

Credibility Alliance

Annual Report 2011-12



Improving Governance
Building Trust

Inspire. Educate. Enable.

Foreword

The significance of promotional role played by the voluntary sector in the twin areas of Development and Democracy cannot be undermined. While the success stories of community and public sector engagement, series of innovative solutions to poverty alleviation, policy advocacy in governance and social welfare legislation, ecological and gender justice are a legion, difficulties persist in realisation of the goals. The challenges voluntary sector face fall into two categories: *Ineffective Organizations* – the ones that fail to accomplish their social missions; and *Inefficient Organizations* – the ones that get too little mileage out of the money resources they spend; and add to this, *demands for accountability* – to whom are they accountable.



With the rise in Government Funding controls and restrictions – difficult questions have surfaced as to the long term ability of the sector to protect its autonomy. We know that the number of organizations registered run into millions but what we don't know, is how many of such organizations are functioning and well-equipped with resources.

The three mediating values to test the credibility of the voluntary sector are - accountability, transparency and responsiveness to people's needs, not to speak of its internal decision making mechanism and practice of intra organizational democracy. However, in order to deal with the mounting tension between Public Accountability and Voluntary Sector autonomy, Credibility Alliance has embarked upon an ambitious initiative to verify / accredit a group of willing organizations, who can demonstrate their Accountability through accepted benchmark of good practices.

While the modest initiative undertaken by Credibility Alliance (CA) during the reporting year does provide a glimpse into its activities, there is a need to deepen accountability debate/ dialogue between all the stakeholders involved in promotion and strengthening the voluntary sector. The gap between shining India and impoverished Bharat must be dealt head on and the role of the voluntary sector is critical there.

It is time for a self check through an authentic feedback mechanism of the community; volunteers; staff; regulatory authorities; and peer organizations which can help overcome some of the performance measurement and accountability concerns of the sector.

More organisations, both large as well as the small must come forward and willingly embrace the Accountability framework developed by CA through an elaborate national process of consultation and consensus building over the years.

National and regional networks of voluntary organizations must take the accountability debate to their membership through a planned effort so as to strengthen their internal systems and processes based on good practices. Together, it is possible to change the character, efficacy and relevance of the voluntary sector today in public perception while refocusing the need for a critical mass of credible organisations around the nation. It is time to walk the talk.

– Jagadananda
Chairperson





Improving Governance
Building Trust

Message from Executive Director

I am very happy to share with you the latest Annual Report of Credibility Alliance. This year will be remembered as a year of challenges, integration and progress.

Credibility is one of the most critical factors that affects an NGO. Being credible is simply the perception of being trustworthy and believable. The question about how NGOs develop and retain public trust and credibility has plagued many NGO activists over the last two decades.

Credibility Alliance has been pursuing its mandate to work towards building the stakeholder confidence and credibility of Voluntary Organisations through promotion of good accountable, disclosure and governance practices.

The spirit of Voluntary Organisations to get accredited by Credibility Alliance is based primarily on their commitment towards accountability and transparency which is further enhanced by Credibility Alliance through various communication mechanisms.

During the year, Credibility Alliance has taken few major initiatives that are aimed to make significant impact on the Voluntary Organisations in India. Through the Capacity Building and Information Dissemination initiatives, Credibility Alliance reached out to more grass root organisations. The launching of the CA Learning Series on “Governance and Disclosure Practices for Voluntary Organisations” and the Regional Workshops organised are part of these initiatives. The redesigned website of Credibility Alliance and the launching of the Online Software for Accreditation are aimed to add value to the same.

I would like to take this opportunity to extend our sincere gratitude to Ford Foundation for their unconditional support and encouragement in the initiatives of Credibility Alliance.

A special note of thanks to our Board Members for their guidance and support. We would also like to thank all our partners, members and associates who have constantly supported us in all our endeavors.

I also would like to recognise the hard work and committed performance of the staff team of Credibility Alliance.

With this we would like to present the Annual Report 2011-12 and once again thank all our partners, donors and supporters.

– S. P. Selvi
Executive Director



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Building Trust

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Credibility Alliance



About Credibility Alliance

Credibility Alliance (CA) is a national level consortium of Voluntary Organizations (VOs) committed to enhancing accountability and transparency in the voluntary sector through improved and good governance practices. Following a two-year long extensive consultative process involving more than 500 organizations from across the country, the Alliance emerged as an initiative from within the sector and was registered in May 2004 as an independent, not-for-profit organization. Today, Credibility Alliance works towards building trust for voluntary organizations amongst all stakeholders through promotion of improved governance and accountability practices within the voluntary sector.

Vision

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

Organizational Profile

Legal Status	: Registered Society
Registration No.	: S- 49315 dated 28.05.2004
Income tax Registration No. (Under Section 12A)	: DIT (E) 2004-2005/C-824/04/1487 dated 25.01.2005
Income Tax Exemption (Under Section 80G)	: NQ.DIT (E) 1/3289 DEL-CE 21649 valid from A.Y. 2010-11 onwards
FCRA Registration No.	: 083781102 dated 12.12.2007
Permanent Account No.	: AAAAC2595B
Registered Office Address	: B- 32, Tara Crescent, Outab Institutional Area, New Delhi-110 016
Head Office Address	: 112, First Floor, Jyoti Shikhar Building, District Centre, Janakpuri, New Delhi- 110 058
Auditors	: S. Sahoo & Co., Chartered Accountants, 107, Laxman Singh Complex -1, Munirka, New Delhi- 110 067
Bankers	: ICICI Bank Limited, N-138, Panchsheel Park, New Delhi-110 017



Improving Governance
Building Trust

Credibility Alliance

Objectives

A fast emerging voluntary sector in our country is a major contributor in the development of Indian society. Hence, it's but natural that the rapid growth of the sector in terms of its size, number and resources has generated many a question on the credibility of its constituents. Despite this, the existing regulatory bodies in our country have not made the required efforts to set up adequate mechanisms or processes to assess the credibility of voluntary organizations in concrete and verifiable terms. Keeping this in view, the Credibility Alliance has been working hard to build and promote self-regulatory frameworks for the Voluntary Sector by defining various norms and standards for the organizations to adhere to and in doing so help them demonstrate greater transparency and accountability of the overall sector. This is achieved through:

- Establishing norms of transparent governance, based on participation, consultation, and consensus;
- Developing and promoting an accreditation system for voluntary organizations;
- Providing capacity building support to organizations for enabling them to improve conceptual understanding of what governance and finance practices are necessary, what is the existing legal framework, and how to comply with the agreed norms and accountability practices; and
- Conducting policy advocacy with government, the donors, the corporate sector, the media, and the overall public for ensuring better recognition of the highly credible work being done by the voluntary organizations

