



FINANCIAL AND ACCOUNTING MANUAL

**SNEHAKUNJA TRUST
TONKA, KASARKOD
HONNAVAR - 581342**

TABLE OF CONTENTS

1	INTRODUCTION	4
1.1	SCOPE OF THE MANUAL.....	4
1.2	UPDATE OF THE MANUAL	4
1.3	RESPONSIBILITIES OF USER STAFF	4
2	ACCOUNTING POLICIES & PROCEDURES	5
3	RURAL DEVELOPMENT AND FCRA PROJECTS	6
3.1	FINANCIAL ACCOUNTING OF FCRA AND R&D PROJECTS	7
4	CASH HANDLING	8
4.1	CASH ACCOUNT AND TRANSACTIONS.....	8
4.2	WITHDRAWAL OF CASH FROM BANK.....	8
4.3	CASH PAYMENTS.....	8
4.4	CASH VERIFICATION	9
4.5	CONTROLS TO BE EXERCISED	9
4.6	PETTY CASH.....	9
4.7	LOCAL PURCHASE ORDER (LPO).....	10
5	SALARIES AND ADVANCES.....	10
5.1	SALARIES	10
5.2	TRAVEL EXPENSES	11
6	OPERATING BANK ACCOUNTS	11
6.1	BANK ACCOUNT	11
6.2	AUTHORISED SIGNATORIES	11
6.3	CLOSING OF BANK ACCOUNTS	11
7	INVOICE VALIDATION.....	11
7.1	CHECKS TO BE DONE BEFORE PASSING A VOUCHER FOR PAYMENT	11
7.2	SUPPORTING DOCUMENT FOR VOUCHERS	12
8	MAINTAINING A CASH BOOK.....	13
9	ACCOUNT BOOKS AND DOCUMENTS TO BE MAINTAINED.....	13
10	PROCUREMENT, STOCK & INVENTORY	14
10.1	PURCHASING.....	14
10.2	GENERAL PROCEDURES	14
10.3	PURCHASING CAPITALS ASSETS	14
10.4	MAINTAINING A STOCK REGISTER	15
10.5	ACCOUNTING FOR DISPOSAL OF ASSETS	15
11	FINANCIAL PLANNING & BUDGETING	15
11.1	BUDGETS & APPROVALS	15

11.2	BUDGET MANAGEMENT	16
12	REPORTS	16
12.1	MONTHLY ACCOUNTS	16
12.2	MANAGEMENT INFORMATION REPORT	16
13	LEGAL & STATUTORY MATTERS.....	17
13.1	INCOME TAX – TDS	17
14	AUDIT	18
14.1	EXTERNAL AUDIT	18
14.2	COST OF EXTERNAL AUDIT/RATING.....	18
15	ANNEXURE	19
15.1	PAYMENT VOUCHER	19
15.2	CASHBOOK	19
15.3	EXPENSE FORMAT.....	20
15.4	PROFORMA ADVANCE REQUISITION	21
15.5	PURCHASE ORDER/PROCUREMENT ORDER	22
15.6	FIXED ASSESTS REGISTER.....	23
15.7	STOCK BOOK REGISTER	23
15.8	PROFORMA OF BUDGET	23
15.9	FIELD/ IN-STATION TRAVEL CLAIM FORMS	24

1 INTRODUCTION

1.1 SCOPE OF THE MANUAL

The manual describes the accounting policies, systems and procedures to be used by Snehakunja Trust. It has been developed to set out the accounting policies and procedures that will.

- 1) Ensure that SKT's books of accounts are prepared to conform to sound accounting principles and practices.
- 2) Enable the management to obtain accurate and timely financial reports on monthly basis, thereby promoting sound financial management.
- 3) Ensure correct and accountable use of funds and other resources. The approach used is in line with generally accepted accounting principles and organizations best practicereporting requirements.

The main purpose of the manual is:

- a) To assist in the maintenance of controls.
- b) To provide a resource book for monitoring of financial resource.
- c) To be used as a reference document by the staff, management, auditors and otherstakeholders.

