



Improving Governance  
Building Trust

## CREDIBILITY ALLIANCE ANNUAL REPORT 2009-10



## **About Credibility Alliance**

Credibility Alliance is a consortium of voluntary organisations committed towards enhancing accountability and transparency in the voluntary sector through good governance. It is an initiative that emerged from within the sector and was registered in May 2004 as an independent, not-for-profit organisation after an extensive consultative process over a period of two years involving thousands of voluntary organisations all over India. As an organisation CA aspires to build trust among all stakeholders through improving governance within the voluntary sector.

## **Vision**

A voluntary sector, which is responsive to the needs of the society, is democratic and transparent in its functioning and accountable to all concerned.

## **Mission**

To build the credibility of the voluntary sector through creation and promotion of norms of good governance and public disclosure.

## **Objectives**

- Development of norms of governance, based on consensus, through participation and consultation.
- Promotion of an accreditation system for the voluntary sector.
- Promotion of capacity-building initiatives for voluntary organisations to enable compliance with norms.
- Policy advocacy for enhanced credibility, acceptability and recognition of the work done by the voluntary sector in the eyes of the government, the donor community, the corporate sector, the media and the public

## **Registration details**

- Credibility Alliance is registered as a Society under Societies Registration Act (XXI) 1860. Registration no.S-49315 dated 28.04.2004.
- Credibility Alliance is registered with Income Tax Department under Section 12A No. DIT (E) 2004-2005/C-824/04/1487 dated 25.01.2005.
- All contributions to Credibility Alliance are exempt under Section 80(G) of the Income Tax Act 1961 No NQ.DIT (E) 1/ 3289 DEL-CE 21649 valid from A.Y.2010-11 onwards.
- We have FCRA registration with NO. 083781102 dated 12.12.2007
- Income Tax Permanent Account NoAAAAC2595B.

**"Fair Trade Organisations in India appreciate the initiative of Credibility Alliance for bringing Transparency and Accountability to the center point of good governance in the Non-profit Sector in India. Transparency and Accountability as one of the ten Fair Trade Principles, we see a lot relevance of Credibility Alliance in the present context. We strongly believe that by adhering to these norms we can establish a credible organization. We wish Credibility Alliance team all the very best in this journey".**

**Iytha Mallikarjuna, Executive Director, Fair Trade Forum-India**



### Details of CA Board Members (as on 31st March 2010)

Name of Board Member	Position on Board	Affiliated organization	Meetings attended
Mr. Mathew Cherian	Chairperson	Helpage India	4 / 4
Ms Elizabeth Kurian	Vice Chairperson	Sight Savers International	2 / 4
Mr. Venkat Krishnan .N	Treasurer	GiveIndia Foundation	2 / 4
Mr George C. Verughese	Member	Development Alternatives	2 / 4
Dr. Armaity Desai	Member	Former Chairperson, UGC	2 / 4
Mr. B.N. Makhija	Member	STAPI	4 / 4
Dr. Yogesh Kumar	Member	Samarthan	1 / 4
Ms. Rozmin Ajani	Member	Chartered Accountant	1 / 4
Mr. S. Sen	Member	Confederation of Indian Industries (CII)	3 / 4
Mr Jagdananda	Member	Centre youth and Social Development	1 / 4
Ms Poonam Natarajan	Member	National Trust	2 / 4
Mr. Shyamal Deb	Member	Abhoy Mission	2 / 4
Dr. Bhushan Punani	Member	Blind Peoples Association	4 / 4
Ms. Usha Sridhar	Member	Sarada Foundation	4 / 4
Mr Satish Girija	Member	Nav Bharat Jagruti Kendra	1 / 1
Mr Dinesh Joshi	Member	Himalayan Study Circle	1 / 1
Ms Kanchan Tuli	Executive Director	Credibility Alliance	1 / 1

**None of the CA board members are related by blood or marriage. Credibility Alliance held 4 board meetings, suitably spaced, in the Year 2009/10.**