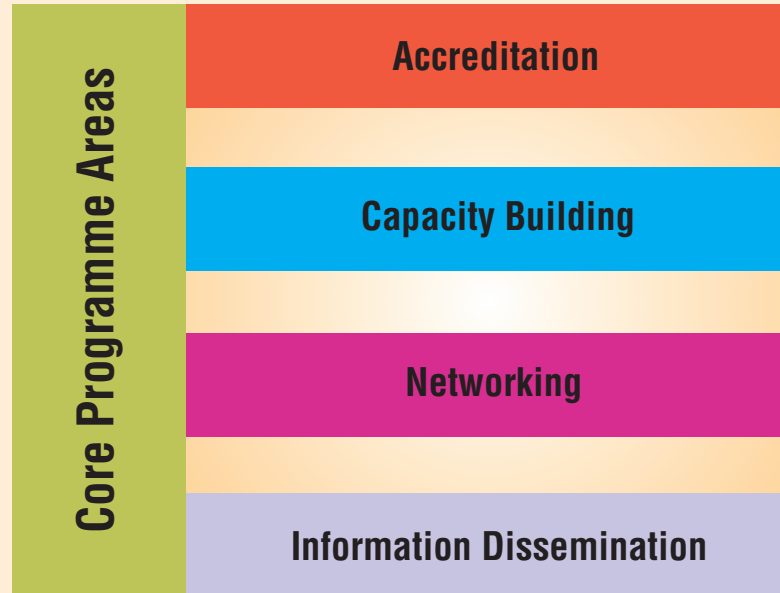
Our Values

Credibility Alliance is committed to the given set of values:



Core Programme Areas

Programmatically, the Alliance focuses on the four core areas – Accreditation, Capacity Building, Networking, and Information Dissemination.



Accreditation by Credibility Alliance helps voluntary organizations to establish robust internal mechanisms for self-regulation, formally declare that they are transparent and accountable and are of approved standards, and in doing so enhance the credibility and autonomy of the overall voluntary sector.

As a step forward in this direction, the Alliance analyzes the various gaps in organizational behavior of the sector. Accordingly, it designs different **capacity building** programmes for the voluntary organizations in the areas of governance, internal control, operations, management, finance etc. This is made possible through exchange of ideas and best practices in the forms of consultations, workshops, conventions and various other forums.

The Alliance also believes that **networking** and building collaborative relationships amongst organizations is vital for addressing the concerns of the voluntary sector. Initiatives in this direction focus on facilitating interactions and sharing of ideas between experts from different fields and the voluntary organizations.

Last, but not the least, the Alliance acts a clearing house of information for the sector. It gathers, sorts, and disseminates **information** pertinent to the core areas of focus amongst voluntary organizations through various channels, thereby enabling them gain knowledge in thematic areas.

ACCREDITATION

Accreditation by Credibility Alliance is a process through which a voluntary organization is certified as an organization adhering to accountability norms and providing service of a reasonably good quality. The recognition helps the public and others to trust in the quality of its services. The accreditation is provided only after ensuring that the organization adheres to certain minimum norms defined by the Alliance. The process begins as soon as an organization voluntarily approaches the Alliance for receiving accreditation.

Central Accreditation Committee: Accordingly, the Alliance has set up a Central Accreditation Committee (CAC) - a group comprising of Credibility Alliance Board members and Development experts who take a holistic view of an organization on the basis of the documents submitted by it. The group of subject matter specialists comprises a panel of eminent experts, possessing skills in the areas of organizational management, finance, and social work, who subject the aspirant organizations to a process of rigorous scrutiny on the basis of the norms and standards decided by the Alliance. Recommendations submitted by the expert assessors are taken into serious account. The group meets periodically as and when a bunch of assessment reports are received and are ready for final processing.

During the financial year 2011-12, altogether 100 files were presented in seven CAC meetings held to review the assessment reports and the documents submitted by the applicant organizations. While this scrutiny process was on, the Alliance continued to dialogue with other voluntary organizations to sensitize them to the need and importance of accreditation.

Assessors Meeting: The year witnessed a meeting of the expert assessors on March 23, 2012 in Bangalore at KROSS. Assessment of the applicant organization by an independent Assessor is a crucial component of the Accreditation process. The primary objectives of the meeting were to enhance the effectiveness of the assessment process as also to identify the areas where the aspirant organizations were in need of capacity building support. The meeting aimed to enhance the knowledge and understanding of the Assessors with inputs from Ms. S. P. Selvi on the Alliance's vision and mission, the accreditation process, the objectives of such assessments, the role of assessors, and the norms of the Alliance – both financial and programmatic. In particular, the meeting helped the assessors to i) gain greater clarity on their roles and responsibilities in the accreditation process; and ii) understand the emerging gaps in the assessment process and the areas of improvement. Two more meetings are planned to be held in April 2012 in Chennai and New Delhi.

Meeting with YASHADA: As yet another initiative under the accreditation process, the Alliance initiated dialogue with Yashwantrao Chavan Academy of Development Administration (YASHADA) to provide accreditation to around 250 voluntary organizations in Maharashtra. YASHADA is the administrative training institute of the Government of Maharashtra, and caters to the training needs of government departments and rural and urban non-officials and stakeholders.





Collaboration with Centre for Social Reconstruction: The Alliance entered into collaboration with the Centre for Social Reconstruction (CSR), a voluntary organization accredited by CA, working on various social issues in Tamil Nadu, with an aim to expanding the membership-base of the Alliance. Participating in a meeting organized by the CSR during 29-30 August 2011, as many as 14 organizations from the southern region learnt about the process of accreditation and committed to initiating steps to obtain the same.

