is Emeritus Professor of the Department of Social Welfare Administration at the Tata Institute of Social Sciences, (TISS) Mumbai. She has done her Masters in Social Work from University of Michigan, USA, and has done her PhD (Social Work) from Tata Institute of Social Sciences. She brings in rich academic background and contributes in FMSF's capacity building initiatives to be more effective. She has also conducted various training programs on District Planning, Tribal Development and NGO Management.

**Ms. Monica Sudhir, Trustee**, is a Learning & Development Consultant with over 20 years of experience. She has trained executives of Multi-National Corporations (MNCs) and other corporations at all levels in the areas of Leadership and Motivation, Communication for Organizational Excellence. She is also associated with the Institute of Chartered Accountants of India (ICAI) as a Faculty and has trained more than 12,000 Chartered Accountants.

## 4.2. MEETINGS

### 4.2.1. Board Meeting

The Board of Trustees meets in regular interval to review the work of the organization and in making strategic decisions of the Organization. During the reporting period, the one Board meeting was held. This was the 36<sup>th</sup> Board meeting which was held in Jaipur on 19<sup>th</sup> July, 2012.

### 4.2.2. Executive Meeting

During the reporting period one Executive Meeting was held on 12<sup>th</sup> October, 2012 in NOIDA.



### 4.2.3. Annual Planning Meeting

The Annual Planning Meeting was held in Mandawa, Rajasthan on 12<sup>th</sup> and 13<sup>th</sup> February, 2013. The primary objectives of this meet were to both reflect on the previous year activities and make strategic plans for the coming year as well as to immerse new staff and reinforce existing employees' commitment towards the organization. After an intensive review and discussion process, an annual plan for FMSF activities was developed for the year 2013-2014.

## 4.3. 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. Both the audit report as well as management letter is received by the Board of Trustees. The Internal audit process is also carried out at regular intervals and the suggestions & recommendations are considered by management.

The statutory auditor of FMSF is M/s V. Sankar Aiyer & Company, New Delhi.

## 4.4. FMSF TEAM

Staffs are the greatest asset of any organization and they are highly valued and recognized in FMSF. Our staffs come from various backgrounds like Chartered Accountants, MBAs, I.T Professionals, Rural Management Professionals, etc.

FMSF Staff as on 31<sup>st</sup> March, 2013 are as follows:

**Executive Director**

Mr. Sanjay Patra

**Head Resource Desk**

Ms. Anuradha Singh

**Head Programme Desk**

Mr. Sandeep Sharma

**Finance Coordinator**

Mr. Lalatendu Samantasinghar

**Programme Managers**

Mr. Hari Krishna Pasupuleti

**Senior Project Monitoring Coordinators**

Ms. Sapna Singh

Ms. Aarti Sharma

**Senior IT & Admin Support Officer**

Ms. Renu Arora

**Project Monitoring Coordinators**

Mr. Abhishek Chandra

Ms. Bushra Khan

**Project Monitoring Associate**

Mr. Deepanshu Srivastava

**Capacity Building Associates**

Ms. Rashmi Sharon

Ms. Sritika Singh

**Support Staff**

Mr. Anil Sharma

Mr. Ram Bahadur

Mr. Rajman Yadav

Mr. Dharmendra Singh Rawat

**4.5. STAFF DEVELOPMENT PROGRAMME**

During the reporting period, a Training of Trainers Programme (TOT) was organized. This meet was organized in Manesar, Haryana from 18<sup>th</sup> – 19<sup>th</sup> October, 2012. This two days training was aimed at developing an in-house pool of facilitators. The staffs were also imparted training on communication and best power point presentation techniques.

In-house training was also organized for updating the staff on the various new features on Tally.

Based on the key suggestion of BftW post the External Review Process commissioned by BftW, Germany in 2009 Organizational development (OD) processes are conducted every year. The first Organization development process began in January 2011. During the reporting period, one OD process was organized. It was held on 18th July, 2012 in Jaipur and was internally facilitated by Ms. Rosemary Viswanath who is an expert on Organizational Development Process. The Board Members and Staff members participated in this process which comprised of strengthening the internal control; and

streamlining of organization's activities, those accomplished and those yet to be executed, in order to fulfill the organization's mission and in the long term its vision.