#### Donate to CA. Help us improve governance, build trust

Would you like to support CA in its endeavour to increase accountability, improve corporate governance and build trust in the Indian Non Profit Sector? CA is able to work and carry out its functions only with the support of its donors and well wishers. This is a 'movement' to change the face of Indian Voluntary Sector. We are still new and have embarked upon this long enduring journey with the hope and faith of having your uninterrupted support. Help us reach our message across. We welcome any small sum that you would like to make a beginning with. You can support

- Electronic publication & mailing of one issue of the Credibility Alliance newsletter (Rs 2500)
- A quarterly state committee meeting cum expert session for member VOs (Rs 5000)
- Accreditation of one grass root VO whose annual receipt is upto Rs 25 Lakhs (Rs 15000)
- An "Accountability Framework" Workshop (Rs 20000)

Please send in your cheques/drafts payable to Credibility Alliance at Mumbai and mail it to our Mumbai office-3rd Floor, West Khetwadi Municipal School, Khetwadi Lane 5, Mumbai - 400 004.

For more information, you may call Veena at 022 - 23894046 / 23894047 or write to her at [accreditation@credall.org.in](mailto:accreditation@credall.org.in)

All donations to Credibility Alliance are eligible for tax exemption under section 80G of the Income Tax Act, 1961.

## Annual Review (April 2009 to March 2010)

### Major Accomplishments

The highlights of the activities during the year were:

- Campaign for free accreditation of small and medium Voluntary Organisations (VOs) with the support from Canadian Fund for local initiatives (CFLI)
- Annual Report Awards
- Organising capacity building workshops
- Increased networking

### ACCREDITATION

#### Accreditation Campaign



Briefing participants in Delhi on CFLI accreditation campaign on January 20<sup>th</sup>, 2010

Canadian Fund for local initiatives (CFLI), under its project **“Strengthening Democracy and Standards of Governance for Non-Profit Organisations in India”**, gave Credibility Alliance a grant to promote accountability, transparency and good governance among the VOs. Our mandate is to extend this benefit to 200+ VOs with the help of this grant. First phase of the campaign was launched in December 2009. 123 VOs initiated the process. Under this phase, only VOs with annual receipt size upto Rs 1 crore were covered. 20 meetings were organised all over India, reaching out to around 550 VOs introducing them to Credibility Alliance and explaining to them in detail the significance of accreditation process.



Explaining CA norms to organizations in Pune on January 22<sup>nd</sup>, 2010

#### Streamlining the accreditation process

In the last quarter of year 2009-10, all the forms used in the accreditation process (minimum and desirable norms) were reviewed to make it more convenient for the assessor and the assessee to understand what needs checking to ensure compliance of any norm. The forms were made more detailed and comprehensive so to reduce ambiguity of interpretation. Programme norms were tested and it was concluded that the tools to verify compliance with programme norms need to be developed.

**"Deepalaya was one of the first NGOs which adopted the Credibility Alliance norms and published data and information as per the credibility norms in our Annual Reports as well as balance sheet and annual report in the website for the general public. This has given mileage in marketing Deepalaya which in-turn helped us in fundraising."**

**Mathew Jose, Dy. Director, Deepalaya, New Delhi**

### Central Accreditation Committee meetings

The Central Accreditation Committee met seven times during the year. A total of 147 VOs applied for accreditation, including those under the campaign. Out of these, 23 VOs were accredited under desirable norms and 10 were accredited under minimum norms. The total number of VOs accredited till 31<sup>st</sup> March 2010 was 67 as against 34 on 31<sup>st</sup> March 2009 (115 VOs as of October 2010).

### ANNUAL REPORT AWARDS

CA in collaboration with Financial Management Service Foundation (FMSF) and Spatial Access Advertising Consultancy (SAAC), organized CSO Partners Annual Report Outstanding Awards. CA evaluated 200+ annual reports for transparency and disclosures, FMSF examined the financial disclosures and SAAC assessed the communication aspect. CSO Partners sponsored the awards. The award ceremony was held on March 6<sup>th</sup>, 2010. It is a matter of great pride that CA members excelled at the awards. Out of the 30 semi-finalists, 23 are affiliated with Credibility Alliance: 12 are member VOs, 9 are in the process of accreditation and 2 are accredited members.