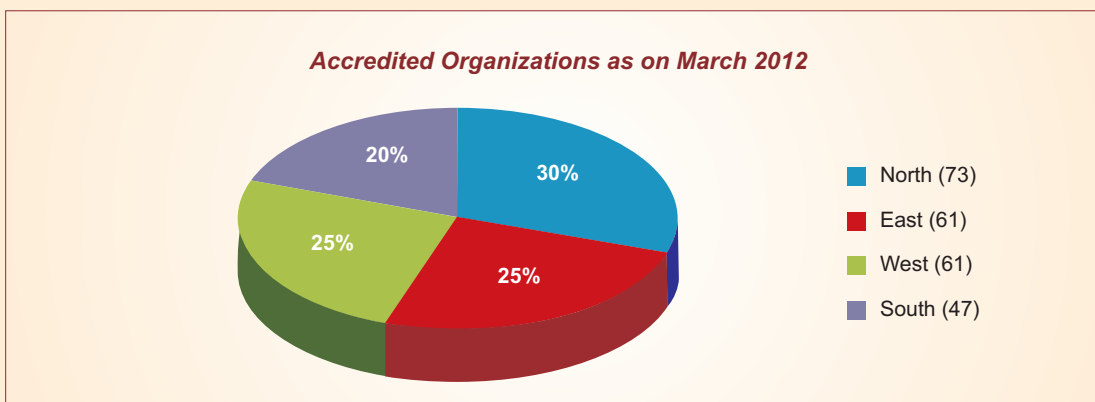
CFLI Campaign: During the year 2009, the Alliance had received a grant from the Canadian Fund for Local Initiatives (CFLI), under its project *Strengthening Democracy and Standards of Governance for Non-Profit Organizations in India*, to promote accountability, transparency and good governance among more than 200 voluntary organizations. The campaign was carried on successfully in three different phases during December 2009 - 2011. The reporting year witnessed a number of initiatives including the identification and training of assessors, conducting awareness campaigns, and reaching out to more than 550 Voluntary Organizations all over India.

Benefits of Accreditation

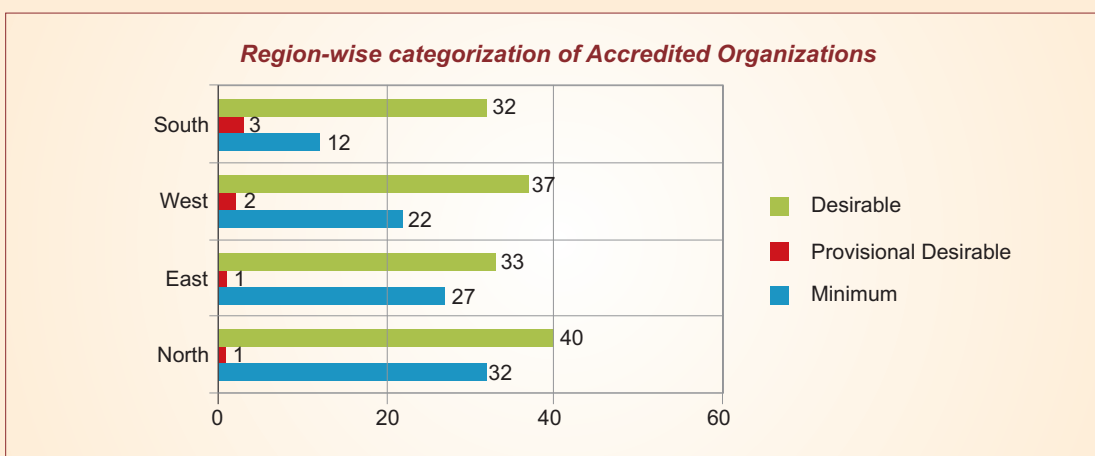
Voluntary Organizations avail the following benefits after accreditation by Credibility Alliance:

- ◆ **Greater Public Trust and Perception of Greater Accountability:** Recognition as being committed to a set of Norms that ensures Accountability, good Governance and Transparency within their Organization
- ◆ **Capacity Building Support:** Access to capacity-building support to meet the requirements specified in the Norms
- ◆ **Enhanced Visibility of Accredited Voluntary Organizations:** Brief profile of Accredited VOs appears on CA's Website. Guide Star India's website too displays the list of VOs accredited by CA
- ◆ **Greater Prospects of Attracting Financial and other Support:** Prospects of attracting greater financial and other forms of support, from different stakeholders, including the government and other donors
- ◆ **Sense of belonging:** A sense of belonging in broad and collective efforts to bring greater credibility to the Sector as a whole
- ◆ **Others:** Opportunities to influence the policies and procedures of grant-making agencies including the government; networking opportunities with a large membership base

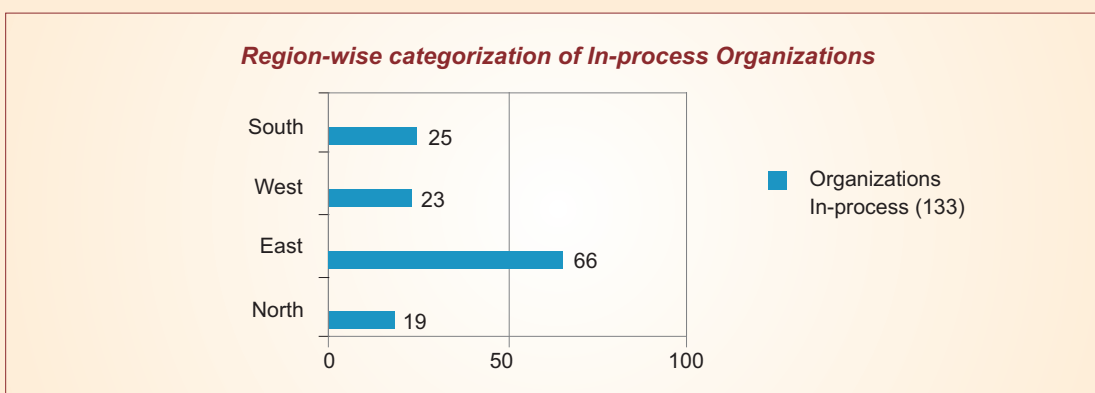
As on March 31, 2012, **242 Voluntary Organizations** have been accredited by Credibility Alliance of which 93 are under Minimum Norms, 142 are under Desirable Norms and 7 are under Provisional Desirable. **133 Voluntary Organizations** are in the process of receiving accreditation, all over India.



Graph shows that out of 242 Accredited Organizations, 73 VOs are from Northern Region. This is followed by Eastern and Western Region, both having 61 Accredited VOs, while Southern Region has Accredited VOs of 47.

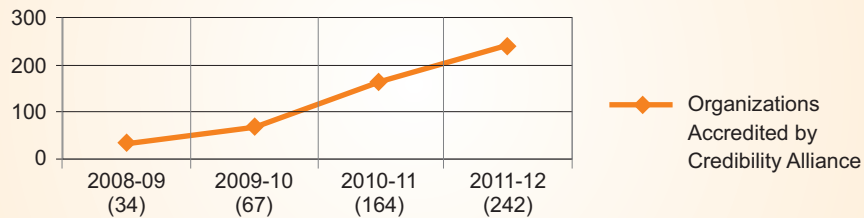


VOs getting accreditation under Provisional Desirable will move towards Desirable Norms with regular inputs and Capacity Building by Credibility Alliance.