#### **4.6. PERFORMANCE APPRAISAL**

The Board evaluates the performance of the Executive Director once in three years. The process includes feedbacks from the Board Members, BftW and certain staff members. The performance of the staff is also evaluated every year by the Executive Director. In a year, two appraisals are conducted for the staff (i.e. one in every six months). For this purpose, a structured format is being used. The appraisal is participatory in nature.

#### **4.7. LEGAL AND DONOR COMPLIANCE**

FMSF is a registered Public 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 BftW, MISEREOR, ICCO, etc. with whom it has associated during the year.

#### **4.8. SUSTAINABILITY**

The sources of resources continue to be derived out of services rendered against the major thrust areas.

##### ***4.8.1. Financial Sustainability***

FMSF derives its financial sustainability primarily from the resources contributed by BftW, Germany. Some of the other specific aspects that contribute in resource mobilization of FMSF are:

- ❖ ***Working with other donors:*** FMSF, primarily, receives support from BftW for the financial monitoring of development projects supported by it. However, it is also working with other funding agencies such as MISEREOR and ICCO. This has enabled FMSF to receive support from these agencies for the specific services rendered to them.
- ❖ ***Training fees from workshop:*** FMSF receives nominal contribution towards course fees from the participants for the workshops and trainings organized by it.

##### ***4.8.2. Programmatic sustainability***

FMSF believes that in order to attain all around sustainability, the financial sustainability has to be linked to organizational & programmatic sustainability. The initiative of DFMA and NPO Governance program would also provide programmatic sustainability. Further, research initiatives of FMSF would help in building a knowledge resource base which would go a long way in contributing towards programmatic sustainability.



## 5. FINANCIAL INFORMATION





**V. SANKAR AIYAR & CO.**  
CHARTERED ACCOUNTANTS

Satyam Cinema Complex, Ranjit Nagar Community Centre,  
New Delhi-110008

Flat	202,	Tel. (011) 25702074, 25702691, 25704639 Fax: (91-
	203	11) 25705010
No.	301	Tel. (011) 25705233, Telefax: (011) 25705232
		E-mail: <a href="mailto:newdelhi@vsa.co.in">newdelhi@vsa.co.in</a>

## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF FINANCIAL MANAGEMENT SERVICE FOUNDATION , NOIDA

#### Report on Financial Statements

We have audited the accompanying financial statements of **FINANCIAL MANAGEMENT SERVICE FOUNDATION** ("the Trust"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2013 and the Income and Expenditure Account for the year then ended.

#### Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Trust in accordance with the Generally Accepted Accounting Practices in India. The responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Trust's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Trust as at 31<sup>st</sup> March 2013; and
- b) in the case of the Income and Expenditure Account, of the Surplus/Deficit for the year ended on that date;

Place: NEW DELHI

Dated: 2-9-2013



**For V. Sankar Aiyar & Co.**

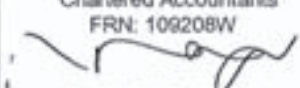
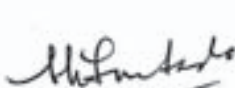




Chartered Accountants

(Firm Regn. No.: 109208W)



(R. RAGHURAMAN)

Partner (M. No: 81350)

FINANCIAL MANAGEMENT SERVICE FOUNDATION (A REGD. PUBLIC CHARITABLE TRUST), NOIDA			
BALANCE SHEET AS AT 31ST MARCH 2013			
	Schedule	As at 31.03.2013 Amount (Rs.)	As at 31.03.2012 Amount (Rs.)
<b>SOURCES OF FUNDS</b>			
Unutilised Grants	I	3,999,755	5,731,576
Corpus Fund	II	10,446	10,093
General Fund	III	18,224,965	17,886,001
Assets Fund Account	IV	14,404,993	15,600,860
<b>TOTAL</b>		<b>36,640,159</b>	<b>39,228,532</b>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets</b>	V		
Gross Block		39,933,896	38,967,690
Less : Depreciation		25,528,903	23,366,830
Net Block		<b>14,404,993</b>	<b>15,600,860</b>
<b>Investments</b>	VI	<b>14,071,583</b>	<b>12,928,538</b>
<b>Current Assets, Loans &amp; Advances</b>			
Cash and Bank Balances	VII	4,884,198	7,109,051
Other Current Assets	VIII	1,637,978	2,981,418
Loans and Advances	IX	1,960,185	921,060
		8,482,361	11,011,529
<b>Less: Current Liabilities &amp; Provisions</b>	X		
Expenses Payable		318,195	311,303
Other Liabilities		583	1,092
Net Current Assets		<b>8,163,583</b>	<b>10,699,134</b>
<b>TOTAL</b>		<b>36,640,159</b>	<b>39,228,532</b>
Significant Accounting Policies and Notes forming an integral part of accounts			
	XI		
As per our report of even date For V. SANKAR AIYAR & CO. Chartered Accountants FRN: 109208W	For FINANCIAL MANAGEMENT SERVICE FOUNDATION		
 (R. RAGHURAMAN) Partner M. No. 081350	 (CHAIRMAN)	 (EXECUTIVE DIRECTOR)	
			