1.2 UPDATE OF THE MANUAL

The update of the manual is the responsibility of the finance committee headed by the treasurer consisting of concerned authorities from finance & accounts as well as department head and approved by the Chief functionary of organization.

1.3 RESPONSIBILITIES OF USER STAFF

All personnel with a role in the management of SKT financial operations are expected to uphold the policies in this manual. It is the intention of the trust that this accounting manual serves as our commitment to proper, accurate financial management and reporting.

2 ACCOUNTING POLICIES & PROCEDURES

The funds of the trust shall consist of

- 1) Permanent Corpus Fund,
- 2) Revenue Fund
- 3) Special fund if any set up with a specific purpose.

1. Permanent Corpus Fund and interest earned from the permanent fund: The Corpus Fund shall be available to be utilized in exceptional circumstances, where the survival of the organization is at threat. Carpus fund shall consist of donations, Interest accrued on FDs, Dividend/profit earned from Investment e.g. Mutual Fund or any other approved Investments (bonds & Securities). Annual accrued income from corpus fund shall be utilized for infrastructural development, purchase of property & assets, any other emergency expenditure approved by the trust.

The interest earned from the investments of the Corpus Fund shall be used for reconstruction, restoration & repairs & maintenance of assets, properties and purchase of new property. The goal of the Corpus Fund is to create and maintain the capital assets and not for meeting the other operating expenditure. However, the Board of Trustees in the event of disruption in normal fund flows could allow the utilization of the corpus fund for meeting any disasters and/or urgent needs. If replenishment is not possible due to reasons beyond the control of Trust after the designated period, the Governing Body will decide through a resolution about its accounting.

2. Revenue Fund shall consist of income earned from the property (including agricultural property), assets and other current income. Revenue Funds means the current revenues, incomes, receipts, rentals, rates, charges, fees, grants, and tuition levied or collected from any public or private source, including interest or other income from those funds. The income generated from regular business activities such as hospital services (Medical Services & Pharmacy), Farm income and the institutional service charges accrued from R&D projects including FCRA projects.

3. Special funds The Trustees may at any time accept or collect donations earmarked for any specific purpose or project in furtherance of the object of the trust and the funds so earmarked for any specific purpose shall be a special fund for that purpose. The Special fund shall be administrated or utilized according to the stipulated object. After the completion of the specified object of the Special Fund the residuals if any in a special fund shall be credited to the general income.

Investments in Financial Assets:

A) The trust shall invest its funds in any one or more of the nationalized banks, co-operatives or scheduled banks in the name of the trust or in such other investments which are in conformity with Section 13 read with Section 11(5) of the Income Tax Act 1961 or any other similar law for the time being in force.

B) The Trust may avail special loans, subsidies, grants from State or Central Government, banks, and other funding agencies for the projects of the Trust on terms and conditions, they may deem proper in the interest of the Trust.

C) The Trustees shall from time to time make such rules and regulations as are necessary for the smooth administration of the Trust property and the Trust Activity. These rules and regulations must not however contradict the provisions of Section 80(G) of the Income Tax Act.

3. RURAL DEVELOPMENT AND FCRA PROJECTS:

Snehakunja is expanding its activity into Research and development (R &D) to mobilize funds to undertake project-based activities in the areas of health, education, conservation, livelihoods, value chain development, and other socially relevant areas and execution of development work. The Trust may seek funding from State, Central government agencies, national and international donor agencies and autonomous organizations. The financial and accounting management of all projects shall be in conformity with the FCRA rules, terms and conditions of the donors and the Trust Byelaws.