Maximum VOs under the process of Accreditation are from Eastern Region, followed by Southern, Western and Northern regions respectively

A comparison of number of organizations accredited in the last four years



Complete list of the Accredited Organizations is available on our website, www.credibilityalliance.org

Credibility Alliance is regularly posted with queries from Voluntary Organizations regarding Accreditation. CA is making the required efforts to convert these queries into Accreditation.

CAPACITY BUILDING

Building voluntary organization's skills and capacities to demonstrate greater transparency and accountability is a major strategy that Credibility Alliance adopts to maximize its potential and sustain its work. The capacity building initiatives of the Alliance are planned by identifying and outlining the gaps in the sector, assessing the needs, locating and adopting the existing best practices and finally instituting programs to address those needs. Care is taken to integrate the capacity building initiatives with the accreditation process in a systematic manner.

This includes systematic analysis of the assessment outcomes, interactions with the assessors, and categorizing the topic-wise and region-wise emerging needs and areas. Based on this, the Alliance organizes workshops for helping the voluntary organizations develop systems of governance, accountability and transparency. Such workshops enable the organizational leaders and other office bearers to develop a sound understanding of the above mentioned areas as also acquiring a common understanding of good practices.

Emerging Challenges in Accountability and Good Governance: A National Consultation



Today, civil society organizations are faced with accountability related pressures from all quarters – the government, the donors and also from within the sector itself. Of late, the sector has been under the scanner of the media more than ever before. Whatever self-regulatory initiatives exist in some organizations have only evolved from within the sector and are far from

adequate. A common framework of governance or reporting is yet to develop and gain acceptance.

Keeping this view, the Alliance organized a one-day consultation in Delhi to debate on the existing and emerging accountability and governance related issues, concerns and solutions. Held on October 29, 2011 at India International Centre (IIC), New Delhi, the consultation was a joint initiative of Credibility Alliance and Financial

Management Service Foundation, and was attended by more than 55 distinguished CSO leaders and representatives from the member organizations of Credibility Alliance.

Eminent and widely acclaimed persons like Shri Jagadananda, State Information Commissioner, Odisha; Ms. Achla Savyasaachi, Vice-President, Sa-Dhan; Mr. Subhash Mittal, a veteran Chartered Accountant; Mr. Manoj Fogla, well-known Consultant and a qualified Chartered Accountant; Mr. Kedar Dash, Head - Technology Operation and Content Services, One World South Asia; Ms. Mandakini Devasher Suri, Program Officer, The Asia Foundation; Mr. Sanjay Patra, Executive Director, Financial Management Service Foundation; Ms. Nisha Agarwal, CEO, Oxfam India and Ms. Amita Joseph, Director, Business and Community Foundation addressed the sessions.

Accountable Governance and Transparency of Voluntary Organizations: Three 2-day Regional Workshops:

Good governance is key to the growth and sustainability of any voluntary organization. The credibility and efficient functioning of an organization depend to a great extent on its governance and accountability practices. Taking cognizance of this, Credibility Alliance organized three two-day regional workshops for its member organizations on 'Accountable Governance and Transparency of Voluntary Organizations' in the three cities of Bhubaneswar, Delhi and Chennai.



Accountable Governance and Transparency of Voluntary Organizations: Three 2-day Regional Workshops

Place	Venue	Dates
Bhubaneswar, Odisha	Centre for Youth and Social Development (CYSD)	7-8 December 2011
Delhi	Vishwa Yuvak Kendra	20-21 December 2011
Chennai	Asha Niwas	27-28 December 2011

The overall objective of the workshops was to develop a good understanding on governance and a common understanding on good practices. The specific objectives were to gain knowledge on i) accountable governance and board processes; ii) effective financial management; iii) importance and integration of transparency in organizational systems and practices; and iv) recent developments in the legal framework (New FCRA 2010 and Direct Taxes Code) and its implications for voluntary agencies.

As per the feedback received, sessions on Governance, Internal Control Procedures, FCRA 2010 and Direct Taxes Code were stated as most enriching and interesting. They were also of the view that such workshops should be conducted more frequently as the topics covered are of high relevance to the voluntary sector. Other suggestions for improvement included inclusion of more real-life scenarios/ case studies and use of audio-visual media during the sharings and interactions.

NETWORKING

Good networking with pivotal groups and individuals helps a great deal in furthering the organization's mission and vision. Keeping this in view, Credibility Alliance places a great deal of focus on strengthening relationships, exchanges, cooperation and partnership with and amongst voluntary organizations.

To this end, the Alliance facilitates interactions amongst experts in different areas and promotes sharing of ideas and information between the voluntary organizations and the experts. Organizations are encouraged to increase their institutional capacities by seeking issue-based information, and building their professional strength through training. Of late, the Alliance has been aiming to work closely with organizations like Give India, Oxfam India, Guide Star India, HelpAge India, FMSE, VANI, National Foundation for India etc.



NGO India 2012 and CSR Live Week:

Credibility Alliance participated in NGO India 2012 organized by UBM India, in association with Oxfam India and Guide Star India at The Apparel, Gurgaon during 16-18 March, 2012. The event involved interfaces between voluntary organizations and the CSR initiatives of large corporate houses. Key stakeholders from each group shared their learnings and best practices. Addressing the audience of a strategic seminar on governance, Ms. S.P. Selvi, Executive Director, Credibility Alliance observed that strict adherence to good governance norms and accountable practices is key to achieving organizational mission, vision and organizational effectiveness. The Alliance also participated in CSR Live Week and NGO Asia 2012, a platform that connected stakeholders from various Corporates, during 20-21 March 2012 in Gurgaon.



Meeting on Income Tax: In recent past, the Income Tax department has served notices to large number of NGOs with tax

liability and assessment under the amended Sec.2(15) of the Income Tax Act, 1961. Credibility Alliance and VANI jointly convened a meeting in association with HelpAge India with an aim to consider the steps to be taken by the Voluntary Sector in response to the recent notices from the Income Tax Department. Discussing what steps should be taken by voluntary organizations so as to prevent similar happenings was among the other objectives of the meeting hosted by HelpAge India on March 2, 2012. It was decided that an appeal addressing the above mentioned issue would be drafted and sent to Finance Minister. CA had shared the Appeal document with its 380+ member organizations.