Place : New Delhi Date 2.9.2013	(TRUSTEES)		



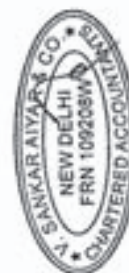


FINANCIAL MANAGEMENT SERVICE FOUNDATION  
(A REGD. PUBLIC CHARITABLE TRUST), NOIDA

SCHEDULE - I

GRANTS UNUTILISED / RECEIVABLE FORMING PART OF  
BALANCE SHEET AS AT 31ST MARCH 2013

Funding Agency	Opening balance as on 01.04.2012		Transactions during the year			Surplus/ (Deficit) transferred to General Fund	Closing balance as on 31.03.2013	
	Unutilised	Receivable	Income	Expenditure	Unspent / (Over-spent)		Unutilised	Receivable
<b>EED</b> - Project No.20100003	48,731		21,783,860	21,769,900	13,960	-	62,691	-
Miserecor-DFMA Programme		1,114,956	730,472	1,039,683	(309,211)	1,114,956	-	309,211
<b>ICCO</b> - Main Grant	335,160		2,373,961	2,419,741	(45,780)	-	289,380	-
- NGO Governance Programme	1,987,406		-	1,363,756	(1,363,756)	-	623,650	-
- Supporting Programmatic Approach	2,651,295		-	-	-	-	2,651,295	-
Christian Aid (DFID)	440,602		-	67,863	(67,863)	-	372,739	-
Bread for the World		506,942	1,201,508	1,248,184	(46,276)	506,942		46,276
<b>TOTAL</b>	<b>5,463,194</b>	<b>1,621,898</b>	<b>26,090,201</b>	<b>27,969,127</b>	<b>(1,818,926)</b>	<b>1,621,898</b>	<b>3,999,755</b>	<b>355,487</b>



*[Handwritten signature]*

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

SCHEDULE - II

CORPUS FUND FORMING PART OF  
BALANCE SHEET AS AT 31ST MARCH 2013

Corpus Fund	As at 31.03.13 Amt. (Rs.)	As at 31.03.12 Amt. (Rs.)
Contribution made by the Settler Trustees		
Opening Balance	10,093	9,752
Add : Interest thereon	353	341
Closing Balance	10,446	10,093

SCHEDULE - III

GENERAL FUND FORMING PART OF  
BALANCE SHEET AS AT 31ST MARCH 2013

General Fund	As at 31.03.13 Amt. (Rs.)	As at 31.03.12 Amt. (Rs.)
Opening Balance	17,886,001	16,844,486
Add : Transfer during the year		
<u>Foreign Contribution Account</u>		
Surplus /Deficit as per Grant Account		
- EED Old Project	-	13,534
- Miscereor	(1,114,956)	-
- BFTW	(506,942)	-
- Other Misc. Grants	(192,609)	-
Income and Expenditure Account	2,384,946	665,353
Interest from Bank on Fixed Deposit and Savings	551,411	783,518
Expense allocation for facilities & Consultancy Fees (Inter unit Transfer)	-	203,000
<u>Local Contribution Account</u>		
Surplus as per Income and Expenditure Account	-	908,086
Sub Total	19,007,851	19,417,977
Less : Expenditure during the year		
<u>Foreign Contribution Account</u>		
Expenses for Bftw	475,918	411,096
Miscereor	114,839	-
Building Renovation Expenses	192,129	1,120,880
Closing Balance	18,224,965	17,886,001