3.1. FINANCIAL ACCOUNTING OF FCRA AND R&D PROJECTS:

- 1) FCRA project fund should be credited to the FCRA designated bank account i.e., SBI, New Delhi and utilization bank is Bank of Baroda, Honnavar.
- 2) FCRA fund shall be utilized only for the activities covered under the project and the rules made there under and shall not be diverted for any other purpose unless it is specially permitted by the appropriate authority.
- 3) Foreign contribution should not be transferred to any other FCRA registered or non-registered organizations.
- 4) Project funds received from the domestic agencies should not be credited to FCRA Bank Account.
- 5) All types of foreign currencies received for a specified purpose should be operated through the designated FCRA bank account
- 6) The administrative expenditure as defined under the Act shall not exceed 20% of the project budget unless it is permitted under appropriate rules.
- 7) The assets and properties acquired from the FCRA projects should be maintained in a separate account and sales revenue accrued from sale of

- such property if any shall be credited to FCRA account only.
- 8) A minimum 10% of the sanctioned project budget shall be allocated as Institutional Service Charges (ISC) which shall be utilized for the maintenance of institutional infrastructure, accounting and auditing of the project finance and office maintenance. The Trust may relax such conditions when the project is funded by directly State and Central government bodies. The Institutional Services charges of 10% of budget should be part of the proposal and clearly earmarked and allocated from the sanctioned budget under the clause acceptable to the donor agencies. Such funds shall be at the discretion of the Trust to be utilized for maintaining the institutional infrastructure and support services and shall not be available for any project expenditure.
 - 9) All assets and equipment acquired from project funds shall be returned to the Trust after the project period is completed. Such assets and equipment shall be entered in the regular stock register.
 - 10) The consultant / officer engaged /recruited for multiple projects should specify the number of days/month and respective payments for each assignment.
 - 11) All international/interstate travel programs should be approved by the PI in advance
 - 12) The approved monthly planned activities and progress of the project should be reported to the trust within the first week of every month.
 - 13) The monthly work report and payment voucher of the individual consultant/staff to be submitted to Snehakunja Trust before 5th of every month.
 - 14) The schedule of all the training and capacity building workshops organized as part of the ongoing FCRA projects and the proceedings along with list of participants, resource persons, photos statement of expenditure with corresponding receipts should be submitted to the Trust within one month after the program is completed.
 - 15) The procurement of construction materials/buildings, building material is not permitted as per FCRA guidelines. All payments towards procurements should be paid directly to the beneficiary as per the budget.
 - 16) Project administrative cost should not exceed 20% of the budget.
 - 17) Project executive report should be submitted quarterly to the Snehakunja Trust
 - 18) While requesting advance for the project implementation and field travel,

breakup should be submitted and present the bills as per the breakup within one month or before the next advance request. He/she is responsible for the advances taken.

- 19) Movable fixed assets purchased for the project staff should be returned to the Snehakunja Trust immediately after the completion of the project.
- 20) Any HR recruitment, exceeding the payment of Rs.25000 the principal investigator should be involved in the selection process.
- 21) It is desirable that the Trust should invest in the development of its neighborhood and it is expected that one of the locations of any project shall be Western Ghats of Uttara Kannada and /or Karnataka coast.

4. CASH HANDLING

4.1. CASH ACCOUNT AND TRANSACTIONS

Cash transactions are to be resorted only for petty expenses and when /where banking facilities are not available. As per Income Tax Rules, no claim exceeding Rs.20,000/- should be settled through cash payments. These should invariably be by account payee cheques only. As a matter of procedure and control, the attempt should be to minimize the number of cash transaction.

4.2. WITHDRAWAL OF CASH FROM BANK

1. The Cash Withdrawal Form/Money Indent to be filled up and signed by the staff handling cash.
2. The cash balance available and the estimated expenses would need to be computed.
3. The authorized persons must verify the requirement before signing the cheque for withdrawal of cash.
4. The signature of the person presenting the cheque and receiving the cash should be attested on the backside of the cheque by one of the authorized signatories.
5. The Cash Account (Manual) to be updated for receipt of the Cash.

4.3. CASH PAYMENTS

- a. Cash payments will be made only after preparing the Payment voucher.
- b. The Voucher has to be approved by the competent authority.
- c. The Payee must sign the voucher for having received the payment.
- d. In case the competent person is not present, the voucher must be verified/approved by any other person standing-in for the person per before release of the payment.

- e. As per Income Tax Rules, no cash payment of more than Rs.20,000/- is permitted.
- f. The number of cash payments must be reduced by converting settlements throughcheque payments.

