

Primer on the Social Stock Exchange

Financial Considerations and Requirements

Annual disclosure by NPOs on SSE raised funds through SSE or are registered with SSE

Disclosures on General aspects:

- Name of the organisation (legal and popular name), Location of headquarters and location of operations
- Vision / Mission / Purpose, Organisational goals, activities, products, and services
- Outreach of organisation (Type and number of direct, indirect and institutional beneficiaries / stakeholders reached)
- Scale of operations (Including Employee and Volunteer strength)
- Details of top donors or investors of organisation, Details of top 5 programs in disclosure period

Disclosures on Governance aspects:

- Ownership and legal form, Governance Structure (outlines board and management committee structures, mandates, membership, charters, policies and internal controls)
- Details of governing body including names of the members of the body
- Executives with key responsibilities
- Number of meetings by governing body and other committees formed by them along with attendance and the process of performance review
- Organisation level potential risks and mitigation plan, Reporting of related party transactions
- Mechanisms for advice and concerns about ethics, along with conflict of interest and communicating other critical concerns
- Remuneration Policies
- Stakeholder grievance, process of grievance redressal and number of grievance received and resolved
- Compliance management process and statement of compliance from senior decision maker
- Organisation registration certificate and other licences and certifications (12A, 80G, FCRA, GST, etc.)

Disclosures on Financial aspects:

- Financial Statement (Balance Sheet, Income statement and Cash Statement), also program wise fund utilisation for the year
- Auditors report and auditor details

Best practices for building financial framework:

- Prepare organisational budget and monitor it, Mechanism for fund utilisation tracking and project/location level accounts
- Automated and scalable systems and policies, Ensure objects and incorporation documents are aligned
- Staffing for internal and external finance support
- Adhere to Statutory compliances: Income Tax Act (renewal and open assessments), Labour law (PF, ESIC, POSH), State level compliances (S&E, PT), Other applicable laws (TDS, FCRA, GST)
- Accurate presentation of financial statements

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