

**CHAPTER – IV AUDIT OF ACCOUNTS RELIGIOUS INSTITUTIONS  
(OTHER THAN T.T.D.)**

1. The audit of the accounts of religious institutions with an income not less than one thousand rupees is done by this Department with reference to G.O.Ms.No. 608 R.W, 2<sup>nd</sup> June 1952.

**2. Scope of audit**

- i) The procedure of audit of the accounts of Hindu Religious and Charitable Endowments and Institutions falling under Section 6(a) of the AP Charitable and Hindu Religious Institutions and Endowments Act 1987 is concurrent audit, which means a post audit of day-to-day accounts of a specified period with a general review of the accounts from time to time as per Section 2 (e) of the AP State Audit Act 1989 (ACT No.9 of 1989 read with Rule-4 of AP State Audit Rules 2000. The procedure of audit in respect of the said institutions other than those falling under Section-6 (a) of the APC & HRI and Endowments Act 1987 is post-audit which means detailed audit conducted after the transactions are completed as per Section 2(k) of the AP State Audit Act 1989.

**Note:**

- 1) Under the procedure of concurrent audit, the post-audit of the transactions during each month in a financial year is conducted immediately after completion of the month. The final accounts are however verified annually after completion of the financial year and closing of registers and accounts and rendering of Annual accounts to audit.
  - 2) Under the procedure of Post-audit the audit of the transactions in a financial year are conducted after closure of the financial year and also closing of the registers and accounts and rendering Annual Accounts to audit.
- ii) The audit will be conducted on the lines indicated in the rules issued in G.O. Ms. No. 635 Revenue (Endts I) dept dt. 30-6-89 under Sub-Section-2 of Section-60 read with Section-153 of the APC & HRI and Endowments Act 1987 and as laid down in the following paragraphs.
- iii) Auditors should acquaint themselves with the relevant Sections of the APC & HRI and Endowments Act 1987 and rules framed thereunder. They should also have knowledge of the Paragraphs in the Manual of Accounts of Hindu Religious Endowments issued under the authority of the defunct HRE Board. A copy of the scheme, if any, settled for the administration of the institutions either by a court or by Endowments Department should also be called for.
3. The General instructions regarding the Collections of Income and Incurring of Expenditure contained in the rules under Section-5 (b)(ii) of Section-29 read with Section-153 of the APC & HRI and Endowments Act 1987 issued with G.O.Ms.No. 735 (Endt-I) dept dt. 5-7-89 should be borne in mind while conducting the audit of receipts and expenditure.  
It should be seen in audit –

- 1) that every item of income of an institution is collected regularly on due date.

**Note:** Trustee or the Executive Officer, as the case may be, is responsible for making all collections of income, whether in cash or kind.

- 2) that receipts are granted by the executive authority for all items of income and for all offerings and gifts received by him in cash or kind for the institution.

**Note:**

- i) Temporary receipts are granted by the officer of the institution who makes collections and such collections are not utilized directly by such person but they should be brought to account then and there.
  - ii) that collections should be handed over to the executive authority immediately and in any case within seven days of the date of collection in case an employee is entrusted with collection outside the village where the institution is situated.
  - iii) Permanent receipts should be granted by the Trustee or executive authority acknowledging receipt for the collection made by the employee interested with collection work as soon as he received collections entrusted.
- 3) that temporary or permanent receipts books with receipts in duplicate bearing printed machine numbers are maintained.
- 4) that the signature of the person to whom a receipt is issued is taken with date on the reverse of the duplicate carbon copy of the receipt in token of having obtained the receipt and that the signature of the person not capable of signing, his attested thumb impressions shall be taken with date on reverse of the duplicate or carbon copy.
- 5) that all collections are brought to account by the executive authority without delay.

**Note:** No person other than the trustee or executive authority is competent to give a valid discharge of any claim of the institution.

- 6) that expenditure which is not sanctioned in the budget is incurred only with the previous sanction of the Assistant Commissioner/Deputy Commissioner or the Commissioner as the case may be.
- 7) that expenditure is incurred only with the written orders of the trustee or executive authority.
- 8) That the expenditure has been incurred by the trustee or the executive authority according to dittam and budget on satisfying himself of its necessity and that the expenditure relates to poojas and festivals in the case of religious institutions and to feeding and other objects in the case of charitable institution or endowment and the sanction provided in the budget in other matters.
- 9) that disbursements in cash or kind or by means of cheques are not kept out of the accounts even for a day beyond the date of disbursement.
- 10) That a duly signed bill containing the details of the claim and the date on which the claim fell due is presented by a person having a claim against the institution.
 

**Note:**

  - i) The correctness of the claim has to be verified by the trustee or the executive authority before payment.
  - ii) If any disbursement is made by a person other than the trustee or the executive authority such person is personally responsible for such disbursement, in case the sanction of the executive authority is not obtained for the same.
- 11) that receipts for all payments made on behalf of the institution have been obtained and that stamped acknowledgements for payments of sums exceeding Rs. 5000 either by cash or cheques have been forthcoming.
- 12) That all purchases of articles are supported by dealer's bills duly receipted.
 

**Note:** Purchases of perishables or other articles for not more than Re.1/- need not however be supported by the dealer's bills and receipts, but the disbursement should be supported by a certificate from the person who made the purchase that they were received by the institution.

#### RECEIPTS

**4. The main source of revenue of the religious institutions is collections in temples, maths or specific endowments and lands. Income is also derived for services rendered to the public, which vary in some cases from temple to temple.**

Some of the items of revenue which are of common nature in most of the religious institutions are –

- 1) Income from lands, and other immovable properties.
- 2) Rent from buildings, sites, choultries, guesthouses etc.
- 3) Hundi Collections, Kanukas, ubhayams, tonsuring of hair, cattle etc.
- 4) Sale proceeds of human hair collections.
- 5) Sale of Darsanam, Harathi, Archana and other Tickets for similar services at fixed rates.
- 6) Sale of Prasadams.
- 7) Sale of pictures and publications.
- 8) Sale of immovable property.
- 9) Other miscellaneous receipts.
- 10) Interest on investments.
- 11) Decretal amounts.

**5. Income from lands, buildings, sites, shops and other immovable properties other than agricultural lands**

It should be seen –

- 1) that all the leases of lands, buildings, sites and immovable properties other than agricultural lands, as entered in the register prescribed under Section- 43 of the Act are made by public auction to the best advantage of the institution.
- 2) that all leases and rights belonging to the institution are made by public auction held in the places in which the properties are situated.
- 3) that the terms and conditions of the lease, such as the security to be furnished by the lessee, rental to be paid in kind or cash, the date on which the rent is to be paid, the penalties if any to be imposed for default in payment of rent, the time within which the lease deed should be executed, the time and date and the conditions of the auction have been decided by the trustees in a meeting.
- 4) that the auction notice is published at least 10 days before the date fixed for auction in respect of leases for a period of one year, and at least seven days in respect of leases for a period of less than one year by affixing.
  - a) on the notice board or on the front door of the temple concerned.
  - b) on the notice board of the Municipal council or the village chavadi in the places where the properties are proposed to be leased out.
  - c) on the notice board of the office of the Assistant Commissioner having jurisdiction over the area in which the properties are situated.
- 5) that wide publicity of the auction is given in the locality concerned and in the neighbouring locality by the executive authority.
- 6) that the auction is conducted by the Executive officer or trustee or by the chairman of the trustees, as the case may be.
 

**Note:**

  - i) Where the auction is conducted by the E.O. atleast one of the Trustees of the institution should be present at the time of auction.
  - ii) Where a lease is in respect of properties or rights of a religious institutions, the rental for the previous year of which did not exceed Rs.200/-, the auction may with the previous sanction of the Dy. Commissioner, be conducted by an employee of the religious institution concerned specially deputed for the purpose by the E.O., Trustee or Chairman of the Trustees as the case may be and such deputation of an employee will not absolve the authority concerned of his responsibility for the proper conduct of auction of leases.
- 7) that the presence of a departmental officer as may be deputed by the Assistant Commissioner is secured (G.O.Ms.No. 2151 Home (Endts-II) dated, 28-9-66.
- 8) that the security deposit as fixed in preliminary notice is taken from all intending bidders before the commencement of the auction.
 

**Note:**

  - i) No person who fails to make such deposit, should be permitted to bid at the auction.
  - ii) The earnest money deposits of unsuccessful bidders have to be refunded only after acceptance of the bid by the competent authority.
- 9) that the lease is given to the highest bidder.
 

**Note:** Where it is proposed to accept a bid other than the highest bid, the reasons for not accepting the highest or other bids higher than the one accepted should be recorded in writing.
- 10) that the confirmation of the lease is made by the Trustee if there is more than one trustee, at a meeting within a period of one month from the date of auction.
- 11) that the solvency of the successful bidder is ascertained before confirmation of sale is made.
- 12) that in cases of leases for more than one year, security to a sum equal to at least one year's rental, is taken by the Executive Authority.

**Note:** The Dy. Commissioner may in suitable cases, permit the Executive Authority to accept security of less than one year's rental in value or to accept security of unencumbered immovable property equal in value to year's rental or dispense with security altogether in special circumstances for reasons to be recorded in writing.

- 13) that lease deeds are obtained from the lessee before exercising his rights under the lease.
- 14) that the lease deed specifies:
  - a) the duration of lease,
  - b) the amount of each installment of the rent,
  - c) the compensation or penal interest payable in the case of payment of any installment after the due date,
  - d) the liability of the lessee to make good any loss caused to the institution on Resale or through departmental management as well as resale owing to his default to fulfill the terms of the contract,
  - e) that the lease deed is duly stamped according to the Indian Stamps Act and signed by the competent authority and the lessee in the presence of witness and that the lease deed is registered in case where the period of lease exceeds one year.
  - f) that the security deposit has been adjusted towards the last three instalments of kist or towards any instalment of the lease amount overdue from the lessee and towards the loss sustained by the resale or departmental management.
  - g) that the conditions of the leases have been strictly enforced and
  - h) that the lease dues have been entered in the miscellaneous Demand Register and their prompt recovery watched.