4.4. CASH VERIFICATION

- a. The competent authority should physically verify the cash balance occasionally andcompulsorily at the end of the month.
- b. The person handling the cash and the person in charge of finance should sign the Cash Account record and when the physical verification of cash is carried out.
- c. Any discrepancy noticed during the physical verification should be recorded and reportedin writing to the person concerned immediately.

4.5. CONTROLS TO BE EXERCISED

- a. Third parties should not be allowed access to the accountant or the safe. Cash should bepaid to them in the front office.
- b. Only one designated person should be handling the cash.
- c. A fixed period has to be fixed for cash disbursements. Only emergency payments can be released during other times.
- d. Maximum and minimum cash limits to be strictly observed.
- e. Accounting of cash receipts/payments is done on a daily basis.

4.6. PETTY CASH

- a. Petty cash shall be maintained on an imprest basis. At any given time, the cash and receipts in the cash box shall total the imprest level. The level shall be maintained at Rs 10,000, will be revised from time to time as and when required
- b. Only the cash handling incharge will handle petty cash. Actual cash will be spot-checked and verified by the supervisor/finance manager at least once per week. The staff person in charge of the fund will reimburse for any discrepancies.
- c. An authorized competent/finance manager on a pre-numbered voucher must sign all requests for petty cash.
- d. The cash and vouchers shall be kept in locked box or safe.

4.7. LOCAL PURCHASE ORDER (LPO)

- a. All LPOs shall be the authorized instruments to order for new supplies.

- b. The LPO requests the supplier to supply goods or services as per details stated therein, and promises to pay on receipts of an invoice thereof.
- c. The information on this form is the supplier's name, address, and date, name of the requisition, delivery note number, and invoice number, details of goods or services to be supplied or rendered.
- d. The Finance/Accounts manager and the accountant must authorize the LPO.

5. SALARIES AND ADVANCES

5.1. SALARIES

The following is the procedure on salaries: -

- a. All temporary / regular employees shall be issued with appointment letters signed by the organization head and employee-sign filing acceptance of the terms and conditions set forth thereto. The appointment letter shall contain the initial salary, responsibilities, duties and the general terms and conditions.
- b. Subsequent changes in salary, responsibilities, duties, terms or conditions of employment shall be communicated to the employee in writing.
- c. A personal file shall be opened for every employee. Copies of job application letters, Appointment letters and any other correspondence between employer and the employee shall be kept in this file.
- d. A salaries schedule showing the gross pay, advances, deductions and net pay shall be prepared by the accountant, monthly checked and verified by the Finance manager/HR manager and approved by the organization head prior to the preparation of payment vouchers and the cheque.
- e. A personal data card shall be opened for each member of staff. Salaries shall be paid by cheque/neft transfers through the respective bank accounts.
- f. Employees shall be issued with a monthly pay slip, which will show the computation of his/her net salary if required.
- g. Signing the payment vouchers for the net pay, and the monthly transfer sheets where applicable shall evidence authorization of salary payments.

5.2. TRAVEL EXPENSES

Travel expenses incurred by regular staff, consultants, project staff or any other authorized person shall be reimbursed according to the regulations set out in the Human Resource Policies and Procedures Manual. The regular & Project staff may

claim Travel advances to perform approved tour program.

6. OPERATING BANK ACCOUNTS

6.1. BANK ACCOUNT

One bank account for the funds shall be opened in a any bank scheduled or bank approved by RBI. Necessary authorization to open any bank account or alter its manner of operation would need to be got in writing from the necessary authority.

6.2. AUTHORISED SIGNATORIES

The trust shall open any type banking account/s in any bank as decided by the Board of Trustees in their meeting and the said bank account/s shall be operated jointly by any two of the three office bearers of the Trust namely, the President, the Secretary and the Treasurer. The authorized signatories to operate the bank accounts may be changed at any time by a majority decision of the Board with a notice to the Bank to that effect.