INFORMATION DISSEMINATION

Having access and exposure to useful information, innovative experiences and best practices is pivotal to the growth of any organization, and the voluntary sector is no exception. In keeping with this, Credibility Alliance disseminates vital information on a periodic basis to a wide range of voluntary organizations with an aim to educate, apprise and assist them on the recent developments, newly emerging areas of compliance, and other critical issues pertaining to the voluntary sector.

As a follow up of the meeting on Income Tax, the Alliance shared a communiqué with its networks and member organizations explaining that an amendment made to the Sec. 2(15) of the Income Tax Act, 1961 is resulting in notices being served to voluntary organizations. An appeal has been sent to all organizations to come together and submit a petition to the Finance Minister requesting a review of the action by the Income Tax Department.



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Credibility Alliance



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Key Initiatives

◆ Online Software to enhance Accreditation Process

In order to accelerate and smoothen the process of accreditation which was till now carried out manually, the Alliance launched an online application software. Shri Jagadananda, State Information Commissioner, Odisha and Chairman, Credibility Alliance inaugurated the application on February 18, 2012. The

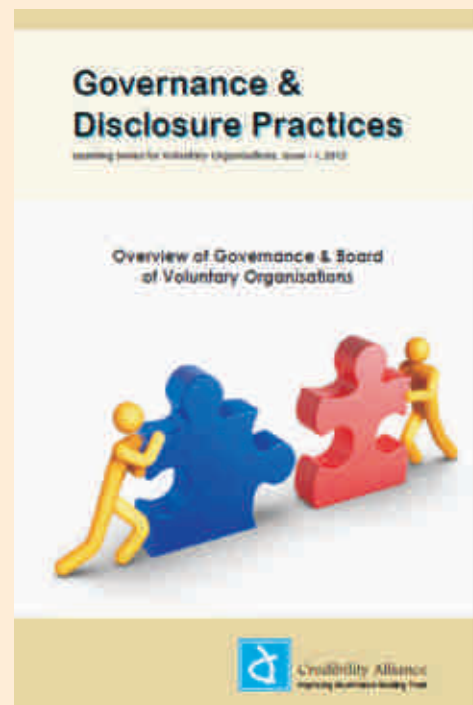


online application will enable the Alliance to have a centralized database of all the accredited organizations and organizations that are under the process of receiving accreditation. Auto profile creation facility for voluntary organizations, automatic generation of mails and other vital information, online sharing of review reports, online generation of certificate etc. are among the other salient features of the application. The link of the application is

available on the website of the Alliance - www.credibilityalliance.org.

◆ e-communicé for the Voluntary Organizations

In the course of providing accreditation to voluntary organizations, CA realized the tremendous need existing for enhancing the conceptual and procedural understanding of Governance related practices. With a view to address this need area, the Alliance has launched an e-communicé series titled "CA Learning Series on Governance and Disclosure Practices for Voluntary Organisations". Aiming to serve as learning material, the publication seeks to help organizations gain relevant additional information and enable them to bring improvements in their governance and accountable practices.



Challenges

1. Limited reach compared to the size of the Sector

Given the size of the sector, the current reach of the Alliance is very limited. The number of organizations accredited so far is very marginal to make any impact on the accountability of the sector. However, the Alliance is engaged in a dialogue with the Government and other stakeholders for formal recognition for the Alliance and its work.

2. Lack of competent Assessors to assess large size organizations

Not only there is a dearth of competent assessors, there is also a need to enhance the capacities of the existing assessors for enabling them to make quality assessments. Keeping this in view, a number of assessor's meetings have been planned for the coming year to address the above mentioned concerns.

3. Capacity of Voluntary Organizations to comply with CA requirements

Voluntary organizations have limited capacity to comply with the norms prescribed by the Alliance. The Alliance provides periodic capacity building support to such organizations by enabling them to enhance their understanding and build the required capacity to conform to CA's Norms.

4. Prolonged accreditation process

Accreditation as a process involves the efforts of three actors – the Applicant Organization, the Assessors, and finally the Credibility Alliance. Delays at one of the ends make the process of providing accreditation a long-drawn one. Efforts are being put to identify the loop-holes that cause the unnecessary time delays. Wherever required, organizations are being provided with necessary assistance from the CA team for smooth compliance of CA norms.

Milestones

2004 – Credibility Alliance receives registration as a Society on May 28

2005 – Ad-hoc State Committees formed for 19 States and Union Territories

2006 – Formation of Norms Committee to Review the Norms

2008 – Formation of Central Accreditation Committee (CAC) to smoothen the accreditation process



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Credibility Alliance



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Governance

Organization Structure



Governing Board



Shri Jagadananda, Chairperson
State Information Commissioner, Odisha



Ms. Elizabeth Kurian, Vice Chairperson
Regional Director, Sightsavers International



Dr. Bhushan Punani, Treasurer
Executive Director, Blind's People Association



Ms. Rozmin Ajani, Member
Chartered Accountant and
Management Accountant



Mr. Sushanta Sen, Member
Principal Advisor, Confederation of
Indian Industry (CII)



Ms. Poonam Natarajan, Member
Chairperson, National Trust



Ms. Usha Sridhar, Member
Founder and Social Investment Manager,
The Interface



Mr. Satish Girija, Member
Secretary and Founder Member,
Nav Bharat Jagriti Kendra



Dr. Dinesh Joshi, Member
Founder, President and CEO,
Himalayan Study Circle



Dr. Gautam Vohra, Member
Chairman, Development Research and
Action Group (DRAG)



Mr. Mukul Goswami, Member
Secretary, Ashadeep



Captain V.P. Singh, Member
Founder and Chief Functionary,
Sahara Manch

Credibility Alliance Board Members are not related by blood or marriage. The term of each board member is 5 years.

In 2011-12, the Alliance held two board meetings – on April 12, 2011 and on October 29, 2011. The primary focus of the two meetings was:

- (i.) Following up with Oxfam India, Tata Institute of Social Service (TISS) CSR Hub, Water Aid, etc. for institutional tie-ups and capacity building initiatives
- (ii.) Simplification of the accreditation process
- (iii.) Building sophisticated and technology-driven platforms of accreditation in collaboration with organizations like One World South Asia
- (iv.) Drafting of internal HR and Financial manuals for sharing and approval by the Board

Annual General Body Meeting: The 7th Annual General Body Meeting of the Alliance was held on October 30, 2011 at India International Centre (IIC), New Delhi. The members suggested encouraging state Committees to act as sponsors of accreditation. The annual audited financial report for the year ending March 31, 2011 was approved and re- appointing of statutory auditors for the financial year 2011-12 was made.