It should also be seen that the guidelines issued in Circular No. 39/83(J1)/78705/83 dt. 22-12-83 read with Cc No.29/84 in C.No.J1/78705/83 dt. 19-4-84 and RC No. A2/7748/84 dt. 11-7-84 of Commission of Endowments are followed scrupulously in respect of leases of buildings or shops belonging to charitable or religious institutions :-

- 1) The shops situated inside and outside the temple have to be leased out for a period of 1 year.
- 2) Generally the buildings and shops belonging to temple (inside the temple) shall be leased out for not more than the period of 3 years.
- 3) The shops and buildings belonging to institutions under the purview of the Department shall not be leased to clubs for playing cards and other allied games, bar-shops, mutton shops and other entertainments (etc.).
- 4) The purpose for which the shop or building is taken for lease shall be mentioned clearly in the lease deed obtained from the tenant.
- 5) The request of the sitting tenant in respect of buildings regarding extension after the expiry of lease period can be considered provided they agree to pay the rent equal to the amount of 17% of Capital investment plus 5% towards renovation on the total amount invested for the construction of shop, building, etc., and provided they continue business by themselves without sub-leasing them.
- 6) As the long term fixed deposit earns interest at 1%, the net rent derivable from the shop room or any building leased out to the tenant should never be less than 12% of the capital value of the building.
- 7) The rent derived from the building or shop shall not be less than the rent of the surrounding shops under any circumstances.
- 8) The lease period shall not exceed 3 years.
- 9) If the sitting tenant wants to take the shop or building for another period for lease, the same can be considered provided, the tenant enhances the existing rent by not less than 25%. The rules, and regulations generally observed by

the local bodies like Corporations, Municipalities, Panchayats etc., for leasing out their shops and buildings shall also be considered and followed by the Executive Authorities while leasing out the buildings belonging to the institution so far as they are not inconsistent to the guidelines now issued.

- 10) Registered lease deeds shall be obtained with adequate security from the approved tenant.

## 6. Lease of Agricultural Lands

In respect of the audit of leases of Agricultural lands, it should be borne in mind whether the rules and regulations prescribed in the A.P. Charitable and Hindu Religious Institutions and Endowments Lease of Agricultural Lands Rules 2003 issued with G.O.Ms.No. 379 REV (Endowments I) deptt dt. 11-3-2003 have been strictly observed with special reference to the following points:

- 1) that all leases are made by public auction, unless the competent authority permits the lease otherwise than by public auction on a request made by the Executive Authority and for reasons records in writing in the interests of the institution or Endowment.

**Note:** Competent authorities are those defined in Sub-rule-2 of Rule-16 of these rules.

- 2) that the sealed tenders called for with the permission of the competent authority are received before the date of auction and are opened before the public at the place of auction.

**Note:** Highest amount offered in the tenders or public auction, as the case may be, shall be taken into consideration for the purpose of finalizing highest bid.

- 3) that the public auction is held at a convenient place in the village where the properties are situated.

- 4) that the lease is granted for a period of three years only.

**Note:** Commissioner may accord or refuse permission for leasing out the land for a period not exceeding six years after inviting objections and suggestions through a public notice, and Government are only competent to pass orders in cases where the lease period exceeds six years.

- 5) a) that the following terms and conditions are specified:
- i) the security to be furnished by the lessee.
  - ii) the mode of payment of the rent.
  - iii) The surcharge or compensation, if any, to be imposed for default of payment of rent or for violation of any conditions of lease.
- b) The lessee should utilize the land for agricultural purpose only.
- c) The lessee should not raise the crop other than the crop for which the land has been leased out and lease to be fixed in terms of bags for wet lands and for sugarcane in terms of tons.
- d) The lessee should not undertake digging of bore wells or ponds or wells in the land without obtaining the permission of the Executive authority of the institution or endowment.
- e) The lease is not transferable and the lessee cannot grant a sub-lease.

**Note:** In the event of death of the lessee, his legal heirs may enjoy the lease for the balance period on the same terms with the prior permission of the Executive authority.

- 6) that the auction notice is published in the language of the locality atleast ten days prior to the date fixed for auction by affixing

- i) on the notice board or on the front door of the institution concerned, or in the case of a specific endowment, on the notice board or on the front door of the office of the institution to which the property in question is attached.

- ii) The contents of the auction notice shall be published by beat of tom tom in the inhabited area of the Gram Panchayat in which the lands are situated and also

by distributing pamphlets about the proposed auction. The Executive authority should ensure adequate publicity for the auction in all appropriate ways.

- 7) that the auction is conducted by the Executive Officer of the Institution or Endowment concerned; if there is no E.O, by the Chairman of the Board of Trustees or any other person who is in charge of management.

**Note:** Such Departmental officer as may be deputed by the competent authority, shall oversee the proceedings and ensure that the auction is duly conducted in accordance with the Act and Rules.

- 8) The earnest money deposit to be deposited as security by the bidders as specified in the notice of auction, is deposited by the bidders before the commencement of the auction.

**Note:**

- 1) Any person who fails to deposit such deposit or a person who has committed a default in any previous auction should not be permitted to bid at the auction.
- 2) The earnest money deposits of unsuccessful bidders have to be refunded only after acceptance of the bid by the competent authority.

- 9) that the lease is ordinarily given to the highest bidder.

**Note:** Where it is proposed to accept a bid other than the highest bid, reasons for not accepting the highest bid or other bids higher than the one accepted should be recorded in writing by the Executive authority and the acceptance of the bid is subject to the approval of the competent authority.

- 10) that the solvency of the successful bidder is verified in all cases before the proposal for confirmation of lease is made.

- 11) that all leases are reported to the competent authority for confirmation.

**Note:**

- 1) The competent authority is as indicated in sub-rule-2 of the Rule-16 of the rules.
- 2) The competent authority may either confirm or for reasons to be recorded in writing disapprove the lease.
- 3) If no orders, either approving or rejecting the lease are received from the competent authority within 30 days from the date of receipt of the lease report by him, the lease shall be deemed to have been approved.

- 12) that security to the satisfaction of the Executive authority has been taken in the case of leases.

**Note:** Such security should be a sum equal to at least one year's rental or unencumbered immovable property equal in value to three years' rental.

- 13) that lease deed is obtained in writing duly stamped.

- 14) that the registration charges are borne by the lessee (tenant).

- 15) that the conditions of lease have been strictly enforced.

**Note:**

- 1) No person shall be placed in possession of the leased land or allowed to exercise his rights under the lease until he has executed the lease deed and complied with all applicable requirements under rules.
- 2) Any lease granted, continued or continued contrary to the rules shall be null and void and the person or persons in possession of the land shall be deemed to be an encroacher within the meaning of Section- 83 of the Act.
- 3) A lease may be cancelled if the tenant does not comply with any of the terms without prejudice to the right to recover the arrears of rent and forfeiture of the security.

- 16) that the lease dues have been entered in the Miscellaneous Demand Register and their prompt recovery watched.

### 7. Rents from choultries, Guesthouses etc.

It should be seen -

- 1) That a separate register is maintained for all the rooms in the choultries, Guesthouses etc; for the occupations of which rents are charged.
- 2) that the register contains full particulars regarding the name and address of the occupants, the exact time and date of occupation and vacation by the parties.
- 3) that the rent due has been collected correctly with reference to the rates fixed and the period of occupation.
- 4) that receipts in the prescribed form are issued for all the amounts collected.
- 5) that the party's signature has been obtained on the reverse of the counterfoil of the receipts.
- 6) that the number and date of the miscellaneous receipt on which the rent was collected have been noted against the concerned item in the register.
- 7) that the amounts collected have been correctly credited to temple funds.
- 8) that there are no unusual delays in the remittance of collections to temple funds.

### 8. Allotment of Building to Employees

It should be seen that the occupation of the buildings by archakas or other servants of religious institution is caused by the approval of the competent authority,

**Note:** The following instructions were issued by the Commissioner, Endowments Department in his circular ROC No.B5/51711/77, dt. 20-5-78 to the E.Os of 6(a) institutions, Deputy Commissioners and Assistant Commissioners in the matter of allotment of Endowments building to the employees of the institution and departmental people for residential purposes.

- a) The Officers and Staff who are residing at present in the Endowments buildings should be vacated when the accommodation is needed for the pilgrims or devotees.
- b) If the accommodation is not needed, they may be continued.
- c) the rent for the buildings under occupation should be collected at the rate of 7% of their salary irrespective of the cadre of the employee.
- d) In respect of all the future allotments, the rent should be collected at 10% of their salary.
- e) If the rent now paid by them is more than 7% or 10% of salary as the case may be it should not be reduced and it should continue. If it is lesser than that percentage, the enhanced rent should be collected with effect from 1-4-1978.
- f) All the previous allotments that are continued at present should be reported to Commissioner and his specific approval obtained to continue the lease and for fixation of rent.
- g) All occupations without such specific approval should be deemed to be unauthorized and should be deemed as encroachments within the meaning of Section 83 of the Act and liable to be evicted.

### 9. Hundi Collections

The Hundi should be opened in the manner prescribed in the scheme if any or as per the directions of the Assistant Commissioner/Deputy Commissioner/Commissioner or in the presence of respectable persons not connected with the administration of the institution as the case may be.

Kanukas in the Hundi are generally received in the shape of –

- a) Cash (Current Coins and notes);
- b) Uncurrent Coins;
- c) Valuables like gold, Silver, precious stones etc.,;
- d) Articles like wrist watches, fountain pens etc.;

- e) Documents like prize Bonds, investment Bonds etc.;
- f) Miscellaneous items like grains etc.

All the items received in Hundi should be sorted and recorded in the Hundial Assortment Register. It should be seen in audit.