SCHEDULE - IV

ASSETS FUND ACCOUNT FORMING PART OF  
BALANCE SHEET AS AT 31ST MARCH 2013

Assets Fund Account	As at 31.03.13 Amt. (Rs.)	As at 31.03.12 Amt. (Rs.)
Opening Balance	15,600,660	17,877,674
Add:		
Assets purchased during the year	1,723,259	194,572
	17,324,119	18,072,246
Less:		
Sold during the year	757,053	9,595
Depreciation for the current year	2,162,073	2,461,791
Closing Balance	14,404,993	15,600,660



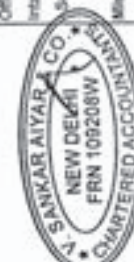
*[Handwritten signature]*

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

SCHEDULE-V

**FIXED ASSETS FORMING PART OF  
BALANCE SHEET AS AT 31ST MARCH 2013**

Fixed Assets	Rate of Dep. %	Gross Block			Depreciation Block				Net Block	
		Cost as at 01.04.2012	Additions during the year	Sales / discarded during the year	Cost as at 31.03.2013	Dep. upto 01.04.2012	Adj. for sales/ discarded during the year	Dep. for current year	W.D.V. as on 31.03.2013	W.D.V. as on 31.03.2012
<b>FOREIGN CONTRIBUTION ACCOUNT</b>										
Office Premises(RED)										
Office Building	10	15,935,570	-	-	15,935,570	8,918,514	-	-	6,315,390	7,917,056
Electric Installations and Fittings	15	1,125,237	-	-	1,125,237	822,866	-	-	256,930	302,271
Furniture and Fixtures	10	1,224,054	-	-	1,224,054	662,181	-	-	505,677	561,863
<b>RED Main Grant</b>										
Computers	60	2,466,833	175,565	-	2,671,398	2,387,385	-	135,539	144,474	108,448
Furniture and Fixtures	10	3,562,250	19,250	-	3,581,500	1,987,773	-	161,373	1,452,354	1,594,477
Office Equipments	15	5,918,797	40,444	-	5,959,241	3,970,235	-	295,428	1,693,578	1,948,562
Vehicles										
- Cars	15	2,426,067	1,488,000	380,342	3,527,715	1,295,481	-	334,835	1,887,399	1,130,578
- Cycle	15	3,600	-	-	3,600	2,537	-	159	904	1,063
- Motorcycle	15	43,283	-	-	43,283	26,959	-	2,448	13,875	16,324
Intangible Assets										
- Software	60	549,343	-	-	549,343	537,718	-	6,975	4,690	11,825
<b>ICCO</b>										
Computers	60	183,971	-	-	183,971	169,980	-	8,395	5,595	13,991
Furniture and Fixtures	10	545,300	-	344,097	201,203	157,301	-	4,390	35,312	387,999
Office Equipments	15	644,699	-	28,614	618,075	266,912	-	52,674	298,488	377,777
Vehicles	15	631,744	-	-	631,744	243,774	-	58,196	329,774	387,970
<b>Christian Aid (DFID)</b>										
Computers	60	1,222,744	-	-	1,222,744	1,083,822	-	83,353	55,569	138,922
Furniture and Fixtures	10	1,003,387	-	-	1,003,387	240,887	-	76,251	666,249	762,500
Office Equipments	15	1,262,581	-	-	1,262,581	395,953	-	120,893	665,635	806,828
Intangible Assets										
- Software	60	122,960	-	-	122,960	598,180	-	8,262	5,508	13,770
<b>Misereor</b>										
Intangible Assets										
- Software	60	100,000	-	-	100,000	93,000	-	3,840	2,560	6,400
<b>LOCAL CONTRIBUTION ACCOUNT</b>										
Office Equipments	15	20,900	-	-	20,900	11,627	-	1,391	7,882	9,273
Furniture and Fixtures	10	5,400	-	-	5,400	2,035	-	337	3,028	3,365
<b>Total</b>		<b>38,987,898</b>	<b>4,723,259</b>	<b>737,953</b>	<b>39,933,899</b>	<b>23,566,830</b>	<b>-</b>	<b>2,182,073</b>	<b>14,404,993</b>	<b>15,600,860</b>