CSO Annual report award ceremony

### CAPACITY BUILDING



Ms Parinita Kanitkar of STAPI making a presentation about the problems and challenges faced by STAPI, to the panel of experts

### Expert panel

CA, in collaboration with CSO and Ms Aarti Madhusudan did a pilot of bringing together VOs of a locality and the experts in the same locality. It is a continuous engagement process wherein VOs and the experts meet every month in a formal set-up and if there are any synergies/possibilities of them working together, they interact on a one-to-one basis with each other. CA did a pilot of this initiative in Pune in the year 2009-10.

**“With the association of Credibility Alliance, AFARM could sensitize more number of NGOs in the State, about need for and benefits of Good Governance systems, Accountability and Transparency in NGO functioning. AFARM could establish rapport with various National level organizations. NGO accreditation process lead by Credibility Alliance has helped AFARM to understand gaps and inadequacies in the prevailing practices of public disclosure of organizational information and understood necessary corrective measures.”**

**S.M.Tamboli, Executive Director, AFARM, Maharashtra**

## Workshops

Not only did CA organize its own workshops but also made efforts to utilize other networks and platforms in reaching out to VOs at large and communicating the importance of good governance and disclosure norms

- Promotional meeting in Patna: A promotional meeting was held in Patna on the 27th June, 2009 in the office of ASRA. A total of 12 organizations attended the meeting. The Regional coordinator presented Credibility Alliance, norms of good governance, accountability and transparency.
- A half day enrichment programme was organized on the norms and accreditation at Pudukottai, Tamil Nadu on 20th July, 2009. Around 20 grass root organizations from the district attended the programme. The VOs were keen to understand the norms and equip themselves to meet the emerging needs in the voluntary sector.
- A seminar was organized in collaboration with Synergie Institute of Trade Commerce & Industry on 28th July 2009 at S P Jain Institute of Management & Research Bhavan's College Campus Mumbai. The major focus of seminar was on focusing on effecting strategic engagements with businesses, through a) greater understanding of the corporate drivers for sustainability initiatives and cross sector partnerships and b) enhanced transparency and good governance within the voluntary sector.
- Mr. Sriraman, Chartered Accountant was the speaker for our Tamil Nadu state committee meeting on 20<sup>th</sup> August, 2009. He gave an overview of the accounting standards across the globe and the difference between corporate and NGO accounting. He also gave tips on various accounting methods for the participants. He has also emphasized the need for a common account statement format for accounting disclosures.
- Ms Rozmin Ajani, Chartered Accountant and Board member of CA spoke at our Andhra state committee meeting on 21<sup>st</sup> August, 2009, on Accounting Standards for NGOs. She explained the 32 accounting standards and excerpts from the Technical Guide for Accounting and Audit in NGOs drafted by her.
- The Karnataka meeting on 22<sup>nd</sup> August, 2009 had two sessions by expert speakers. Mr Harita Sarma, Executive Director, HIDF. He gave an overview about OD process, explaining various models and organization life cycle while talking on the Organization Development Issues. The other speaker Mr Vishal Talreja, Founder, Dream a Dream, shared his practical experiences while sharing innovative fundraising methods through events.
- Meeting NGOs in Ernakulam, Kerala: CA south region coordinator and Dy. Director met 7 VO representatives from central Kerala on 19th September, 2009. The discussions focused on VO governance, accountability and transparency.
- A Workshop on "Improving Governance and Building Trust" was organized by Credibility Alliance jointly with Gujarat Voluntary Health Association on 29<sup>th</sup> September, 2009. Participants from 30 organizations participated in the workshop. The topics covered in the workshop were 'Good Governance and Leadership with respect to Fundraising', 'Resource Mobilization- A Challenge' and 'Guiding Principles for Voluntary Organizations'. The workshop received overwhelming response from the participants and they suggested that we should plan many such workshops covering diverse issues, which could benefit their organizations.
- CSO Partners workshop: Credibility Alliance is one of the partners for the workshop series "Opportunities in Challenging Times" organized by CSO Partners in Hyderabad on 14th and 15th September, 2009 and Chennai on February 11<sup>th</sup> and 12<sup>th</sup>, 2010. The workshop provides platform for the participants to interact with domain experts and CA is one of the resource organisations.
- Under the campaign, CA organized 20 meetings between January to March 2010 all over India to reach out to the VOs. The places covered included Assam, Meghalaya, Bihar, Jharkhand, Odissa, Manipur, West Bengal, Madhya Pradesh, Uttar Pradesh, Himachal Pradesh, Uttarakhand, Rajasthan, etc. More than 500 VOs were reached out to.
- Using other networks & platforms:
  - i. Regional Coordinator South spoke about Credibility Alliance at the JAIHIND network members meet held in Tirichirapally on 19th July, 2009. JAIHIND network is a startup network of 32 VOs from as many districts in Tamil Nadu. We thank Dr Lucas Babu and the network members for the invitation.
  - ii. Ms. Usha Sridhar, CA board member spoke about CA norms at the National Trust workshop on Governance and volunteer management in Chennai.