- 1) that collections of various items in Hundi are assorted, counted and correctly entered in this register with the cash and other items separately duly indicating full particulars of cash collections and full description and weight, wherever necessary, of gold, silver, jewels, brass or copper ware etc., and of other articles.
- 2) that the entries in this register are attested by those in whose presence the Hundi is opened.
- 3) that the entries in this register noted as contents have not been erased or altered without the attestation of the persons in whose presence they were opened.
- 4) that the cash obtained in Hundi is credited to the cash book after obtaining a miscellaneous receipt therefor.
- 5) that the receipts in the shape of valuables are taken to stock in the register of kanukas under the respective heads noting the source on receipt in the register as 'Hundials'.
- 6) that in respect of uncurrent coins, the nature and the weight of these coins as recorded in this register are transferred to the register of uncurrent coins.
- 7) that the documents like prize bonds, investment bonds as recorded in this register are transferred to the concerned register.
- 8) that the miscellaneous items like grains etc., as recorded in this register are transferred to the respective stock registers.

## 10. Kanukas and Ubhayams

### 1. Kanukas:

Kanukas are generally received in cash, valuables such as gold, silver, precious stones, vessels, utensils and other articles of metals, grains, livestock etc.

It should be seen –

- i) that printed counterfoil receipts have been issued to the parties for all kanukas received.
  - ii) that the particulars regarding the nature of the article tendered as kanukas, the number, the quantity or weight or measurements have been recorded on the back of the counterfoil receipt and duly attested by the party.
- Note:** If the party is not a literate, his left thumb impression should be affixed with the dated attestation of the officer signing the receipt.
- iii) that the cash receipts towards kanukas have been accounted for in the same way as other receipts in cash are treated.
  - iv) that the kanukas received in kind are posted in the register of kanukas as well as in the Respective stock registers and accounted for properly.
  - v) that a reference to the page number and item number of the stock book is given at the back of the counterfoil receipt.
  - vi) that the register has been verified periodically by the Executive authority under his signature against each category.
  - vii) that steps have been taken to dispose of all kanukas by public auction after obtaining the sanction of the competent authority.

**Note:** Whenever there is a change in the incumbency of the executive authority, the incoming authority should verify the register with reference to the actual balance and the differences noted, if any, between the actual balance and those as per this register should be reported by the Executive authority to the competent authority with proposals for the recovery of the cost for the shortage noticed during the verification. Excess, if any, should be taken to stock account at the time of the inspection itself under the initials of the executive authority.

**2. Ubhayams:** Ubhayams are of two kinds.

- 1) Ubhayams received without any consideration, and
- 2) Ubhayams received for the performance of special poojas.

The following checks should be applied in respect of receipts under Ubhayams:

- a) that paper receipts have been issued to the parties.
- b) that particulars regarding quantity, amount, purpose etc. have been clearly indicated in the reverse of the counterfoil receipt and got attested by the party,
- c) that Ubhayams received in kind have been taken to the respective stock registers,
- d) that a reference to the page number etc., is given at the back of the counterfoil receipt,
- e) that the cash receipts towards ubhayams have been accounted for as in the same way as other receipt in cash.
- f) that the expenditure incurred for the performance of special poojas has not exceeded the amounts received from the parties towards Ubhayams falling under the second category.

**Note:**

- 1) With a view to watch that the expenditure on this item does not exceed the amount received therefor, the expenditure should be recorded in a separate account in the ledger prescribed for accounting the receipts & expenditure.
- 2) Under no circumstances, the expenditure on special poojas should exceed the amount contributed therefor by the party. Such excesses, if any, will not form a legitimate charge against the funds of the institution concerned.

**11. Sale of Human Hair Collections**

If the right of disposal of human hair collections is leased out, the checks prescribed for the lease of revenue should be applied to this kind of lease also. If the sale is conducted departmentally, it should be seen –

- 1) that a separate stock account for the human hair collected is maintained showing the particulars of weight of long hair, short hair and Tukku hair collected each day separately.
- 2) that the human hair collected has been disposed of in public auction periodically in accordance with the rules prescribed for auctions of miscellaneous sales.
- 3) that the sale proceeds have been correctly brought to account without delay.
- 4) that the value of quantities of hair shown as drilage has been written off.

**12. Sale of Darsanam, harathi, Archana and other ticket for similar services at fixed rates**

In case where the collection of any revenue such as sale of Archana, harathi and other tickets for similar services at fixed rates is managed departmentally, the following checks should be exercised:

- i) Receipts having a fixed value printed on them have been issued for departmental collection. The total number of each kind of receipts issued should be ascertained and the amount realized arrived at by multiplying the number of receipts by the rate thereof. An abstract should be made of the several totals and agreed with the amount shown in the ledger or posting register.
- ii) The counterfoils of the receipts issued should be examined in detail with a view to ascertain whether there are any short credits or delays in credit etc.
- iii) The auditor should also see. . . .
  - a) Whether a proper account in Parts-I and II as prescribed in the HRE Manual of Accounts is kept of the receipts, issues and balances of the printed receipt books.

(**Note:** The bills or invoices forwarded by the printers should be obtained and examined for the purpose of testing the correctness of the entries relating to the receipt of books, in the account. The issues should be checked with the number of books noted as receipts in part-II of the register referred to above, while as regards the balance number of books both in hand and in use should be verified. If any of them are not forthcoming, the matter should at once be brought to the notice of the Executive authority and in the absence of satisfactory explanation, the matter should be brought into the audit report).

- b) whether the books have been machine-numbered and stamped with the common seal of the institution in the presence of the Executive authority and the total number of pages that each book contains is certified to by the Executive authority or any other responsible officer.
- c) whether proper collection registers are maintained by the officers entrusted with the collections.
- d) whether the remittances shown as made by them have all been brought to account in the office and miscellaneous receipts granted to them.
- e) whether the office has exercised proper check over the realizations.
- f) whether the balances of books in the office have been verified with reference to the account at regular intervals by the Executive authority or by any other officer authorized by him and the fact of such verification recorded by the verifying officer in that account: and
- g) whether adequate security has been taken from the persons entrusted with collection work.

**Note:** The original receipts granted to the parties for the performance of the services indicated therein should be collected and defaced by the subordinate performing the service immediately on receipt and returned to the office. The correctness of the number of tickets so returned should be verified on receipt by the subordinate in charge of the stock book with reference to the number of tickets sold and then the relevant entries in stock book posted. In case any shortage is noticed in the receipt of the used tickets, the reasons for the loss together with a certificate to the effect that the "used tickets not produced have not been misused" should be recorded under the signature of the Executive authority in the remarks column after satisfying himself about the bonafide of the loss. The used tickets should then be filed in the order of date of sale separately for production to audit.

### 13. Sale of Prasadams

If the right of sale of Prasadams is leased out, the checks prescribed for the lease of revenue should be applied to this kind of lease also. If the sale is conducted departmentally, it should be seen –

- 1) that the quantity of prasadam is correctly brought to the stock register and the register correctly maintained.
- 2) that the prasadam is sold to pilgrims at the rates prescribed by the competent authority.
- 3) that the sales have been recorded in a separate register maintained for the purpose.
- 4) that the sale proceeds have been correctly brought to account without delay.
- 5) that the balance of stock in hand, if any, is periodically verified by the executive authority and a certificate to that effect is recorded under his signature.

**Note:** If there is any undisposed stock of prasadam not realizable at the end of the day, the fact should be recorded under the signature of the executive authority with a note as to how it was disposed off.

### 14. Sale of Pictures and Publications

It should be seen –

- 1) that a correct stock account is maintained for the publications and pictures etc.
- 2) that the publications, pictures etc., are sold to the public at the rates fixed.

- 3) that the amounts realized are correct with reference to the sales as recorded in the stock register.
- 4) that the sale proceeds are promptly remitted to the funds of the Devasthanam without delay.
- 5) that the balances of stock in hand have been physically verified by the executive authority and a certificate to that effect recorded in the stock register.

#### 15. Sale of Immovable Property

In respect of sale, exchange or mortgage of the immovable property belonging to or given or endowed for the purpose of any charitable or religious institution or endowment, it should be examined in audit whether the procedure and the conditions prescribed in the Rules under Section- 80 of the Act issued with G.O. Ms.No. 644, REV (Endts-I) deptt dt.30-6-1989 as amended have been followed specially with reference to the following points:

- i) that the sale of immovable property is authorized by the Commissioner.
- ii) that the sale of any immovable property by public auction/tender-cum-publication is conducted by the Executive officer of the institution or where there is no Executive officer by Chairman of the Board of Trustees in the presence of the Assistant Commissioner in whose jurisdiction the property is situated where the probable value of the sale does not exceed Rupees one lakh and where the probable value of the sale exceeds Rupees one lakh, or in the presence of Deputy Commissioner, in whose jurisdiction the property is situated, where the probable value of the sale exceeds Rupees one lakh,
- iii) that the sale of immovable property situated outside the State is conducted in the presence of such officer, authorized by the Commissioner,
- iv) that the conditions of sale have been got approved by the Commissioner.

**Note:** Where sale could not be conducted by public auction for want of bidders or due to any other reasons, it shall be conducted again duly following the same procedure.

- v) that the sale is confirmed by or refused by the Commissioner within three months from the date of sale under communication to the E.O or the Trustee concerned.
- vi) that the expenses for registration of sale are borne entirely by the person or persons in whose favour the sale exchange or mortgage is effected.
- vii) that immediately after the sale is effected, the E.O or the Chairman of the Trust Board has invested the amount covered by the sale proceeds in the interest yielding deposits in such firms or bank or Treasury keeping in view the provisions of Income-Tax Act and as per the rules in force.
- viii) that the said investments are sent to the Regional Joint Commissioner for safe custody after making necessary entries in the register of investments.

**Note:** The Departmental Officer who supervises the sale in public auction should ensure and satisfy himself about the investment of the sale proceeds as per rules immediately after transaction is effected and he should report to the Regional Joint Commissioner and Commissioner.