*Signature*



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

SCHEDULE - VI

INVESTMENTS FORMING PART OF  
BALANCE SHEET AS AT 31ST MARCH, 2013

Investments	As at 31.03.13 Amt. (Rs.)	As at 31.03.12 Amt. (Rs.)
<b>Fixed Deposits with Scheduled Banks</b>		
<u>Foreign Contribution Account</u>		
Bank of Baroda		
- General Fund	6,095,042	5,569,495
<u>Local Contribution Account</u>		
HDFC Bank		
- General Fund	7,976,541	7,359,043
<b>TOTAL</b>	<b>14,071,583</b>	<b>12,928,538</b>

SCHEDULE - VII

CASH AND BANK BALANCES FORMING PART OF  
BALANCE SHEET AS AT 31ST MARCH, 2013

Cash and Bank Balances	As at 31.03.13 Amt. (Rs.)	As at 31.03.12 Amt. (Rs.)
<b>Cash in hand</b>		
<u>Foreign Contribution Account</u>		
- EED	5,473	8,195
- ICCO	1,016	1,016
- Christian Aid (DFID)	-	-
- General Fund	46,899	1,216
<u>Local Contribution Account</u>		
- General Fund	132	3,091
<b>Balance in Saving Accounts with Scheduled Banks</b>		
<u>Foreign Contribution Account</u>		
Bank of Baroda-22750100001629	2,116,014	4,369,131
<u>Other Bank</u>		
HDFC Bank Ltd-06511450000170		
- General Fund	555,115	606,610
<u>Local Contribution Account</u>		
Standard Chartered Bank-52810053051		
- General Fund	(243)	
- Corpus Fund	10,446	10,913
<u>ICICI Bank</u>		
- ICICI Bank-628401054705-General Fund	820,399	
- ICICI Bank-628401054277-General Fund	30,767	
- ICICI Bank-628401054705-General Fund	18,767	869,539
<u>HDFC Bank</u>		
- HDFC-06511450000016-General Fund	1,267,263	
- HDFC-06511450000023-General Fund	12,150	1,239,340
<b>TOTAL</b>	<b>4,884,198</b>	<b>7,109,051</b>




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

SCHEDULE - VIII

OTHER CURRENT ASSETS FORMING PART OF  
BALANCE SHEET AS AT 31ST MARCH, 2013

Other Current Assets	As at 31.03.13 Amt. (Rs.)	As at 31.03.12 Amt. (Rs.)
Interest accrued but not due		
- Foreign Contribution Account	322,831	
- Local Contribution Account	418,174	741,005
		685,499
Tax Deducted at Source		
- Foreign Contribution Account	239,311	
- Local Contribution Account	302,175	541,486
		398,121
Grant Receivable		355,487
		1,897,798
<b>TOTAL</b>	<b>1,637,978</b>	<b>2,981,418</b>

SCHEDULE - IX

LOANS AND ADVANCES FORMING PART OF  
BALANCE SHEET AS AT 31ST MARCH, 2013

Loans and Advances	As at 31.03.13 Amt. (Rs.)	As at 31.03.12 Amt. (Rs.)
Security Deposits		
- General Fund	47,251	52,951
- EED	677,000	-
- ICCO	1,750	26,750
- Christain Aid (DFID)	242,701	242,701
Prepaid Expenses		
- EED	198,123	198,949
- ICCO	8,885	-
- ICCO NGO	3,600	-
Amount Recoverable in cash or kind or value to be received		
- General Fund	663,135	
- ICCO	1,256	
- Christain Aid (DFID)	113,184	
- Local Contribution Account	3,300	780,875
		399,709
<b>TOTAL</b>	<b>1,960,185</b>	<b>921,060</b>




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




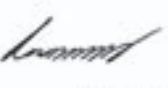

**INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2013**

	Schedule	Current Year Amount (Rs.)	Previous Year Amount (Rs.)
<b>INCOME</b>			
<b>FCRA</b>			
Contributions		788,405	594,587
Rent		667,097	222,120
Bank Interest		209,589	-
Income for other facilities provided		156,600	179,009
<b>Local</b>			
Contributions		-	814,895
Bank Interest		768,742	637,403
Rent		-	84,800
Income for other facilities provided		-	11,225
Workshops / Consultations		150,000	29,000
Facilities for Conference		-	10,100
Sale of Publications		118,199	27,779
Honorarium		43,000	-
<b>Total</b>		<b>2,901,632</b>	<b>2,610,918</b>
<b>EXPENDITURE</b>			
<b>Expenditure - FCRA</b>			
<i>(Programmes for the poorest and most deprived section of the community and evaluation of performances)</i>			
<b>Evaluation Expenses :</b>			
Financial Evaluation -NAWO		-	208,706
Financial Evaluation -Birsa ,Chaibasa		68,450	67,194
Financial Evaluation -Birsa ,Jharkhand		80,508	-
Travel and Conveyance		119,838	115,049
Boarding and Lodging		63,452	-
Meeting /Work shop Expenses		-	109,756
Honorarium and Professional Fees		-	34,000
Website Expenses		-	8,300
Other Expenses		-	20,819
Expenses on facilities provided		53,804	72,133