Transparency Disclosures

- ◆ No remuneration, sitting fees or any other form of compensation is paid to any Board member, except to the Executive Director
- ◆ Travel reimbursements were made to Board members attending Board meetings and other office meetings
- ◆ Total costs of national level travels incurred by CA Staff and Board members during the year amount to Rs. 96,153/-
- ◆ No international travel happened during the year

Legal Compliances

- ◆ Credibility Alliance complies with statutory requirements of Income tax Act, 1961 and Foreign Contribution Regulation Act, 1976.
- ◆ All donor requirements were duly complied with.
- ◆ The Alliance followed a rigorous audit process. The statutory auditor with a fixed remuneration was appointed in the Annual General Body Meeting. Auditor's reports and financial statements are shared at length in the Annual General Meeting.

Salary Distribution as on March 31, 2012

Monthly Salary of Staff Members (in Rs.)	Men	Women	Total
< = 5,000	1	0	1
5,001 – 10,000	0	0	0
10,001 – 25,000	3	4	7
25,001 – 50,000	0	0	0
50,001 <	0	1	1
Total	4	5	9



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Our Team

Credibility Alliance adopts highly professional work practices to create an inclusive environment in which employees are valued the most. The Alliance has a team of qualified and dedicated professionals coming from diverse backgrounds like communications, finance and accounts, and commerce.

The organization went through the following transformations during the year:

- ◆ With Ms. Kanchan Tuli moving out of the position of Executive Director in April 2011, Ms. S. P. Selvi took over as Executive Director with effect from September 01, 2011.
- ◆ Ms. Aditi Singh, Mr. Deepanshu Srivastava and Mr. S.N. Srivastava moved out of the organization.
- ◆ Following new colleagues joined the Alliance in January 2012:
 - Aman Deep Kaur – Manager (Documentation and Communication)
 - Nipun Wadhawan – Finance and Administration Officer
 - Pradeep Kumar – Accreditation Coordinator

Team at Head Office



Rajiv Kumar, Nipun Wadhawan, Tejinder Kaur, S.P. Selvi, Aman Deep Kaur, Pradeep Kumar (L-R)

Regional Coordinators



Cedric Peters



Veena Gondhalekar



S. Suseela



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Finance

RESPONSIBILITY STATEMENT BY THE MANAGEMENT

Credibility Alliance Confirms:

1. The Annual Accounts, have been prepared on the basis of the Accounting policies adopted by the organization with compliance to Accounting Standards wherever necessary.
2. Sufficient care has been taken for the maintenance of Accounts as per the applicable legal statutes of India.
3. The Statutory Auditors have performed their task in an independent manner and the management letter submitted by the Statutory Auditors has been considered by the management.
4. During day to day operations of the organization, ethical accountability, value of money and environmental concerns has been given highest priority.

No part of the income during the previous year has been applied and used directly for the benefit of :

- a. The author or founder of the organization
 - b. Any person who has made a substantial contribution to the organization
 - c. Any relative of the Member of the Governing Board
 - d. Any concerns in which the above mentioned category of persons have substantial interest
(As required under Sec. 13(3) of Income Tax Act, 1961)
5. None of the members of the Governing Board has been given any honorarium and none of them occupies a place of profit in the organization.



S. Sahoo & Co.
Chartered Accountants



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**Audit report under Section 12A(b) of the Income-tax Act, 1961,
in the case of charitable or religious trusts or institutions**

We have examined the Balance Sheet of **"CREDIBILITY ALLIANCE"** PAN: **AAAAC2595B** as at 31st March, 2012 and the Income & Expenditure account for the year ended on that date which are in agreement with the books of account maintained by the said institution.

We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of the audit. In our opinion, proper books of account have been kept by the head office and the branches of the above named trust/institution visited by us so far as appears from our examination of the books, and proper returns adequate for the purposes of audit have been received from branches not visited by us, subject to the comments given below :-

In our opinion and to the best of our information, and according to information given to us, the said accounts give a true and fair view:-

- (i) In the case of the Balance Sheet, of the state of affairs of the above named institution as at 31st March, 2012, and
- (ii) In the case of the Income & Expenditure Account the Surplus or Deficit of its accounting year ending on 31st March, 2012.

The prescribed particulars are annexed hereto.



S. Sahoo
For and on behalf of
SSAHOO & CO.
Chartered Accountants
CA. Subhajit Sahoo, FCA
Partner
MM NO: 057496
FRN:- 022052E

Place: New Delhi

Dated: 31st July, 2012

111, SARAN SINGH COMPLEX, MUNIRKA, NEW DELHI-110067. TEL.: 26181253, 4100039 MOB.: 98102 12917
B/O: DIS. Q.E. BLOCK, SECTOR-III, D&T LAKH, KOKATA - 700 061
M.O.: 202 205, RAHEED NAGAR, BHUBANESWAR - 751 007, P.L.: 0674 2340091, 0674-254 4464
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Credibility Alliance



Improving Governance
Building Trust

CREDIBILITY ALLIANCE
B-32, Tara Crescent, Qutab Institutional Area, New Delhi-110016

BALANCE SHEET AS AT 31ST, MARCH, 2012			
		Amount (Rs)	
SCHEDULE	F.Y.2011-12	F.Y.2010-11	
SOURCES OF FUNDS			
I. FUND BALANCES:			
a. General Fund	(01)	4,878,175.00	4,059,551.00
b. Corpus Fund		535,000.00	535,000.00
c. Asset Fund	(02)	492,368.00	301,622.00
		5,903,543.00	4,896,173.00
II. LOAN FUNDS:			
a. Secured Loans		-	-
b. Unsecured Loans		-	-
		-	-
TOTAL Rs.	(I + II)	5,903,543.00	4,896,173.00
APPLICATION OF FUNDS			
I. FIXED ASSETS			
Gross Block	(03)	1,403,590.00	1,035,220.00
Less: Accumulated Depreciation		823,842.00	638,354.00
Net Block		579,748.00	396,866.00
II. INVESTMENTS			
		1,035,000.00	1,035,000.00
III. CURRENT ASSETS, LOANS & ADVANCES:			
a. Loans & Advances	(04)	183,404.00	117,349.00
b. Other Current assets	(05)	310,351.00	450,781.00
c. Cash & Bank Balance	(06)	4,850,304.00	10,121,934.00
	A	5,353,059.00	10,690,064.00
Less: CURRENT LIABILITIES & PROVISIONS:			
a. Other Current Liabilities	(07)	209,840.00	1,272,797.00
b. Unspent Grant Balance	(08)	860,424.00	5,952,930.00
	B	1,064,264.00	7,225,717.00
NET CURRENT ASSETS	(A - B)	4,288,795.00	3,464,347.00
TOTAL Rs.	(I+II+III)	5,903,543.00	4,896,173.00

Significant Accounting Policies and
Notes to Accounts
The schedules referred to above form an
integral part of the Balance Sheet.