- iii. A workshop on Financial Management was conducted in Kolkata for the partners of VSO India. Credibility Alliance norms were also discussed in this workshop.
- iv. CA partnered with the Project Management Institute (PMI), Mumbai Chapter held a 2-day Workshop on Project Management for NGOs. Facilitated by the volunteers of PMI, Mumbai Chapter, the workshop was sponsored by ASK Foundation, Mumbai. CA members participated in the said workshop.
- v. CA was allotted a stall, as a result of the initiative and support of our board member, Mr. S. Sen, in the CSR -CSO bridge organised by CII and Give India in New Delhi during the 1st week of October, 2009. CA's Corporate Relations Manager, attended the event and spoke to CSR officials of corporates and representatives of voluntary organisations.



- vi. CA Deputy Director delivered a talk on “Principles of NGO management” at a workshop organised by the network organization, Action for Agriculture Renewal in Maharashtra (AFARM) to its partner organizations at their training centre at Bhor near Pune on the 7th October, 2009.
- vii. An article on “The Impact of Governance in Civil Society in India” written by Mr. Vijay Nadkarni, was published by the Infochange Agenda, a quarterly journal published by Centre for Communication and Development Studies, Pune. The article was published in November 2009.
- viii. Executive Resource Mobilisation spoke on CA's role in the voluntary sector at a seminar on “Expanding Elbow Space for the Voluntary Sector” organised in Guwahati by the IdeA, and the NFI on the 12th December, 2009.
- ix. The National Trust organised workshops at various centres for their partner organisations. CA was invited to speak on norms and accreditation at these workshops.
- x. Participated in the Voluntary Service Overseas (VSO) Country Strategic Plan (CSP), held on March 10 in Puri. CA's Resource Mobilization Executive presented CA's activities and held deliberations on the norms – reasons for existence and value for Organizational development. This event consisted of three Programme Area Plans (PAPs), Disability, HIV&AIDS and Participation and Governance programme.
- xi. South Asian Network for Social & Agricultural Development (SANSAD) held a National workshop on March 4-5, 2010 in Delhi wherein CA Chair spoke on Credibility Alliance and its work in India to improve the accountability & credibility of the Voluntary Sector. Our Communications and Accreditation personnel also attended and engaged the participants on similar issues.

## **INCREASED NETWORKING**

### **Advocacy with donor agencies**

A Donor Round Table Discussion on “Mainstreaming NGO Accountability –Incorporating into grant making norms” was organized in Delhi, on 27th November, 2009. The event was attended by 18 donor heads, including: CARITAS, Charities Aid Foundation, Discipleship Centre, Ford Foundation, Hope (Kolkata) Foundation, MacArthur Foundation India, Population Foundation of India, Rotary International, The David & Lucile Packard Foundation, Voluntary Services Overseas (VSO), Public Affairs Centre, Oxfam India, Paul Hamlyn Foundation, Bill & Melinda Gates Foundation, Water Aid India, Development Alternatives, The Hans Foundation, United Way of Delhi. All the donors especially Mac Arthur Foundation, Oxfam India and Hope Foundation showed keen interest in CA's work. Talks with Hope Foundation are at advanced stages to run 16 of its partners through the accreditation process.