<b>Expenditure - Local</b>			
Expenses on CSOP Awards			
- Award Function	-	389,431	
- Postage & Courier	2,351	3,024	
- Professional Fees	-	29,545	
- Printing & Stationery	-	29,935	
- Travel and Conveyance	-	26,480	
- Conference Expenses	-	14,486	
- Other Expenses	690	560	
Expenses on facilities provided	-	28,107	
Bank Charges	1,465	455	
Workshops / Consultations	58,638	-	
Professional Fees	67,500	-	
Total	<u>516,686</u>	<u>1,157,980</u>	
Excess / Deficit of Income over Expenditure Transferred to General Fund			
III	2,384,946	1,452,938	

Significant Accounting Policies and Notes forming an integral part of accounts		XI
As per our report of even date		
For V. SANKAR AIYAR & CO.		For FINANCIAL MANAGEMENT SERVICE FOUNDATION
Chartered Accountants		
FRN: 109208W		
		
(R. RAGHURAMAN)	(CHAIRMAN)	(EXECUTIVE DIRECTOR)
Partner		
M. No. 081350		
		
Place : New Delhi		(TRUSTEES)
Date 2.9.2013		



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

**EED**

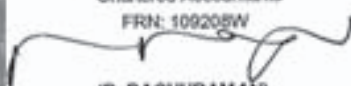




**GRANT UTILISATION STATEMENT FOR THE YEAR ENDED 31ST MARCH 2013**

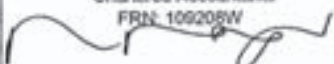



	Schedule	Current Year Amount (Rs.)	Previous Year Amount (Rs.)
<b>INCOME</b>			
Grant Received		21,157,017	14,899,766
Interest		86,843	-
Sale of Assets-Vehicle		386,342	-
Profit on sale of Vehicle		153,658	-
<b>Total</b>		<b>21,783,860</b>	<b>14,899,766</b>
<b>EXPENDITURE</b>			
<u>Programme Costs</u>			
<i>(Strengthening Financial Management Capacities of NGOs)</i>			
<b>Monitoring and Consultancy Staff Costs and Training</b>			
Staff Costs		4,286,139	3,685,308
Other Benefits to Staff		182,135	182,333
Monitoring Software		3,397	50,000
Staff Welfare		491,486	483,383
<b>Sub Total</b>		<b>4,963,157</b>	<b>4,401,024</b>
<b>Travel Costs for Partner Visits</b>			
Travel and Conveyance		318,863	548,114
Boarding and Lodging		253,737	288,713
Other Expenses		14,319	25,017
<b>Sub Total</b>		<b>586,919</b>	<b>861,844</b>
<b>Capacity Building - Workshops, Consultancies</b>			
Annual Planning and Core Group Meeting Expenses		529,028	407,175
Workshops and Seminars (TOT & Auditors)		928,804	212,695
Translation Fees		31,200	94,880
Travel and Conveyance		180,031	391,080
Boarding and Lodging		336,558	381,827
Networking / Other Expenses		52,590	68,000
Printing and Stationeries		340,360	54,558
Author Fees		455,000	200,000
Honorarium		40,000	50,000
<b>Sub Total</b>		<b>2,891,541</b>	<b>1,858,215</b>
<b>Staff Costs Capacity Building</b>		<b>2,301,947</b>	<b>1,890,709</b>
<b>Publications, Research, FMSF Websites</b>			
Cost of Newsletter		109,546	69,480
Printing of Annual Report and Brochures		22,000	28,238
Website Expenses		23,090	75,848
Staff Costs		858,044	751,783
Software Expenses		209,991	-
Membership & Subscription Fees		-	510
Cost of Publications		75,000	250,000
- Author Fees		65,548	13,145
- Travel and Conveyance		1,063,219	1,189,004
<b>Sub Total</b>		<b>1,063,219</b>	<b>1,189,004</b>
<u>Co-ordination and Administration Costs</u>			
<b>Staff Costs and Training</b>			
Staff Costs		2,537,053	2,091,448
Other Benefits to Staff		153,853	104,782
<b>Sub Total</b>		<b>2,690,906</b>	<b>2,196,230</b>

contd.