#### 16. Other Miscellaneous Receipts

It should be seen –

- i) that the sales of old and unserviceable articles and stores are conducted by the Executive authority with the sanction of the competent authority;
- ii) that the sales are conducted in public auction;
- iii) that the bids accepted are the highest, if not the reasons are forthcoming for acceptance of bids other than the highest;
- iv) that the earnest money deposit is taken, and
- v) that the sale proceeds have been realized without delay and generally before the successful bidders are allowed to take possession of articles sold.

#### 17. Interest on investments

It should be seen –

- 1) that the particulars of investments made have been noted in a register of investments and the realization of interest watched;
- 2) that the interest due from investments of specific endowments has been realized on the due dates and credited to the respective endowment account;
- 3) that the interest due on the several investments has been realized on the due dates and credited to the accounts;
- 4) that timely action has been taken to realize the matured investment and to reinvest the moneys without loss of interest.

**18. Decretal amounts**

It should be seen –

- 1) that the various suits to which the institution is a party have been noted in a register to watch the realization of decrees if any;
- 2) that decretal amounts awarded are noted in the appropriate column against each suit;
- 3) that decrees are not allowed to become time barred and the execution petitions have been taken in time;
- 4) that amount of decrees have been noted in the miscellaneous demand register and their recovery watched.

**EXPENDITURE**

**19. General**

Before the audit of the paid vouchers is commenced, the following records and registers should be obtained and kept ready.

1. Bundles of voucher
2. Cash book
3. Posting register
4. Cheque books and pass book
5. Establishment audit register
6. Register of Advances
7. Register of deposits
8. Schedule of rates
9. Register of works
10. Register of Estimates and allotments
11. Measurement book
12. Register of sale of prasadam
13. Register of loans
14. Register of investments
15. Acquittance register
16. Register of suits
17. Postage stamp account
18. Register of payment of land revenue and local taxes
19. Security Register

20. Specific Endowments and Kattadis Register
21. Inventory register of Jewels and other valuables
22. Register of Money value forms
23. Stock register of livestock, fodder, stationery, permanent articles other than jewels and valuables etc.,
24. Stock register of provisions
25. Service registers, and
26. Budget statement.

The vouchers should be required to be sorted for the period of audit into establishment, works, contingencies, refunds etc., the vouchers of a particular nature and relating to a particular establishment being put together. Each class of vouchers pertaining to each department should then be taken up for audit and examined before another department is taken up. After the establishment and contingent vouchers have been audited, the public works vouchers may be taken up. They should be arranged in the order of works, vouchers relating to each work put together by the office with the estimates, contract agreements, measurement books with their pages marked etc.

The following are the general points on which objections should be raised wherever necessary:

- a) want of vouchers, sub-vouchers and payees receipts or acknowledgements, stamped wherever necessary.
- b) payments made, without proper authority, to persons other than the rightful payees.
- c) Excess payments
- d) Objectionable charges.
- e) Illegal payments and want of competent sanction for charges.
- f) Losses.
- g) Amounts collected and not brought to account.
- h) Wasteful expenditure.
- i) Advances wrongly or unnecessarily made.
- j) Advances wrongly charged off to service head direct.
- k) Want of or defects in –
  - i) Check measurement Certificates.
  - ii) Disbursement Certificates.
  - iii) Other Certificates.
  - iv) Countersignatures.
  - v) Pass Orders.
  - vi) Paid Endorsements.

The following are the chief points to be looked into in the course of the audit of charges:

- a) that the expenditure, is permissible under the Act, or rules framed thereunder, is not opposed to any orders of Government, special or general, and has been provided for in the year's budget or by subsequent allotment of funds.
- b) that a sanction for a fresh charge which has not been acted upon for a year has been treated as lapsed, unless it has been specifically renewed;
- c) that the vouchers have been correctly prepared in accordance with the rules and with all the certificates duly signed and duly passed for payment by the Executive authority.
- d) That the totals of vouchers are noted in words as well as in figures.
- e) That receipts for all sums in excess of Rs.\_\_\_\_ are duly stamped except in cases exempted.

**Note:**

- 1) If different payments of sums of Rs.\_\_\_\_ or less are made on different accounts, the receipts need not be stamped though the total of the several payments amounts to more than Rs.\_\_\_\_. If, however, a single receipt is taken for different payments amounting in all to more than Rs.\_\_\_\_ the receipt must be stamped.
  - 2) Receipts given for mere voluntary contributions without consideration require no stamp.
- f) that there are no erasures, and that any alterations are attested by the Officer or party concerned as the case may be.
  - g) that the sanctions accorded by the commissioner, Dy. Commissioner, Assistant Commissioner of Endowments Department and other authority are within the powers delegated to them.
  - h) that all the liabilities are cleared promptly specially those relating to Government.

The two important records for guidance of Auditor Of the accounts of a religious institution are the sanctioned budget under Section-57 of the APC and HRI and Endowments Act 1987 and the approved items under Section- 29 of the Act 1987. The main check of vouchers should be confined to these records besides other usual checks prescribed as above.

**20. Budget**

It should be seen –

- 1) that adequate provision is made in the budget for
  - i) the due maintenance of the objects of the institution or endowment and the proper performance of and the remuneration for the services therein including the dittam for the time being in force.
  - ii) the due discharge of all liabilities and subsisting commitments binding on the institution or endowment;
  - iii) the maintenance of the working balance.
  - iv) The arrangement to be made for securing the health, safety or convenience of the disciples, pilgrims, worshippers or other persons resorting to the institution or endowment.  
**Note:** In the case of an institution or endowment whose annual income is not less than rupees twenty thousand, the provision made under this item shall not be less than forty percent of the balance of the income for the financial year remaining after making provision for items (i), (ii) and (iii) above.
  - v) the contribution to the reserve fund of the institution or endowment at ten percent of the balance referred to in note to item (iv) above
  - vi) the construction, repair, renovation and improvement of the institution or endowment and the buildings connected therewith.  
**Note:-** In the case of an institution or endowment, whose annual income is not less than rupees one lakh, the provision made under this item shall not be less than thirty per centum of the balance of the income for the financial year remaining after making provision for items (i),(ii),(iii) and (iv) above.
- 2) that where the budget relates to an institution whose annual income exceeds fifty thousand rupees, provision is made in the budget for the payment at five percent of the balance referred to in the note to item (iv) above, to the common Good Fund.
- 3) that a budget estimate of probable receipts and disbursements prepared in the manner prescribed under Section- 57 of the Act, 1987 is got approved by the Commissioner, Dy. Commissioner or Assistant Commissioner as the case may be.  
**Note:** If during the course of the year, any allotment sanctioned under the budget is found insufficient, a supplemental or revised budget is prepared and got sanctioned by the Commissioner, Dy. Commissioner or Assistant Commissioner as the case may be.

- 4) that the ratification for every expenditure incurred in excess of the provision made in the budget is obtained from the following appropriate authority as required under Section-57 of the Act, 1987.
- (a) Commissioner in case of Institutions published under Section- 6(d),.
  - b) Deputy Commissioner in case of Institutions published under Section- 6 (a) and (b) and
  - c) Assistant Commissioner in case of institutions published under Section- 6(c), of the Act, 1987.

**Note:** All such cases of expenditure not covered by provision in the approved budget should be detailed in the Audit report and the ratification of the appropriate authority called for.

## 21. Dittam

It should be seen –

- 1) that the Trustee of a religious institutions or endowment has submitted proposals for fixing the dittam in the institution and the amounts to be spent therefor to the Commissioner, Dy. Commissioner or Assistant Commissioner as the case may be.
- 2) That provision has been made with due regard to the established usage if any, the performance of the ceremonies and services and the observance of festivals, worship and the like appropriate to the institution.
- 3) That a copy of the order passed on the proposals, is communicated to the trustee by the Commissioner, Dy. Commissioner or Assistant Commissioner as the case may be as required under Section- 25(4) of the Act of 1989.
- 4) that the dittam has been scrutinized every three years and submitted to the Commissioner, Dy. Commissioner or Assistant Commissioner as the case may be with proposals for altering the dittam, together with the reasons therefor.
- 5) that the dittam, for the time being in force, has not been altered by the trustee.
- 6) that provisions and other materials etc., required for various Poojas and Festivals are purchased in accordance with the provision in the sanctioned dittam.
- 7) that the various items of purchases have been utilized for the purpose for which they were purchased and a certificate to the effect furnished in the concerned bills by the executive authority and that the various items purchased have been accounted in the relevant stock register and a certificate to that effect furnished in the bills by the executive authority.
- 8) that acknowledgements, stamped, where necessary have been obtained from the payees.

## 22. Pay of Establishment

It should be seen that –

- 1) the pay and allowances of employees are in accordance with the schedule of establishment approved by the Asst. Commissioner, Dy. Commissioner as the case may be.
- 2) The entries relating to particulars of Pay etc. drawn are recorded in the S.R. of the employee.
- 3) The allowances drawn from time to time are in accordance with the rates sanctioned by the Asst. Commissioner, Dy. Commissioner, Commissioner as the case may be.
- 4) The bills are prepared in the prescribed form.
- 5) The pass order is recorded on every bill.
- 6) The increment certificates duly sanctioned by the Pay drawn Officer are enclosed to the bills for the incremental pay drawn.