6.3. CLOSING OF BANK ACCOUNTS

Any bank account not required as assessed by the treasurer must be closed immediately. The Finance/Accounts person has to take the matter with the Competent Authority and procure in writing the obtaining necessary resolution. When it is decided to close a bank account, the following actions should be completed:

- a. Transfer balance in the account (leaving the minimum amount required) to the other bank account.
- b. Surrender all the cheque leaves to the bank under a receipt.
- c. After receipt of the resolution, deliver it to the bank under receipt and transfer the balance to another account.
- d. Confirm closure of the bank account and transfer of balance to the competent.

7. INVOICE VALIDATION

7.1. CHECKS TO BE DONE BEFORE PASSING A VOUCHER FOR PAYMENT

- a. Whether required supporting documents are present
- b. Checking the supporting document.
- c. Payment should be made only against a valid invoice in original.
- d. Approval by concerned person & authorized signatory.
- e. Verification of accuracy in accordance with the order/letter/other documents if any.

- f. Verification of numerical accuracy
- g. Checking of advance payments made if any or details of part payments made if any.
- h. Making sure that payment has not being made twice for e.g., by making all extra copies of bills as “extra copies” and by making all paid vouchers as paid.
- i. Ensure that payments are made on time.
- j. Cheques should make all major payments. Payment by cash should not be restricted to minor purchases and where inevitable.
- k. It should be ensured that the vouchers are not overwritten. In cases where it is necessary to correct the figures, the figures originally written should be scored out and the new figures entered. The person preparing the vouchers as well as authorizing payment should then initial the corrections made.

7.2. SUPPORTING DOCUMENT FOR VOUCHERS

- a. All bills should be in original. Payment should not be made against a quotation, Performa bill, and copy of a bill or a fixed bill.
- b. The person initiating the payment should authorize all supporting documents.
- c. It is the responsibility of each person who is responsible for buying goods/ services in the department to check each bill for its validity. i.e., check that the description of items, number of items, cost per unit and total cost, date of the bill and name of payee (i.e. name of project) are accurate. Payments should be made only after checking these details.
- d. Any mistake/ discrepancy should be pointed out to supplier /shopkeeper before payment and if an alteration is necessary, the supplier /shopkeeper should make the change right then and put his/her initials and date. If this results in a change in any of the amounts on the bill it is particularly important that supplier /shopkeeper clearly writes himself on the bill the payment received in words. The management reserves the right to accept such altered bills or not. A better option would be to obtain a fresh bill if possible.
- e. No other alteration in the bill by Department staff is normally permissible. If at all an alternate is unavoidable e.g., a mistake in the date by supplier which was not corrected such a bill should be brought to the attention of Head of the Department who should change it and initial it and a note should be put on the bill why alteration was necessary. The management

reserves the right to accept such bills or not.

- f. Invoices should only be in the name of the organization.
- g. Where bills are in local language, please indicate briefly in English the purpose item on the bill.

8. MAINTAINING A CASH BOOK

A cashbook is a primary book of entry that is prepared after a voucher for a particular transaction. The cash book records all transactions in which cash /bank receipts are involved.

- a) A double column cashbook that can act as a bankbook or a single column cashbook (in case a bank book is maintained separately) has to be maintained.
- b) No cutting or alterations should be made in the cashbook. Correction fluid should also not be used. Any mistake should be corrected by passing a rectification entry.
- c) Cashbooks have to be maintained regularly (as and when a transaction takes place). All cash balances should be linked up regularly.
- d) The Cashbook has to be tallied checked and signed by the competent authority or any other appropriate authority every month.
- e) Cashbooks should always remain at the office.