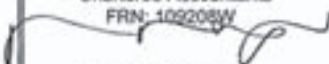


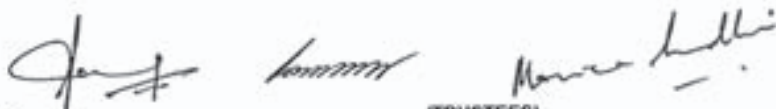




<b>Office Costs</b>		
Electricity and Water Charges	552,190	313,844
Printing and Stationary	245,124	151,140
Courier and Postage Charges	147,912	115,511
Generator Running and Maintenance	31,771	167,716
Computers Maintenance	109,000	99,577
Telephone Expenses	229,621	176,800
Internet Expenses	93,996	86,359
Insurance	9,465	14,027
Building Maintenance	151,960	78,680
Office Maintenance	408,893	352,761
Office Equipments Maintenance	179,103	179,278
Office Rent	2,228,024	-
Professional Charges	219,237	30,884
Recruitment Expenses	21,158	26,332
Conveyance	67,011	36,750
Vehicle Running and Maintenance	317,257	336,772
Audit Fees	100,525	105,304
Other Expenses	29,410	23,273
<b>Sub Total</b>	<b>5,141,657</b>	<b>2,295,008</b>
<b>Travel Costs</b>		
Director and Core Staff	71,829	200,097
Trustees Meetings	115,679	47,288
<b>Sub Total</b>	<b>187,508</b>	<b>247,385</b>
<b>Capital Costs</b>		
Office Equipments	40,444	151,422
Computer & Printer	175,565	-
Vehicle	1,488,000	-
Furniture and Fixtures	19,250	-
<b>Sub Total</b>	<b>1,723,259</b>	<b>151,422</b>
<b>Organisation Development Process / Evaluation</b>		
Organisation Development Expenses	219,787	270,902
<b>Sub Total</b>	<b>219,787</b>	<b>270,902</b>
<b>Total</b>	<b>21,769,990</b>	<b>15,361,743</b>
Unspent / (Overspent) during the year transferred to Grant Account	I	13,960 (461,977)
<b>Significant Accounting Policies and Notes forming an integral part of accounts</b>		
As per our report of even date		
For V. SANKAR AIYAR & CO.		
Chartered Accountants		
FRN: 109205W		
		
(R. RAGHURAMAN)		
Partner		
M. No. 081350		
<b>For FINANCIAL MANAGEMENT SERVICE FOUNDATION</b>		
		
(CHAIRMAN)		
		
(EXECUTIVE DIRECTOR)		
		
(TRUSTEES)		
Place : New Delhi		
Date 2.9.2013		
		

FINANCIAL MANAGEMENT SERVICE FOUNDATION (A REGD. PUBLIC CHARITABLE TRUST), NOIDA			
FOREIGN CONTRIBUTION ACCOUNT			
CHRISTIAN AID (DFID)			
INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2013			
	Schedule	Current Year Amount (Rs.)	Previous Year Amount (Rs.)
<b>INCOME</b>			
Grant Received		-	-
Reversal of Earlier Expenses		-	67,245
		<u>-</u>	<u>67,245</u>
<b>EXPENDITURE</b>			
(Poorest Areas Civil Society Programme)			
National Office Running Costs		67,863	7,765
Other Expenses		-	204
		<u>67,863</u>	<u>7,969</u>
Unspent / (Overspent) during the year transferred to Grant Account	I	(67,863)	59,276
Significant Accounting Policies and Notes forming an integral part of accounts			
XI			
As per our report of even date For V. SANKAR AIYAR & CO. Chartered Accountants FRN: 109208W		For FINANCIAL MANAGEMENT SERVICE FOUNDATION	
 (R. RAGHURAMAN) Partner M. No. 081350		 (CHAIRMAN)	
		 (EXECUTIVE DIRECTOR)	
Place : New Delhi Date : 2.8.2013		 (TRUSTEES)	