- 7) Leave salaries drawn are supported by the orders of the executive authority sanctioning the leave.
- 8) the leave sanctioned is in accordance with the rules in force.
- 9) The deductions from the salary, if any, have been correctly effected.
- 10) The sanction of the Commissioner, Regional Joint Commissioner, Dy. Commissioner or Assistant Commissioner as the case may be is obtained before payment of arrear claim of pay and allowances and increments of pay, which has been allowed to remain in abeyance for more than 6 months.  
(G.O.Ms.No. 735 Home (Endts.I) Dept. Dt. 5-7-89)  
**Note:** The payment of an arrear claim ordered under rule 16 issued under Section- 29 of the Act shall not exceed the amount found actually due under the claim in respect of a period of one year immediately preceding the date of detection of the under payment. If, in any particular case, it is considered that, for special reasons, a larger concession shall be granted, the executive authority shall obtain the sanction of the Commissioner for payment of arrears for a period exceeding one year.
11. The entries of leave, increment, suspension etc., are made in the service books of the incumbents.
12. A certificate to the effect that the amount in question was not drawn previously has been furnished by the drawer of the bill.
13. the amounts drawn have been duly disbursed to proper persons and that payee's acknowledgements have been obtained stamped wherever necessary.
14. That a certificate of disbursement of all the payments is recorded by the executive authority in the acquittance register.

### 23. Travelling Allowance bills

#### a) TA & DA of Trustees

The TA & DA Rules of Trustees have been issued in G.O.Ms.No. 370 Revenue (Endt-I) deptt dt. 19-4-89 as amended. The conditions for payment of TA & DA to the Trustees of Charitable or Religious Institutions or Endowments, unless otherwise provided in the above rules, be the same as those laid down in the Andhra Pradesh Travelling Allowance Rules.

It should be seen –

- i) that the travelling and other allowances are allowed to trustees at the rates in the table below for journeys made by him in connection with the business of the institution or endowment.

Class of the institution Or endowment	Journey By Train	Journey By Road	Daily allowance Rs.
a) Institutions published u/s 6(b) & 6(c) of the Act and also the Maths and Dharmadayams whose annual income does not exceed Rupees five lakhs.	One Second Class fare plus D.A.	Actual fare of the Bus other public conveyance	35-00
b) Institutions published u/s 6(a) of the Act and the Maths & Dharmadayams whose annual income exceeds Rupees five lakhs.	One 1 <sup>st</sup> Class fare plus D.A.	- do -	50-00

( G.O.Ms.No. 348 Rev.dt. 30-4-1997 )

#### Note:

- 1) Mileage is admissible as per rules under the AP Travelling Allowance Rules where there is no public conveyance.
- 2) Not more than one Daily Allowance should be drawn in respect of each period of twentyfour hours of halt at the place where the meeting is held or the work is performed.
- 3) In the case of a charitable or Religions Institution or Endowment with more than one trustee, TA and allowances are admissible to only one of the trustees who undertakes the journeys in connection with the inspection of properties of the institution or attending courts on behalf of the institution as decided by the Commissioner, the

Regional Joint Commissioner, the Deputy Commissioner or the Assistant Commissioner as the case may be.

- 4) If an Executive officer of a Charitable or Religious Institution or Endowment is appointed as a trustee or a fit person of some other institution, such trustee or fit person is entitled to draw from out of the funds of such institution, travelling allowance in accordance with the rules contained in the AP Travelling Allowances Rules.
- ii) that the countersignature of the following authorities is obtained for the TA bills of the trustees:

Class of Institution	Controlling and Countersigning authority
1) Institutions published u/s 6(a) of the Act and the Maths and Dharmadayams whose annual income exceeds Rupees five lakhs.	Commissioner or his Gazetted Assistants duly authorized by him.
2) Institutions published u/s 6(b) of the Act whose annual income exceeds Rupees two lakhs and the Maths and Dharmadayams whose annual income exceeds Rupees two lakhs but does not exceed Rupees five lakhs.	Regional Joint Commissioner.
3) Institutions published u/s 6(b) of the Act whose annual income does not exceed Rupees two lakhs and the Maths and Dharmadayams whose annual income exceeds Rupees fifty thousand but does not exceed Rupees two lakhs.	Deputy Commissioner.
4) Institutions published u/s 6(c) of the Act and Maths and Dharmadayams whose annual income does not exceed Rupees fifty thousand.	Assistant Commissioner.

- iii) that no claim for travelling allowance preferred after six months from the date of completion of the journey for which the claim relates to, is admitted.

**Note:** The competent authority may authorize payment of the claims for TA preferred after six months.

**b) TA bills of paid officers and servants of the institution:**

It should be seen -

- i) that the TA, DA and mileage etc. are allowed in accordance with the provisions contained in APTA Rules.
- ii) that the TA claims are preferred within three months from the date of completion of the journey.

**c) Transfer TA to officers and servants attached to the institutions:**

It should be seen –

- i) that the officers and servants attached to institutions are allowed joining time and Transfer TA as admissible to Government servants of the corresponding cadre under the APTA Rules.
- ii) that the pay for the period of transit and TTA is paid from the funds of the institution from which the individual has been transferred.

**24. Contingent bills:**

It should be seen –

- i) that the bills are prepared in the prescribed forms.
- ii) that the suppliers' bills duly receipted are forthcoming wherever necessary.
- iii) That quotations or tenders have been invited and the lowest accepted.
- iv) That stock accounts are maintained in respect of purchases made.

- v) That the scale of purchases is in accordance with the provision in the dittam approved if any, in this regard.
- vi) That pass order has been recorded by the Executive authority.
- vii) That the valuables of gold, silver and silk purchased are entered in the inventory register.
- viii) That the articles of a permanent nature other than valuables and jewellery purchased are entered in the stock register of articles of permanent nature other than jewels.
- ix) That the payments made from surplus funds under Section- 72 of the Act read with the Rules issued with G.O.Ms.No. 640 Rev(Ends-I) deptt dt. 30-6-89 are supported by sanction of the Regional Joint Director in respect of Institutions and Endowments published under Section- 6(b) and Section- 6(c) and Maths published under Section- 6(d) of the Act, whose annual income is below Rupees one lakh and the Commissioner in respect of institutions and Endowments published under Section- 6(a) and Math published under 6(b)of the Act, whose annual income is Rupees one lakh and above and utilized for the purpose specified in the sanction order.

**Note:**

- 1) The diversion of surplus funds by the Regional Joint Commissioner and Commissioner should not exceed Rs.25000/- and Rs.50000/- respectively and any diversion exceeding Rupees fifty thousand should be made only with the previous approval of the Government.
  - 2) The diversion of surplus funds to any institution situated or for any purpose outside the state should be made only with the previous sanction of the Government.
  - 3) The surplus fund diverted shall be lodged separately as laid down in the rules prescribing the procedure for the custody and investment of moneys.
  - 4) The incurring of expenditure from out of the surplus funds diverted should be governed by the rules prescribing the procedure for the collection of income and incurring of expenditure Rules.
- x) that the repayments of loans to other institutions or parties are entered in the register of loans.
  - xi) that the payments to Vakils are supported by proper accounts obtained in this behalf from them and are posted in the suits register.
  - xii) that higher sanction, if any needed under the rules has been obtained in respect of any suit or legal proceedings.
  - xiii) that the sanction of Assistant Commissioner/Deputy Commissioner/Government as the case may be has been obtained for payment of fees to pleaders or for incurring expenditure in connection with legal proceedings.
  - xiv) that the receipts of provisions etc., supplied to Archakas towards paditharam is acknowledged by them.
  - xv) that in the case of advance payments, necessary agreements have been obtained from the payees to indemnity against any possible loss to the institution.
  - xvi) that in the case of money value forms entries of receipts of such forms are made in the register of money value forms.
  - xvii) that all the articles required by the religious institutions falling under section-6(a) are purchased from the Girijan Corporation only, if they are made available in the Girijan Corporation.  
**Note:** Cases of non-observance of the above instruction should be brought to the notice of the administrative officers of the Endowments department. A certificate should be furnished in the covering note submitting the draft audit reports of 6(a) institutions to the effect that the audit was conducted keeping in view of the above instruction.
  - xviii) that the expenditure has not exceeded the budget allotment.
  - xix) that the sub-vouchers have been duly cancelled so as to prevent their fraudulent use again.

## 25. Bills relating to Maintenance of Cars and Vans.

The following are the important registers to be checked in audit of bills relating to maintenance of Cars and Vans of religious institutions.

- i) A log book in form A
- ii) A register showing the repairs, replacement etc., in form B.
- iii) A register showing the cost of petrol, oil etc. in form C.
- iv) A register or inventory of equipment in form D.
- v) Hire charges payment register in form E.
- vi) Receipt book in form F.
- vii) Register of old parts collected after replacement in form G.
- viii) Register of accidents in form H.

### (i) LOG BOOK

It should be seen in audit –

- 1) that all the entries in the relevant columns in the Log Books are made.
- 2) that the entries in the Log Books are noted by the Officers using the vehicle in their own handwriting the mileage at the start and at the completion of their trips after verifying Kilometre.
- 3) that sufficient particulars are recorded regarding movements and purpose to indicate that the journeys are on official business.

**Note:** Vague entries such as local trips, 'Official work' should not be made in the Log Book. The journey may be treated as private if the Officer did not fill the relevant columns properly and sign in the Log Books. The Executive Officer may on his own responsibility nominate the highest ministerial head of his office to certify and attest such entries in the Log Books of the vehicles. In the case of private journey on payment basis, the entries with regard to milometer reading at the starting point etc., should be made before the vehicle is occupied and at the commencement of the journey.

- 4) that the Log Book in respect of each vehicle is closed at the end of the month and a summary prepared in the Log Book showing details of duty and non-duty journey performed during the month in the prescribed proforma.
- 5) that the quantity of petrol, diesel oil purchased has been entered in the Log Book of the respective Vehicle.
- 6) that the hire charges collected as per hire charges payment register have been entered in the concerned Log Book.
- 7) that the Log Book is scrutinized personally by the Executive Officer once in a month and his signature appended therein.
- 8) that the Log Book is written in ink.

#### **Note:**

- 1) Journeys performed on the following occasions may be treated as official.
  - a) journeys performed by an Officer to attend an official meeting convened by the head of the department in connection with official duties.
  - b) when the member of the trust board attends meetings, the car may be provided to bring them to the place of meeting from the nearest bus stand and railway station provided that such bus stand or railway station is at a distance not exceeding 10 K.Ms.
  - c) where the institution is situated on a top of hill or hillock, the car may be allowed to be used for the journeys of Trust Board members up and down the hill.