IN TERMS OF OUR REPORT OF EVEN DATE



For & on behalf of
S. SAHOO & CO.
Chartered Accountants
S. Sahoo
(CA. Subjit Sahoo, FCA, (Ib)
Partner
MM No. 057426
Firm Regn No. - 322952E

Place: New Delhi
Date: 30.07.2012

For,
CREDIBILITY ALLIANCE
Jagadananda
(Jagadananda)
Chairperson
Bhushan Punani
(Bhushan Punani)
Treasurer

S. Pangayarselvi
(S. Pangayarselvi)
Executive Director

CREDIBILITY ALLIANCE
B-32, Tara Crescent ,Qutab Institutional Area, New Delhi-110016



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INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31/03/2012			
		Amount (Rs)	
	SCHEDULE	F.Y.2011-12	F.Y.2010-11
I. INCOME			
Grant in Aid	[09]	5,082,508.00	6,082,923.00
Donation		101,051.00	281,881.00
Earmarked Donation		189,800.00	1,250,450.00
Other Income	[10]	109,974.00	661,267.00
Bank Interest		324,184.00	536,625.00
Interest on Fixed Deposits		239,119.00	206,011.00
TOTAL Rs.		6,056,634.00	8,999,157.00
II. EXPENDITURE			
Programme Related Expenses	[11]	5,196,890.00	6,767,576.00
Office & Administrative Expenses	[12]	4,846.00	146,947.00
Amount Receivable Written off During The Year		16,500.00	-
Depreciation	[03]	185,448.00	71,599.00
Less: Depreciation transferred to Asset Fund	[03]	183,974.00	49,764.00
TOTAL Rs.		5,240,010.00	6,945,460.00
III. EXCESS OF INCOME OVER EXPENDITURE	[I - II]	816,624.00	2,053,697.00
IV. EXCESS OF INCOME OVER EXPENDITURE TRANSFERRED TO GENERAL FUND		816,624.00	2,053,697.00
Significant Accounting Policies and Notes to Accounts	[18]	-	-

The schedules referred to above form an integral part of the Income & Expenditure Account.

IN TERMS OF OUR REPORT OF EVEN DATE

For & on behalf of:
S.SAHOO & CO.
Chartered Accountants

For:
CREDIBILITY ALLIANCE



[CA Subhjit Sahoo, FCA, IIB]
Partner
MM No. 067420
Firm Regn No. - 322952E

[Jagadananda]
Chairperson

[Bhushan Punani]
Treasurer

Place: New Delhi
Date: 30-07-2012

[S. Pangayarselvi]
Executive Director

Credibility Alliance



Improving Governance
Building Trust

CREDIBILITY ALLIANCE
B-32, Tara Crescent, Qutab Institutional Area, New Delhi-110016

RECEIPTS & PAYMENTS ACCOUNT FOR THE YEAR ENDED 31/03/2012			
		Amount (Rs.)	
	SCHEDULE	F.Y.2011-12	F.Y.2010-11
RECEIPTS			
<u>Opening Balance</u>			
Cash in Hand		-	-
Cash at Bank		4,621,934.00	5,043,997.00
Fixed Deposit With Banks		6,535,000.00	1,035,000.00
TDS Receivable:		100,343.00	180,195.00
Grant Received	[13]	165,000.00	8,390,193.00
Earmarked Donation		294,100.00	1,191,450.00
Donation		101,051.00	261,981.00
Bank Interest		324,184.00	536,525.00
Interest on Fixed Deposits		254,808.00	48,528.00
Other Receipts	[14]	109,974.00	575,029.00
Loans & advances		14,121.00	-
TOTAL Rs.		12,520,605.00	17,272,738.00
PAYMENTS			
Programme Related Expenses	[15]	6,373,758.00	5,708,524.00
Office & Administrative Expenses	[16]	4,846.00	145,547.00
Loans & Advance	[17]	76,555.00	84,084.00
Non Recurring Exp		13,950.00	77,308.00
Cash & Bank Balance c/d		-	-
Cash in Hand		-	-
Cash at Bank		4,659,304.00	4,621,334.00
Fixed Deposits with Banks		1,035,000.00	6,535,000.00
TDS Receivable		157,192.00	100,343.00
TOTAL Rs.		12,520,605.00	17,272,738.00

Significant Accounting Policies and
Notes to Accounts [18]
The schedules referred to above form an
Integral part of the Receipts & Payment Account.