FINANCIAL MANAGEMENT SERVICE FOUNDATION (A REGD. PUBLIC CHARITABLE TRUST), NOIDA			
LOCAL CONTRIBUTION ACCOUNT			
RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2013			
	Schedule	Current Year Amount (Rs.)	Previous Year Amount (Rs.)
<b>RECEIPTS</b>			
<u>Cash and Bank Balances as on 1st April 2012</u>			
Cash in Hand		3,091	8,320
Balance in Saving Accounts with Scheduled Banks			
- Standard Chartered Bank		10,913	10,506
- ICICI Bank		869,539	785,264
- HDFC Bank		1,239,340	795,534
Fixed Deposit With HDFC		7,359,043	7,014,182
Grant for CSOP Awards		-	814,895
Workshops / Consultations		150,000	29,000
Rent		-	84,800
Facilities for Conference		-	10,100
Receipts for other facilities provided		-	11,225
Sale of publications		114,934	31,419
Honorarium		43,000	-
Workshops / Consultations		15,000	-
Work shop Travel and Conveyance		42,530	-
Other Income		6,600	-
Bank Interest			
- On Corpus Fund		353	341
- On Others		661,736	386,804
<b>TOTAL</b>		<b>10,516,079</b>	<b>9,982,390</b>
<b>PAYMENTS</b>			
Expenses for CSOP Awards		188,124	471,902
Expenses on facilities provided			28,107
Workshops / Consultations		67,170	-
Workshop Professional Fees		82,500	-
Advance to Staff / Others			-
Work shop Travel and Conveyance		40,598	-
Fees/Bank Charges		1,465	455
<u>Cash and Bank Balances as on 31st March 2012</u>			
Cash in Hand		132	3,091
Balance in Saving Accounts with Scheduled Banks			
- Standard Chartered Bank		10,203	10,913
- ICICI Bank		869,933	869,539
- HDFC Bank		1,279,413	1,239,340
Fixed Deposit With HDFC		7,976,541	7,359,043
<b>TOTAL</b>		<b>10,516,079</b>	<b>9,982,390</b>
Significant Accounting Policies and Notes forming an integral part of accounts			
XI			
As per our report of even date For V. SANKAR AIYAR & CO. Chartered Accountants FRN: 109208W		For FINANCIAL MANAGEMENT SERVICE FOUNDATION	
 (R. RAGHURAMAN) Partner M. No. 081350		 (CHAIRMAN)	
		 (EXECUTIVE DIRECTOR)	
Place : New Delhi Date : 2.8.2013		 (TRUSTEES)	





**FINANCIAL MANAGEMENT SERVICE FOUNDATION**

**(A REGD. PUBLIC CHARITABLE TRUST), NOIDA**

**SCHEDULE – XI : SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH 2013**

**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. However, the employees taken on contract basis as per the provision in the budget of certain funding agencies which is short term and the employment will be for a term shorter than five years and also will not be paid any gratuity as per the contract, hence no provision for gratuity has been made in the books of accounts for such employees and premium paid for regular 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 four Projects (EED, Bread for the World, Baptist Aid World, & Misereor ) 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.

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

For V. SANKAR AIYAR & CO  
CHARTERED ACCOUNTANTS

For FINANCIAL MANAGEMENT SERVICE FOUNDATION



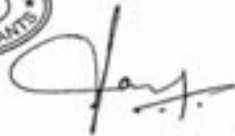
( R . RAGHURAMAN )  
PARTNER  
Membership No :81350



(CHAIRMAN)



(EXECUTIVE DIRECTOR)



(TRUSTEES)

Place : New Delhi  
Date : 02.09.2013









## **FMSF Annual Report 2012-2013**

**Financial Management Service Foundation**

ACCOUNTABILITY HOUSE, A-5, Sector-26, NOIDA - 201 301

Ph: +91-120-4773200 | Email: [fmsf@fmsfindia.org](mailto:fmsf@fmsfindia.org)

Websites: [www.fmsfindia.org](http://www.fmsfindia.org), [www.incometaxforngos.org](http://www.incometaxforngos.org),  
[www.legalissuesforngos.org](http://www.legalissuesforngos.org); [www.socialaccountability.net](http://www.socialaccountability.net),  
[www.fmsflearningsystems.org](http://www.fmsflearningsystems.org)