- d) journeys performed in cases of emergency when an Officer on being suddenly taken ill or meeting an accident, is **remained** from office either to hospital or his residence. A certificate indicating the circumstances necessitating such journeys should be placed on record.
- e) Cars may be used by the employees of the institution also for bonafide official purpose with prior approval of the Executive Officer.

2) Journeys performed in the following cases may be treated as non-duty.

- a) The Executive Officer and staff may be permitted to use vehicles of the institution for non-duty journeys to a limited extent provided official requirements are not interfered with in any way and duty journeys always take precedence over non-duty journeys. Prior permission of the Commissioner should be obtained for making non-duty journeys.
- b) The Commissioner, Endowments may permit the vehicles of the institution to be used by the paying guests and other visiting officers on payment of prescribed charges and by the State Guests and their families free of charge when the Assistant Comptroller, Government House Department or the General Superintendent, Public Works work shops or the Collector unable to provide necessary transport.
- c) The Commissioner, Endowments may in special cases direct the collection of fuel charges alone or waive the collection of propulsion charges for the use of cars by paying Guests, visiting Officers or any Official of State Government.

**Note:** The use of vehicles for trips of places of entertainments, Public amusements, picnic parties, pleasure trips etc. is strictly forbidden.

**ii) Registers showing the Repairs, Replacements, Spare parts etc.**

It should be seen –

- a) that the voucher No. and date and the nature of repairs etc. together with amount are noted in the appropriate columns of the register.
- b) that in the case of replacements etc, the old parts were disposed off in public auction and the sale proceeds credited to temple funds.
- c) That in case of purchase of spare parts, the Rules relating to the invitation and disposal of tenders have been observed.

**iii) Register showing the cost of petrol, oil etc.**

It should be seen –

- a) that the details of expenditure incurred towards cost of petrol etc. have been entered with reference to the voucher No. and date and the amount covered for the same.
- b) that the consumption of the petrol, oil etc., date wise has been entered therein.
- c) that in respect of the contingent bills for the supply of petrol/diesel oil, the following certificates have been recorded by the Executive Officer on the bills.
  - i) Certified that the quantities purchased have been entered in the log book of the respective vehicle.
  - ii) Certified that necessary recoveries under Rules have been made from the parties concerned using the vehicles for non-duty journeys and the amounts credited to the institution.
- d) that the mileage run by the vehicle during a particular period as per log book is in accordance with the issues of petrol and oil shown in this register.
- e) that the propulsion charges or cost of fuel etc., received if any from the persons who used the vehicle on non-duty have been entered in this register and a receipt to that effect has been issued to the parties.
- e) that the register is periodically checked by the Executive Officer and a certificate to that effect has been recorded.

**iv) Register of inventory of Equipment:**

It should be seen that –

- a) that the nature of equipment purchased has been entered in this register together with the date of purchase and price etc., as per voucher.
- b) that the inventory of equipment has been checked by the Executive Officer personally every month and a certificate to that effect has been recorded therein.
- c) That the loss if any, arising out of negligence or fault of any person has been recovered and credited to the funds.

**v) Hire charges payment Register:**

It should be seen –

- a) that the hire charges are collected at the following rates:  
 Vehicles of 16 H.P or below: Rs.0.50 per K.M or 0.93 per mile  
 Vehicles of above 16 H.P: Rs.0.70 per K>M or Rs.1.12 per mile.
- b) that the detention charges are collected at the rates prescribed.

**Note:** The detention charges need not be collected if the period of use is less than 6 Hours. A day means a duration of 24 hours and the period of detention shall be calculated with reference to the time at which the vehicle leaves the garage and returns to the garage.

- c) that the Batta charges for the use of vehicle before 8 A.M or after 8 P.M and at places outside the headquarters are collected in addition to mileage charges and paid to the Drivers concerned as overtime allowance as follows.

For duty before 8 A.M:	Rs.0.70 (towards tiffin charges)
For duty after 8 P.M:	Rs.1.50 (towards meals charges)
To places outside the Head quarters:	Rs.2.00 (Batta charges)

**Note:**

- 1) That the above mentioned charges have to be collected at the rates revised on time to time.
- 2) The charges required for the use of vehicles for non-duty purposes should be collected from the officer who used the vehicle on or before the date on which the pay of the Officer for that month is disbursed and paid to the driver concerned after making necessary entries in the log book. In case of non-officials who used the vehicle for non-duty purposes, the charges levied should be collected immediately after the performance of journey and in any case not later than a week from the date of journey.
- 3) The Driver should hand over the amount or the adjustment receipts to the Officer who should credit it immediately into institutions account under the head "Miscellaneous Receipts" and make necessary entries in the hire charges payment register and in the concerned log book. The challan receipt should be pasted against the relevant bill of the receipt book.
- 4) If, in any event, the Executive Officer or the employee or the Trustee concerned fails to pay the mileage and other charges, he should not be allowed further use of vehicles until the amount due is paid fully and they should be recovered from his pay or TA if necessary.

**vi) Receipt Book**

It should be seen –

- a) that receipts are issued for the amounts of hire charges collected from the persons who used the vehicles for non-duty purposes.
- b) that all the amounts collected through these receipts are entered in the hire charges payment register. Endowments Commissioners (C.No.B2/9527/76) Cir.No. 5/76 dated 13-2-1976.

**26. Refund of deposits**

Deposit repayment bills are generally of the following kinds.

- a) Refund of deposits to renters i.e., those who farm out the revenues of the religious institutions i.e., lessees.
- b) Refund of deposits to contractors i.e. who undertake to execute work or supply materials.
- d) Refund of Earnest Money Deposits to tenderers or bidder.

It should be verified in audit that in respect of all refund of deposits: (i) the claims from the party for the refund is forthcoming, (ii) the amount of refund is supported by corresponding credit in the concerned deposit registers, (iii) the refund duly sanctioned for payment by the Executive authority, (iv) the fact of refund is duly recorded against the concerned item in the deposit register, (v) refund is made to correct person and (vi) payees acknowledgement, stamped where necessary has been obtained from the payee.

In checking the deposits relating to contractors for works, supplies and services etc., it should further be seen in audit, that refunds are sanctioned only after recovery or adjustment of the entire value of materials supplied to contractors from departmental stocks and a certificate to the effect that there are no dues of any kind from the contractor. It should also be seen that the refund of deposits relating to works are made only after the prescribed period from the date of completion of work.

**27. Advances**

Bills relating to Payment of advances are generally of two kinds.

- a) Permanent advance; and
- b) Other advances.

It should be verified in audit that –

- 1) the payment of advances has been sanctioned by the competent authority and the sanction of advance is otherwise in order.
- 2) no fresh advance is sanctioned when an advance of a similar nature drawn previously is pending adjustment.
- 3) proper acknowledgements, stamped where necessary are obtained from the payees.
- 4) the advances paid have been duly entered in the concerned registers of advances and adjustment watched.

While checking the bills relating to permanent advance sanctioned to subordinate Officers, it should be seen in audit that the permanent advance has been sanctioned by the Board of Trustees and the necessary entries have been made in the register of permanent advance.

During the course of audit of the bills relating to advances, the auditor should also examine:

- a) that advances for purchase of any commodity or supply of any goods are not given unless the transaction is approved by the competent authority as per the rule prescribed.
- b) that no second advance towards TA has been given to an employee unless the first advance is fully adjusted.
- c) that no third advance is paid to the Trustee unless the first two advances are already got adjusted.
- d) that no advance to the contractors is paid for execution of any work unless the work is got technically sanctioned, agreement is executed, and the stages of execution are got measured and recorded in Measurement Book.
- e) that an advance given to an employee or drawn on self by the Executive Officer or Trustee for making any purchases is adjusted within a week from the date of drawal of advance.

**Note:** Suitable objections should be pointed out in the audit reports regarding non-observance of the above instructions and special reports made to the administrative authorities concerned.

## 28. Recoupment of Permanent Advances

It should be seen –

- 1) that all payments from the permanent advance have been made on sub-vouchers duly passed for payment by the executive authority.
- 2) that they are properly recorded in the contingent register.
- 3) that recoupments are made at least once in a month.

**Note:** If the recoupments are made at long intervals, the presumption is that the advance is unnecessarily large.

- 4) that the charges incurred in one year are not met from the budget grant of another year;

## 29. Investments

The bills relating to investments should be audited to see –

- i) that the amounts not required for immediate expenditure are invested only in accordance with the provisions of Rule 2 of the Rules issued with G.O.Ms.No. 368 Rev (Endts-I) deptt. dt. 19-4-89, under Section- 134 of the Act 1987 as shown below:
  - a) in loans or promissory notes to needy but solvent religious and charitable institutions.
  - b) in loans floated by the State or Central Government or undertakings or public utility guaranteed by the State or Central Government.
  - c) in loans to Public Sector Undertakings and statutory corporations such loans being guaranteed by the State Government.
  - d) in promissory notes, debentures, stock or other securities of the State or Central Government.
  - e) in stock or debentures or shares in Companies, the interest wherein shall have been guaranteed by the Central or State Government.
  - f) in fixed deposits in a Nationalised or Scheduled bank as defined in the Reserve Bank of India Act 1934.
  - g) in the Post Office Savings Bank.
  - h) in National Savings Certificates.
  - i) in Units issued by the Unit Trust of India, and
  - j) Housing Development Corporation Limited.

**Note:** In respect of sanction of loan to any of the State Government Undertakings referred to in (b) (c) and (e) above, the prior sanction of the Government should be obtained.

- ii) that the sanction of Commissioner is obtained for investment of moneys.
- iii) that all the documents i.e. bonds, certificates, promissory notes, are obtained and entered in the respective register of investments giving full descriptive particulars of the documents and checked by the Departmental Officers.
- iv) that the above documents in support of investments are available.