IN TERMS OF OUR REPORT OF EVEN DATE



For & on behalf:
S.SAHOO & CO
Chartered Accountants

[CA. Subjit Sahoo, FCA, IFB]
Partner
MM No. 057426
Firm Regn No. - 322952E

Place: New Delhi
Date: 30.07.2012

For:
CREDIBILITY ALLIANCE

[Jagadananda]
Chairperson

[Bhushan Punani]
Treasurer

[S. Pangayarselvi]
Executive Director

CREDIBILITY ALLIANCE

B-32, Tara Crescent, Outab Institutional Area, New Delhi-110016

Schedule (03) FIXED ASSETS

DESCRIPTION	GROSS BLOCK		AS AT 31.03.2012	UPTD. 01.04.2011	DEPRECIATION		NET BLOCK		RATE OF DEP.
	> 180	180 <			FOR THE YEAR	UPTD. 31.03.2012	AS AT 31.03.12	AS AT 31.03.11	
A. Asset out of Grant fund									
Furniture & Fixtures	366,974.00	-	388,914.00	152,646.00	21,428.00	174,074.00	192,840.00	214,268.00	10%
Office Equipments	126,284.00	24,547.00	155,564.00	81,460.00	11,509.00	92,969.00	72,595.00	44,804.00	15%
Computer	58,161.00	119,200.00	215,361.00	57,920.00	83,063.00	140,983.00	74,378.00	241.00	60%
Laptop	202,240.00	-	286,240.00	201,105.00	25,881.00	226,986.00	59,264.00	1,135.00	60%
Mobile Phone	7,854.00	-	7,854.00	4,892.00	444.00	5,336.00	2,518.00	2,962.00	15%
Printer & Scanner	29,350.00	-	53,405.00	18,287.00	13,857.00	32,144.00	21,261.00	11,073.00	15%
UPS	-	24,045.00	49,875.00	-	3,741.00	3,741.00	46,134.00	-	-
Projector	65,000.00	-	65,000.00	40,486.00	3,677.00	44,163.00	20,837.00	24,514.00	15%
Server	30,000.00	-	30,000.00	29,877.00	74.00	29,951.00	49.00	123.00	60%
Computer in kind	2.00	-	2.00	-	-	-	2.00	2.00	-
TOTAL [A]	885,795.00	143,747.00	1,240,215.00	586,673.00	163,674.00	750,347.00	489,868.00	299,122.00	
B. Asset out of Own fund									
Office Equipments	8,669.00	-	8,669.00	3,840.00	724.00	4,564.00	4,105.00	4,829.00	15%
Furniture & Fixtures	25,131.00	13,950.00	49,131.00	2,230.00	4,690.00	6,920.00	42,211.00	32,951.00	10%
Laptop	58,500.00	-	50,500.00	42,120.00	9,828.00	51,948.00	6,552.00	16,380.00	60%
Printer & Scanner	47,075.00	-	47,075.00	3,531.00	6,532.00	10,063.00	37,012.00	43,544.00	15%
TOTAL [B]	149,425.00	13,950.00	163,375.00	51,721.00	21,774.00	73,495.00	89,880.00	97,704.00	
GRAND TOTAL [A+B]	1,035,220.00	157,697.00	1,403,590.00	638,394.00	185,448.00	823,842.00	579,748.00	396,826.00	



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Abridged Financial Statements

BALANCE SHEET

Liabilities	2011-12	%	2010-11	%	Assets	2011-12	%	2010-11	%
General Fund	4,876,175	70	4,059,551	34	Fixed Assets	579,748	8	396,826	3
Assets Fund	492,368	7	301,622	2	Current Assets	310,351	4	450,781	4
Corpus Fund	535,000	8	535,000	4	Deposit and Advances	183,404	3	117,349	1
Unutilized Grant	860,424	12	5,952,930	49	Cash and Bank Balance	4,859,304	70	10,121,934	83
Current Liabilities and Provision	203,840	3	1,272,787	11	Investments	1,035,000	15	1,035,000	9
TOTAL	6,967,807	100	12,121,890	100	TOTAL	6,967,807	100	12,121,890	100

INCOME AND EXPENDITURE

Income	2011-12	%	2010-11	%	Expenditure	2011-12	%	2010-11	%
Self Generated:					Programme Expenses:				
Membership Fee	16,375	-	211,125	2	Staff Support	2,184,504	36	924,546	10
Earmarked Donation	189,800	3	1,250,450	14	Meeting and Travel	1,057,896	17	471,488	5
Donation	101,051	2	261,881	3	Publication and Website	271,250	4	63,445	1
Grant United Way Mumbai	6,667	-	124,260	2	Accreditation Programme	99,459	2	184,167	2
Interest	563,303	9	742,636	8	Programme Expenses (Capacity Building, Consultancy)	1,118,614	18	4,931,273	55
Others	93,599	2	450,142	5					
					Administration Expenses:				
International Sources:					Office Expenses & Bank charges	4,846	-	146,947	1
Grant Ford	5,085,839	84	4,468,453	50	Office Rent	465,167	8	170,599	2
Grant Canadian High Commission	-	-	1,190,210	13	Audit Fee	-	-	22,060	-
Oxfam India Trust	-	-	300,000	3	Amount Receivable Written off	16,500	-	-	-
					Depreciation	21,774	1	30,935	1
					Excess of Income over Expenses	816,624	14	2,053,697	23
TOTAL	6,056,634	100	8,999,157	100	TOTAL	6,056,634	100	8,999,157	100

(The financial statements have been drawn from audited statements)

Future Focus

The Alliance has identified the following as the future areas of focus:

- ◆ Emerge as a network of credible and accountable organizations
- ◆ Gain endorsements from the government and other key donors
- ◆ Emerge as a strong capacity building institution in the areas of transparency and accountability in collaboration with other support organizations and training institutions

Conclusion

With a vision to have all voluntary organizations practicing norms and standards of good governance and strong accountability, Credibility Alliance looks forward to entering into another year wherein various new steps and initiatives are to be implemented and strengthened. CA sincerely acknowledges and appreciates the immense support of its partners and supporters towards such a noble mission.

The journey so far would not have been possible without the support of Ford Foundation. CA takes this opportunity to mention a special note of gratitude to Ford Foundation for their continuous institutional support.

CA is also thankful to its Board members for their constant support and guidance, and extends the appreciation to the entire staff for their commitment and cooperation.

We hope and aspire to continue to work with all with far more enthusiasm and passion as the years pass.



Improving Governance
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Gratitude

Credibility Alliance sincerely thanks all its partners, donors, supporters and well-wishers for their constant support and guidance. To name a few,

- Ford Foundation
- Canada Fund for Local Initiatives (CFLI)
- David and Lucile Packard Foundation
- Fair Trade Forum
- Guide Star India
- Give India
- Municipal Corporation of Greater Mumbai
- Oxfam India
- Plan International
- Public Affairs Centre, Bangalore
- Sightsavers
- VSO India
- WaterAid



CA also conveys its gratitude to all its accredited voluntary organizations

Support our Work

Credibility Alliance is a 'movement' to change the face of Indian Voluntary Sector. We have embarked upon this long enduring journey with the hope and faith that your generous support is always with us. We are able to work and carry out our functions only because of the continued support of our donors, partners, supporters and well-wishers. We continue to seek your help in our endeavors to ensure improved accountability and governance practices amongst the voluntary agencies for building trust in the Indian non-profit sector. We heartily welcome any small support that you would like to provide to us to make a beginning with. You can support us by:

- Helping us reach our message wide across
- Supporting the accreditation of one grassroots level voluntary organization (having annual receipt up to Rs. 25 Lacs) in the form of a donation of Rs. 15,000/-
- Supporting one of our workshops by providing us with a donation of Rs. 20,000/-

Please send in your cheques/ drafts payable at Delhi to '**Credibility Alliance**' and mail it to our Head Office: 112, First Floor, Jyoti Shikhar Building, District Centre, Janakpuri, New Delhi- 110 058.

For more information, please write to us at info@credall.org.in or visit www.credibilityAlliance.org.

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



Improving Governance
Building Trust

Credibility Alliance

112, First Floor,
Jyoti Shikhar Building,
District Centre, Janakpuri,
New Delhi-110 058

Call us at: 011-64722849

Write to us at: info@credall.org.in

We also have regional presence at
Mumbai, Chennai and Kolkata.

Please visit our website:

www.credibilityalliance.org

to get more information about our work.