9. ACCOUNT BOOKS AND DOCUMENTS TO BE MAINTAINED

- a) Cash Payment/Receipt Vouchers & Book
- b) Bank Payment/Receipt Vouchers & Book
- c) Journal Vouchers and Journal
- d) Fixed Assets Register
- e) Contract/Registration Documents
- f) Attendance Register
- g) Budget Copies of various grants
- h) Utilization Certificates
- i) FCRA and other relevant Registration papers
- j) Copies of Consultancy agreements
- k) Capital assets approvals
- l) File of original bills of assets purchased
- m) Copies of all Contracts and agreements.
- n) Stationery Register

- o) File containing Bank Mandate and authorized signatories.
- p) Quotation file for all purchases
- q) Cheque issue register
- r) Donation receipt book & issue register

10. PROCUREMENT, STOCK & INVENTORY

10.1. PURCHASING

The purchasing function involves:

- a. Identification of needs, for goods and services,
- b. Identification of costs to cover the needs for those goods and services,
- c. Identifying the suppliers, procuring estimates (at least three)
- d. Negotiating favorable trading terms with them,
- e. Placing an order.
- f. Receiving the goods and/or services and paying for them
- g. Preparation of accounting and archiving expenditures.

10.2. GENERAL PROCEDURES

- a. The existing purchase policy of the organization must be followed.
- b. For all purchases of capital good, and goods purchased in bulk like stationary and other supplies, three quotations should be obtained. Then the final supplier is decided upon. However, justification should be given in case the lowest of quote is not selected. Quotations should be attached with the relevant vouchers while submitting the same checking.

10.3. PURCHASING CAPITALS ASSETS

- a. Any non-consumable item of equipment, needed to start program operations and major capital expenditures as outline in the plans and budgets are called fixed assets.
- b. In the case of capital asset purchases and consumables in bulk, it is always healthy to issue purchase orders clearly spelling out the terms and conditions of purchase.
- c. As mentioned above, all non-consumable items of expenditure should be purchased with three quotations. It is important here to understand that attractive asserts like camera, tape recorder etc. also from part of fixed assets, even though their value might not be very high. Office equipment and IT equipment will also from part of the fixed assets.

- d. All incidental charges, which are incurred to get the asset to the place where it is situated and to get the asset into operating condition, must be added to the cost of the asset.
- e. An inventory of the capital assets should be maintained and updated from time to time.
- f. It is suggested that the fixed assets register is approved and signed by the competent authority after it is updated every six months or annually.
- g. All assets must be given an identification number and such number must be painted on the asset. This number should also be mentioned in the fixed assets register.
- h. Physical verification of assets should be undertaken (preferably by an office bearer or someone of adequate authority) at least once a year. All additions, deletions, modification etc. should be recorded.
- i. Contracts Register (for all contracts issued with payment details and other particulars)

10.4. MAINTAINING A STOCK REGISTER

- a. This is to be maintained at the office where the goods are purchase or stored centrally.
- b. This register shall be updated on the receipt's column as and when fresh stocks arrive. It is important that the person responsible for the stocks initials the quantity in the stock book.
- c. All issues shall be recorded immediately in the stock register and this must be update on a daily basis.
- d. The stock registers should be maintained on a FIFO (first in first out basis).

10.5. ACCOUNTING FOR DISPOSAL OF FIXED ASSETS

- a. The board of organization must approve disposal of fixed assets. No assets should be disposed of without the written authorization of the board.
- b. On the strength written authorization by the board, the management should invite public bids for the purchase of the asset.
- c. If the disposal is a cash sale, the accountant should issue a general receipt.

11. FINANCIAL PLANNING & BUDGETING

11.1. BUDGETS & APPROVALS

It is necessary that for every activity taken up by us to be interpreted in financial terms and get the approval of the concerned competent authority. Such

interpretation takes the form of budgets detailing each and every component of the activity so that a clear evaluation of the total activity and the components thereof can be made by before approval.

11.2. BUDGET MANAGEMENT

Review of budget provision & Utilization should be undergone in the half yearly trust Meeting.

12. REPORTS

12.1. MONTHLY ACCOUNTS

The financial reports and schedules as prescribed below should reach the relevant persons before the 10th of the following month.

The following reports on financial information will be produced by Accounts for internal and external use.

12.2. MANAGEMENT INFORMATION REPORT

The Finance/Accounts Officer prepares and consolidates the Reports and submits it to the Relevant Persons/ Management every year.