**Note:** All the documents relating to investments etc. of the moneys belonging to all Institutions or Endowments including Maths and Dharmadayams, excepting the institutions published under clause (a) of Section- 6 of the Act, should be preserved in the Office of the Regional Joint Commissioner, who should maintain a Register of Investments and watch the investments for the realization of interest and also the dates

of maturity for the purpose of reinvestment (Rule-13 of the Depositing and Investment of Moneys Rules 1989 issued with G.O.Ms.No. 629 Rev (Endts-I) deptt. dt. 8-9-89.

- v) that interests due have been realized on the due dates and credited to the funds of the institution or endowment.
- vi) that investments made out of earmarked funds viz. specific endowment fund etc. have been reinvested if the amount is not required for expenditure.
- vii) in the case of investments written off by sale or otherwise, the amounts of sale proceeds have been duly credited in the accounts or if the sale was by transfer of investments, it is supported by proper vouchers.

**Note:** The proposal to withdraw or reinvest the amount of investments on maturity has to be submitted to the Commissioner through the Regional Joint Commissioner and orders of Commissioner obtained for withdrawal or reinvestment.

### 30. Lending and Borrowing of Moneys

(Lending or Borrowing Rules 1987 issued with G.O.Ms.No. 368 Rev (Endts-I) deptt. dt. 19-4-89 under Section- 153 read with Section- 134 of the Act)

The bills relating to lending or borrowing of moneys on behalf of the institution should be audited to see

- i) that prior sanction of competent authority in writing is forthcoming for lending to or borrowing from another institution or endowment or other individuals.

**Note:** The following are competent authorities to sanction the lending and borrowing of moneys:

1)	The Regional Joint Director	To a limit of Rs.10,000/- (Rupees ten thousand) in respect of institutions published under Section- 6(b) and (c) of the Act.
2)	The Commissioner	Upto a limit of Rs.50,000/- (Rupees fifty thousand) in respect of all institutions and endowments including all Maths and Dharmadayams, and
3)	The Government	If the amount of loan exceeds Rs.50,000/- (Rupees fifty thousand) in respect of all institutions and endowments.

- ii) that the loans are given only to solvent religious and charitable institutions.
- iii) that the sanction orders of the competent authority have specified the time by which the loan should be repaid, the number of instalments are stipulated and rate of interest fixed, if any, payable on the loan.

**Note:** In the case of lending or borrowing moneys between charitable or religious institution, the competent authority may waive the recovery of interest either in whole or in part.

- iv) that the promissory notes are executed on behalf or in favour of the Trustee or the Executive Officer of the institution.
- v) that the amount raised by loan is spent only on the purposes for which the loan is obtained.

### 31. WORK BILLS

The audit of works expenditure consists of:

- i) the check of estimates;
- ii) an examination of tender files;
- iii) verification of sanctions to estimates and of selection of contractors, and
- iv) check of bills with the measurement books, agreements, metal statements etc.

Before taking up the audit of work bills relating to religious institutions, the auditors should acquaint themselves with the rules relating to works under Section- 28(2) of the Act, 1966

issued with G.O.Ms.No. 1073, Rev (Endts-I) deptt. dt. 6-8-1975 as amended in G.O.Ms.No. 351, Rev (Endts-III) deptt. dt. 22-3-1976.

The bills relating to execution of works, whether they relate to capital works or maintenance works should be checked in audit to see;

- 1) that an estimate has been duly prepared by the competent authority and the enclosures required as per rule 9 of work rules are furnished with each estimate.

**Note (1):** The estimate for any work should consist of -

- a) a Report
- b) Specifications
- c) A detailed statement of measurements and quantities,
- d) A data sheet of rates, wherever necessary,
- e) An abstract showing estimated cost of each item,
- f) Site plans, detailed plans, elevations and sections with trial pit particulars whenever necessary,
- g) Detailed designs of R.C.C. and other structural items, designs of foundations etc.

**Note:** The agency for preparing estimates is an Engineer not lower in rank than that of a Supervisor irrespective of the value of work.

- 2) that the plans and estimates for works have been administratively sanctioned by the appropriate authority.

**Note:** Following are the appropriate authorities for according administrative sanction for plans and estimates for works.

In respect of institutions and Endowments falling under clause © of Section 6:

	Value of the estimate	Appropriate authority for according Administrative sanction
i)	Not exceeding Rs.20,000	Asst. Commissioner.
ii)	Exceeding Rs.20,000 but not exceeding Rs.40,000	Deputy Commissioner.
iii)	Exceeding Rs.40,000	Commissioner.

In respect of institutions and endowments falling under clause (b) of Section- 6 and in respect of matter falling under clause (d) of Section- 6 whose income does not exceed Rs.1 lakh.

Not exceeding Rs.40,000/- .. Deputy Commissioner.

Exceeding Rs.40,000/- .. Commissioner.

In respect of institutions and Endowments falling under clause (a) of Section- 6, and in respect of Maths falling under clause (d) of section-6, whose income exceeds Rs.1 lakh.

Irrespective of the value of the estimate: Commissioner.

**Note:** No administrative approval is required in the case of repair and maintenance works and for supply of materials required for the sanctioned works.

- 3) that the plans and estimates have been duly technically sanctioned by the appropriate authority as required under rule 7(2) of the work rules;

**Note:** The various authorities to accord technical sanction are as follows:

	Value of work	Authority to accord technical sanction
1.	Not exceeding Rs.1,000/-	Not necessary.
2.	Exceeding Rs.1,000/- but not exceeding Rs.2,500/-	Asst.Engineer of the Endowment department.
3.	Exceeding Rs.2,500/- but not exceeding Rs.5,000/-	-Do-
4.	Exceeding Rs.5,000/- but not exceeding Rs.10,000/-	-Do-
5.	Exceeding Rs.10,000/- but not exceeding Rs.20,000/-	-Do-
6.	Exceeding Rs.20,000/- but not exceeding Rs.1,00,000/-	Executive Engineer of the Endowments Department.
7.	Exceeding Rs.1,00,000/- but not exceeding Rs.10,00,000/-	Superintending Engineer in the Endowments Department.
8.	Exceeding Rs.10,00,000/-	Chief Engineer (Roads and Buildings).

- 4) that the estimates are correctly prepared with reference to the specification report, detailed measurement sheet and the schedule of rates in force;
- 5) that the agency of execution has been decided by the appropriate authority as required under rule 12 of the work rules.

**Note:** The authority for fixing up agency for execution i.e. whether by giving on contract or departmentally is the Executive authority with the approval of Trust Board, wherever it exists, upto the value of work not exceeding Rs.5,000/- ,with the approval of Deputy Commissioner upto the value of work not exceeding Rs.10,000/- and with the approval of the Commissioner if the value exceeds Rs.10,000/-.

- 6) that tenders have been invited in respect of all works costing Rs.2,500/- or more.
- 7) that the procedure prescribed in the rules regarding invitation and acceptance of tenders, obtaining of earnest money and security deposits, tabulation of tenders, execution of agreements etc. is strictly adhered to:
- 8) that measurements for works executed are recorded in measurement books and duly check-measured by the Competent authority.

**Note:** The following are the authorities competent to measure and check-measure the work.

	Value of work	Authority competent to measure	Authority competent to check-measure
	(1)	(2)	(3)
1.	Not exceeding Rs.1,000/-	Engineers not lower in rank of a supervisor.	Not necessary.
2.	Exceeding Rs.1,000/- but not exceeding Rs.2,500/-	-Do-	Asst. Engineer, Endowments Department.
3.	Exceeding Rs.2,500/- but not exceeding Rs.10,000/-	-Do-	-Do-
4.	Exceeding Rs.10,000/- but not exceeding Rs.10,00,000/-	Engineer not lower in rank than an Asst. Engineer.	-Do-
5.	Exceeding Rs.20,000/- but not exceeding Rs.10,00,000/-	-Do-	Executive Engineer, Endowments Department.
6.	Exceeding Rs.10,00,000/-	-Do-	-Do-

- 9) that the signature of the contractor has been obtained in the measurement book and in the bill in token of acceptance of measurement.
- 10) that the amounts due from the contractors in respect of the materials issued from the departmental stocks have been fully recovered from the bills of the contractors at the agreed rates or at the book rates as the case may be.
- 11) that a certificate to that effect has been furnished in the connected measurement books;
- 12) that handling charges of materials have been recovered from the contractors wherever necessary;
- 13) that materials in excess of actual requirements have not been issued to the contractor;

- 14) that the value of the materials supplied departmentally has been adjusted on adjustment bills duly sanctioned by the competent authority;
- 15) that relevant indents have been enclosed to the adjustment bills;
- 16) that in the case of unspent materials returned to stores, the receipt of the same has been acknowledged by the person in charge of stores;
- 17) that necessary revised estimates are prepared and got approved by the appropriate authority whenever there are deviations from the original estimate;
- 18) that entries in the register of immovable properties have been made, wherever necessary; and
- 19) that proper acknowledgements stamped wherever necessary have been obtained from the payees.

### **32. REGISTERS**

#### **Register of Properties under section 43 of the Act.**

It should be seen that -

- a) All the properties belonging to the institution both immovables and movables like all jewels, permanent articles like tools and plant etc. have been entered in this register as verified from other subsidiary registers like Inventory of Jewels, Register of permanent articles other than jewels and valuables, register of immovable properties etc. and particulars of Endowments etc. have been entered in this register.
- b) the register has been approved by the Assistant Commissioner.
- c) annual statement of additions, omissions and alterations under Section- 38 of the Act have been prepared, got approved by the Assistant Commissioner and appended to this register.

**Note:** The correctness of this statement should be verified during the audit with reference to the transactions audited and any discrepancies in it should be pointed out in the audit report.

### **33. REGISTER OF REVENUE YIELDING PROPERTIES**

In order to guard against any items of revenue being left out in the Miscellaneous Demand Register, a register of revenue yielding properties showing the particulars of all properties yielding income and sources of miscellaneous revenue under the respective endowments etc. has to be maintained.