**“In 2009, Vathsalya was awarded accreditation for meeting desirable norms. Today when we talk about our programmes or write to interested persons, we do feel good about having the accreditation in place because it lifts the organisation to a higher level of both credibility as well as efficiency.” Mary Paul, ED, Vathsalya Charitable Trust and President of Kutumba, Karnataka**

## Promotional efforts with government agencies

- Mr B N Makhija represented CA in the two task force meetings of planning commission working on developing accreditation system for the VOs, held on July 2nd, 2009 and September 23rd, 2009. The task force has recently come out with the draft recommendations on accreditation of VOs.
- CA is working with Madhya Pradesh Jan Abhiyan Parishad, which is setting up an accreditation system for the VOs of Madhya Pradesh
- CA is also in discussion with National Trust, to help it identify VOs working in the field of disability basis the CA norms

## Visibility amongst corporates

Efforts are on through CII to reach out to the corporate world and help it understand the significance of the norms and usage thereof.

## Miscellaneous

Some of the activities which were organized in collaboration with the other organizations/networks are as follows:

- CSO's annual report awards in collaboration with FMSF & SAAC
- British Asian Trust considers accreditation by CA as a part of the selection process of its partners in India. The first such organisation was Bharti Foundation, New Delhi which was accredited for minimum norms in September 2009. Another of its partner in Gujarat is currently undergoing the accreditation process.
- Guidestar, India is envisaged as India's first comprehensive online database of VOs in collaboration with Guidestar International. CA will promote the project amongst its member organizations. As it is an international platform, visibility of CA's members will increase.
- NASSCOM Foundation: Under the MoU signed last year, CA and NASSCOM Foundation promote each other in their interactions with the VOs.
- Sajjata Sangh is a network of VOs in Gujarat working on rural and agriculture issues. The Sangh has recommended all its partner VOs to undergo accreditation with CA. The small and medium VOs are being covered under the campaign whereas the large VOs are applying for paid accreditation.
- Public Affairs Centre (PAC), Bengaluru, has made accreditation a pre-requisite for fourteen of its partner organisations for the grant under the Partnership Transparency Fund. PAC will bear the costs of accreditation process.
- Micrograam, a microfinance marketplace in Bangalore has approached CA to assess 20 of its partners.

## ISSUES AND CHALLENGES

- CA has not been able to sustain the existing membership and generate new membership. There is no immediate financial gain from membership and hence organizations hesitate to make it their priority. Also, members have their own expectations from the Alliance regarding capacity building support. During the last year CA made an effort to organise relevant workshops and expert sessions all over India for the member VOs, we plan to work on this in a more structured manner in the future.
- Creating greater visibility and credibility of CA with stakeholder groups such as donor agencies, corporate and government. Though recently, in addition to continuous support from Ford Foundation, we have been able to get support from David & Lucile Packard Foundation, Canadian High Commission, VSO, there is still a large donor community which we are not able to reach out to. More donor interactions are planned for future to increase CA and its members VOs visibility amongst the donor community.

**"TSRD is the first organization in West Bengal to be accredited. This has increased our operational efficiency. We are confident that this will increase our potential to attract more funds." Atanu Saha, Senior communications officer, Tagore Society for Rural Development, West Bengal**



## **OTHER DEVELOPMENTS**

### **Annual General Body Meeting**

The 5th AGM of CA was held in New Delhi on the 12th September 2009. 19 State representatives participated. Besides the adoption of annual activities report for the year 2008-09 and Audited Accounts for the year 2008-09, appointment of auditors for the year 2009 –10, approval of activities planned for the year 2009 – 10 etc. the proceedings included election of members to fill vacancies in the Governing Board and finalization of amendments to the Rules and Regulations. Shri Satish Girija, Secretary, Nav Bharat Jagruti Kendra, Ranchi and Shri Dinesh Joshi, President, Himalayan Study Circle, Uttarakhand were elected to the governing board.

### **Human Resources**

Mr Vijay Nadkarni, Deputy Director, resigned with effect from December 31<sup>st</sup>, 2009 and Ms Kanchan Tuli took over as Executive Director with effect from December 9<sup>th</sup>, 2009. Ms Dipti Dubhashi, Ms Vaishali Jain and Ms Aditi Palekar joined accreditation team in Mumbai. Ms Aditi Singh and Mr Mannu Singh joined accreditation team in Delhi. Mr Albert Maganaka, a VSO volunteer joined as communication consultant in December 2009.