This report is under 6 heads and is explained below:

Bank & Cash Balances: This will reflect the utilization of funds received and also will furnish broad indication of how much has been spent on Grants and on office/admin expenses. The opening and closing balances should be with the Bank Book.

Analysis of Expenses against Budget: This is the variance report on Management of Expenses budget and reflects whether the trend of expenses have to be reviewed in order to avoid any negative variation and take corrective action as necessary. Every positive and negative variance has to be commented upon citing reasons for variance and corrective action proposed.

Grant Utilization Status: It is necessary to review on a monthly basis the utilization status of grant budget in order to ensure that the actual spending is as per the planned budget and the phasing of utilization.

Statutory Compliance:(TDS, P. Tax, I. Tax, Sales Tax etc.): The implications of non-compliance of statutory provisions are very serious and it is therefore necessary that the management is kept informed about the compliance or otherwise of these provisions, this report becomes useful for managers to monitor adherence

to the requirements and due dates.

13. LEGAL & STATUTORY MATTERS

INCOME TAX – TDS

Deduction of Tax at source from all eligible payments is the responsibility and liability of the Organization. Failure to deduct tax and issue certificates for such deductions within the stipulated time attracts penalty under the Income Tax Act.

As the rates of tax deduction change periodically, the finance department would indicate the applicable rate of tax deduction as and when there is any change in the rates. If you are in doubt about the applicability of tax deduction, it is better to check with the FO to be on the safer side.

Although the Income Tax Act specifies the upper limit of amount of payment in a financial year beyond which tax has to be deducted, it is better to start deducting tax right from the first payment, irrespective of the value, if we are likely to deal with such party in future also. This will ensure that no payment escape deduction of tax even by oversight.

The tax deducted during a month has to be deposited to the government account latest by 7th of the subsequent month. It is necessary that separate challans are filled in for each category of tax deduction like Contracts, Rent, Brokerage, Payments to professionals, etc. (the due date of 7th is taken for credit to the government account and not the date of deposit. It is therefore necessary to do the deposit one or two days before 7th. After deposit of tax, the office will prepare the TDS Certificate in Form 16A and forward it to the competent authority for signature, together with the original challans and a statement of tax deductions.

Snehakunja Trust is having an approved trust under the provisions of the following sections of the Income Tax Act & other Govt. of India agencies.

1. Registered under Bombay Trust Act 1950: E-237 (KWR) (14/07/1976)
2. PAN Number: AABTS6477L (14/07/1976)
3. TAN Number: BLRS18569F (01/03/2019)
4. 80G – Registration Number: S-111/80G(R)/CIT/MNG/2007.08 (27/06/2007)
5. 12A – Registration Number: PRO./718/10A/VOL BII,583 (20/11/1976)
6. FCRA – Registration Number: 094600023 (13/08/1985)
7. GST – Registration Number: 29AABTS6477L2ZN (11/08/2022)

8. NGO Darpan - Unique ID No: KA/2018/0215716 (11/01/2019)
9. CSR – Registration Number: CSR00006998 (28/05/2021)
10. Professional Tax registration Number: 330937452 (21/10/2022)

14. AUDIT

14.1. EXTERNAL AUDIT

The Auditor so appointed shall audit of the books of accounts as per the terms of reference given to them. The Auditor shall have access to all the Audit reports of the grantees and sub-recipients of the funds. A new resolution will be passed every year for the appointment of external auditor.

14.2. COST OF EXTERNAL AUDIT/RATING

The cost of external audit and rating would be normally borne by SKT. The office bearers of organization shall fix the remuneration and it shall form part of the annual business plan. The cost of auditing of externally funded projects shall be met from the institutional overhead charges earmarked from the sanctioned budget of the respective projects.

15. ANNEXURES

15.1. PAYMENT VOUCHER

BANK/CASH PAYMENT VOUCHER

SNEHAKUNJA
Kasarkod

CASH VOUCHER NO. _____ Date : _____

DEBIT _____ A/c.

Pay to _____	Rs.	Ps.
Details of Payment _____		

Received Date _____

Sanctioned by _____ Receiver's Signature _____

15.2. CASH BOOK

DEDIT					CREDIT				
DATE	PARTICULARS	LF	CASH	BANK	DATE	PARTICULARS	LF	CASH	BANK

15.3. EXPENSE FORMAT

SNEHAKUNJA TRUST		
For The Department of		
Expenses Statement for		
Expenses statement for the period of		
MAIN FORMAT		
Name:		Date:
Sr.No.	Particulars	Amount
1	Loading & Fooding Expenses (F1)	-
2	Phone & Internet Charges (F2)	-
3	Printing & Stationary (F3)	-
4	Tour & Travelling / Local Conveyance Exp. (F4)	-
5	Other Centre Expenses (F5)	-
	Advance Rs.	-
	Total Expenses	-
	Balance Amount	-
		Signature

15.4. PROFORMA FOR ADVANCE REQUISITION

SNEHAKUNJA TRUST (Regd.)

Kasarkod, Honnavar

REQUEST FOR ADVANCE

Requested by: _____ (Designation)

Submitted to: _____

Project Title	
Purpose /budget head	
Amount of Advance	
<u>Bank Account Details</u> Name of the Account Holder S B Account Number Bank and Branch IFSC Code	
Approximate Duration of advance	

I undertake to submit all the bills/ receipts for Rs. _____ towards the settlement of the advance received within ____ days failing which I shall reimburse the amount.

Approved by PI: _____

Signature

Date:

Place:

15.5. PURCHASE ORDER/ PROCUREMENT ORDER



Snehakunja Trust
serving since 1976

Kasarkod,
Honnavar - 581342
Uttara Kannada,
Karnataka, India
snehakunj@gmail.com
Tel: 7483611061

Date:

PROCUREMENT ORDER

To

(Company Name)

(Address and contact details)

(GSTR number if there)

Sub: Procurement of furniture for Snehakunja Trust

Ref: Your Quotation No.

We have reviewed your quotation for the supply of furniture for our trust in response to our enquiry and we have requested you to supply following **items**:

- 1.
- 2.

All Specifications shall be as per the quotation.

The bill may please be addressed to the below details:

SNEHAKUNJA TRUST
TONKA, KASARKOD
HONNAVAR - 581342
CONTACT 8217357242 / 9740022668
GSTR Number:29AABTS6477L2ZN

Thanking You

Snehakunja Trust
President

15.6. FIXED ASSETS REGISTER

List of Assets for.....						
Sl. No.	Description of Assets	Qty	Date of Purchase	Make/ Brand	Supplier Name	Value Per Pc. (Rs.)
1						
2						
3						

15.7. STOCK BOOK REGISTER

		Date			Date			Date		
Date	Particulars	Receipt	Issue	Balance	Receipt	Issue	Balance	Receipt	Issue	Balance

15.8. PROFORMA OF BUDGET

BUDGET ESTIMATION							
RECEIPTS	Budget (Last Year)	Actual Rpt (Year)	Budget (Next Y)	Expenditure	Budget (Last Year)	Actual Exp (Year)	Budget (Next Y)
Total				Total			

15.9. FIELD / IN-STATION TRAVEL CLAIM FORM

SNEHAKUNJA TRUST
Tonka, Kasarkod, Honnavar - 581342
TRAVEL ALLOWANCE BILL

Name & Designation with Address: _____ _____ Contact/ Tel. No: E-mail ID:		Project name/No Purpose		
JOURNEY DETAILS:				
Journey	Date(s)	Mode of Travel	Class of Travel	Travel and Other Fare (Rupees)
ONWARD		Rail /Bus		
From.				
To.				
Local auto/taxi hire charges _____				
RETURN		Rail /Bus		
From.				
To.				
Local auto/taxi hire charges _____				
No Of days of Stay days DA @ Rs. /day				
From.				
To.				
Hotel / Accommodation charges if any.				
From.				
To.				
TOTAL RUPEES =				

I hereby certify that the above travel claims are made for the stated purposes and is not claimed from any other sources.

I have received a sum of Rs _____ (in words _____) as per the above claims.

Place:

Date:

Signature and designation Candidate