## **OUR SINCERE THANKS TO**

- **Ford Foundation for their generous support**
- **Municipal Corporation of Greater Mumbai for allowing us to use the premises of the Khetwadi Municipal School, Mumbai for our office and principal and staff of the school for their support**
- **VSO India**
- **Canadian Fund for local initiatives**
- **David and Lucile Packard Foundation**
- **Public Affairs Centre, Bangalore**
- **Various other donors and supporters**
- **Our member and accredited VOs**

## **TRANSPARENCY DISCLOSURES**

- No remuneration, sitting fees or any other form of compensation was paid to any board member except for the Executive Director.
- Travel reimbursement made to Board members attending board meetings and other office meeting is Rs 152454/-
- Executive Director Remuneration is Rs. 60000/- per month.
- Remuneration of the three highest paid staff members Rs 60000/-, Rs 40000/-, Rs 34000/-
- Total cost of national travel by all staff during the year Rs 388128/-
- Remuneration of the lowest paid staff member is Rs 3500/-
- Total cost of international travel by all staff and board members during the year : Nil

### **Salary Distribution as on 31.03.2010**

	<b>Men</b>	<b>Women</b>	<b>Total</b>
	1	-	1
5000 -10000	1	2	3
10000-25000	4	2	6
25000-50000	1	1	2
50000-75000	-	1	1
<b>Total</b>	<b>7</b>	<b>6</b>	<b>13</b>

**Name and address of the Banker**-ICICI Bank Ltd, N-138, Panchsheel Park, New Delhi -110017

**Name and address of Auditors**-S.Sahoo & Co, Chartered Accountants, 107, Laxman Singh Complex -1, Munirka, New Delhi -110067

## ABRIDGED FINANCIAL STATEMENTS

### Balance Sheet

Liabilities	2009-10	%	2008-09	%	Assets	2009-10	%	2008-09	%
General Fund	2005854	30	1892427	50	Fixed Assets	391219	6	402400	11
Asset Fund	342386	5	395716	10	Current Assets				
Corpus Fund	535000	8	35000	1	Deposit & Advances	258663	4	534050	14
Unutilized Grant	3480720	51	1141896	30	Cash & Bank balance	5043997	75	2859745	75
Current Liabilities & Provisions	376374	6	331156	9	Investments	1046455	15	-	-
<b>TOTAL</b>	<b>6740334</b>	<b>100</b>	<b>3796195</b>	<b>100</b>	<b>TOTAL</b>	<b>6740334</b>	<b>100</b>	<b>3796195</b>	<b>100</b>

### Income & Expenditure

Income	2009-10	%	2008-09	%	Expenditure	2009-10	%	2008-09	%
<b>Self Generated</b>					<b>Programme Expenses</b>				
Membership Fee	143250	3	191500	3	Staff Support	2159433	40	2532924	43
Accreditation Process Charges	189877	4	235793	4	Meeting & Travel	1059198	19	1023436	17
PGR& Workshop Fee	550		75550	1	Publication & Website	76600	1	37446	1
<b>Indian Source</b>					Accreditation Programme	692584	13	563045	10
Donation	77080	1	335293	6	<b>Administration Expenses</b>				
Grant – PHI	210232	4	437028	8	Communications	210163	4	213069	4
Grant –United Way Mumbai	58065	1	-	-	Office Expenses	636708	12	590528	10
Interest	163984	3	127073	2	Audit Fee	13236	-	13236	
Others	57829	1	138703	2	Depreciation	18801	-	996	
<b>International Sources</b>									
Grant – Ford	4119493	75	4308261	74					
Grant – Canadian High Commission	459790	8	-	-	Excess of Income over expenses	613427	11	874521	15
<b>Total</b>	<b>5480150</b>	<b>100</b>	<b>5849201</b>	<b>100</b>	<b>Total</b>	<b>5480150</b>	<b>100</b>	<b>5849201</b>	<b>100</b>

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Kolkata-Cedric Peters, Regional Co-ordinator East & North East, Email: [rceast@credall.org.in](mailto:rceast@credall.org.in)