It should be seen that -

- a) all properties yielding income and sources of miscellaneous revenue under the respective endowments etc. are noted in this register.
- b) income is derived in respect of all the items entered in this register as seen from the miscellaneous demand register and miscellaneous sales register.
- c) each page of the register contains provision for showing the Demand and the collections under each item.

### **34. MISCELLANEOUS DEMAND REGISTER**

The demand, collection and balance of all items of revenue like income from lands, buildings, sites and other immovable properties and contributions and other, both under arrear and current should be watched by means of Miscellaneous Demand Register. Separate portions of a page or pages should be set apart for each of the above kinds of revenue. Each lease should separately be shown in this register.

While checking this register, It should be seen -

- a) that all items of revenue farmed out, leased, given on rent etc. and payable in fixed instalments are recorded therein.

**Note:** This should be verified with reference to the properties noted in the register of Revenue yielding properties, or the register of properties maintained under Section- 38 of the Act.

- b) that the lease amount, amount of security taken, the date of the agreement, the amount of instalment of kist due, the due date of payment and the rate of penal interest leviable are noted in this register with reference to the auction lists, lease deeds, rent deeds etc.
- c) that the collections are posted from the Miscellaneous receipts register, counterfoils of Miscellaneous receipts and challans and recoveries from bills, if any, payable to the lessee.

**Note:** Separate totals should be made for all items coming under the same head of receipt and the same should be agreed with the corresponding total figures in the ledger or posting register.

- d) that the amount of security deposit noted in the Miscellaneous Demand Register agrees with that shown in the deposit register against the lessee concerned.
- e) that the security deposit has been adjusted towards the last three instalments of kist or towards any instalment of the lease amount overdue from the lessee and towards loss if sustained by the resale or departmental management.
- f) that when a resale is conducted or when a lease is terminated on account of the default of the lessee, necessary legal steps are taken for the recovery of the loss from the original lessee.
- g) that the balances outstanding at the end of the year are correctly worked out and noted in the appropriate column of the register.
- h) that the penal interest due and realized and the balance outstanding at the end of the year are correctly worked out and recorded in the columns provided therefor.
- i) that adequate action has been taken to realize the outstanding revenue due within the period of limitation.
- j) that a Demand collection and Balance statement in respect of each kind of revenue has been worked out and certified to by the executive authority.

**Note:**

- 1) The receipts in kind should be traced into the stock register maintained for the purpose.
- 2) The balance due in kind from the lessees at the end of the year should be entered at the market rates and shows in the statement "Assets and Liabilities" and the "Balance Sheet".
- k) that the balances at the end of the year are correctly transferred to the Miscellaneous Demand Register for the next year.
- l) that the amounts decreed towards kists, costs etc. are noted in this register and their recovery watched.

### 35. REGISTER OF MISCELLANEOUS SALES

It should be seen -

- 1) that all miscellaneous sales such as old stores materials, unserviceable vessels, gold and other valuables and other articles of Kanukas etc. other than cases in which contract agreements are taken, find a place in this register.
- 2) that particulars of sale, the proceeds of which are realized in one instalment are entered under signature of the highest bidder in whose favour the sale is knocked down.
- 3) that separate pages have been set apart for each class of revenue and that necessary entries have been made as soon as orders are issued for sale.
- 4) that each item of sale is supported by sale lists which are signed by the officer conducting the sales.
- 5) that sales have generally been conducted by public auction.

- 6) that prepayment has been generally insisted upon in all cases and that articles sold have not been removed before payment.
- 7) that receipts have been granted for all sale proceeds.
- 8) that the total collections on account of each class of revenue agrees with that noted in the register of miscellaneous receipts.
- 9) that the items of sales pending and the sale proceeds not collected within the close of the year have been transferred to the register of the next year.

### **36. Register of Uncurrent Coins**

In the should be seen -

- 1) that the uncurrent coins with the nature and the weight of these coins as recorded in the Hundial Assortment Register is transferred and counted for in this register.
- 2) that the disposal of these coins is watched from the entry in this register.
- 3) that the orders of the Assistant Commissioner/Deputy Commissioner as the case may be are obtained for the disposal of uncurrent coins if found unrealizable.

### **37. REGISTER OF KANUKAS**

It should be seen that -

- a) with reference to the miscellaneous receipts issued for the Kanukas offered and the entries in the Hundial Assortment Register all the items have been entered with full particulars.
- b) Separate sets of pages have been allotted for each category to Kanukas such as gold, silver, cloths, vessels etc., with a clear index of the contents at the beginning of the register.
- c) the kanukas received are disposed off by sale under sanction of Administrative authorities or transferred to the register of jewels and valuables, stock register of permanent articles other than jewels and valuables, stock register of provisions etc. as the case may be and the page number, item number in the stock book are invariably given.
- d) the register is verified by the Executive authority at least every half year and at the end of each year and also at the time of handing over to a successor and the result recorded.

**Note:** It should be seen that the signature or thumb impression of the tenderer of Kanukas is invariably obtained on the miscellaneous receipt issued for the purpose and detailed particulars of the Kanukas such as its measurement, weight, quantity etc., have been noted in the Miscellaneous receipt.

### **8. AUCTION REGISTER**

It should be seen that -

- a) all sales, leases etc., conducted in public auction are entered in this register instead of on loose sheets of papers.
- b) the auction is held at the proper place referred to in rule 1 of the rules issued under section 100(2)(m) of the Act.
- c) That only those who have paid the earnest money deposit are allowed to bid at the auction.
- d) The name of the bidder and the amount for which the bid is knocked down has been entered at the end of the auction.
- e) The signature of the highest bidder and one of the trustees present or the Officer of the Endowment Department, if any, deputed to attend the auction is also obtained in the register.

- f) Acknowledgements have been obtained from the other bidders to whom earnest money deposits have been refunded.
- g) The earnest money deposit of the successful bidder has been credited to deposits.
- h) The amounts for which the bids are knocked down have been correctly noted in the miscellaneous demand register or the miscellaneous sales register as the case may be.

### 39. REGISTER OF SALE OF PRASADAMS

It should be seen that -

- 1) the rates have been fixed for different categories of Prasadams.
- 2) the quantity of prasadam is correctly brought to account and sold at the rates fixed.
- 3) The disposal of the stock is correctly accounted for.
- 4) The balance of stock on hand is periodically verified by the executive authority.
- 5) The disposal of the undisposed stock of Prasadams not realizable at the end of the day has been recorded under the signature of the executive authority.

### 40. REGISTER OF ADVANCES

It should be seen -

- a) that all the advances made with reference to the paid vouchers have been catered in this register with full particulars.
- b) that all adjustments or recoveries of advances have been correctly posted in this register.
- c) that the monthly totals of receipts and payments agree with the corresponding figures shown in the posting register.
- d) that an abstract of opening balance, receipts, payments and closing balance is worked out in the register at the end of the year.
- e) that the balance outstanding as shown in this register agree with the balance shown in the statement of assets and liabilities and the balance sheet on the assets side.
- f) that the balances are carried forward to the next year (these items should be initialed by the auditor).
- g) that no amount is allowed to become time-barred for recovery.

(A suitable paragraph should be incorporated in the draft audit report giving particulars of outstanding advances).

**Note:** If any advance has not been so classified by the Executive authority, the auditor should himself transfer such items and effect necessary entries in this register.

### 41. REGISTER OF PERMANENT ADEVANCES

It should be seen -

- 1) that the annual acknowledgements are received and filed.

**Note:** All acknowledgements wanting should at once be brought to the notice of the executive authority and if not produced by the end of the audit they should be detailed in the audit report.

- 2) that advances are given only to Officers who have to incur petty expenses.
- 3) that the advances paid are based on the average expenditure.
- 4) that the sanction of the competent authority is obtained in each case.

**42. REGISTER OF DEPOSITS**

Deposits of religious institutions will be of the following kinds viz.

- a) Deposits by renters i.e. those who form out the revenues of the religious institutions i.e., lessees.
- b) deposits by contractors i.e. who undertake to execute work or supply materials.
- c) Earnest money deposits of tenderers or bidders.
- d) Unclaimed contractors' dues.
- e) Other miscellaneous items such as the proportionate share of amount due on the realization of receipts under 'archanas', fees levied for tendering the Kanukas in the temples and the like and payable to the different service holders in accordance with the custom in vogue.

While checking the register in the should be seen -

- 1) that separate sets of pages are set aside for each of the above classes of deposits.
- 2) that each part of the register is opened with the details of the previous year's outstanding balances as shown in the previous year's register.
- 3) that the deposits received during the year are entered in this register whenever each transaction occurs.
- 4) that all advances collections of lease amounts for the subsequent years are shown in this register and subsequently adjusted during the year to which the amounts relate.
- 5) that no deposit is kept out of account.
- 6) that day-to-day postings under receipts and made from the entries in the Miscellaneous Receipt Register.
- 7) that proportionate share of amount due on the realization of receipts in which the staff such as archaka, servicedars etc., have a share are correctly entered in this register in the first instance and subsequently adjusted when payment is made.
- 8) that the total of the deposits received during the year is agreed with the corresponding figures in the posting register.
- 9) that the repayments in cash or by transfer is noted against original credit in the column for the month in which the refund is made.
- 10) that the several Pass Books and promissory notes etc., have been duly endorsed to, and pledged in favour of the institution.
- 11) That the return of the pass books and other documents are duly acknowledged by the parties to whom they are said to have been made over.
- 12) That the register has been totaled and the total agrees with the amount shown on the side of the liabilities in the Balance Sheet and the statement of assets and liabilities.

**43. SECURITY REGISTER OF SUBORDINATES**

It should be seen -

- 1) that security has been furnished by all the subordinates who are entrusted, whether permanently or temporarily with the custody of cash or stores or valuables belonging to the institution or entrusted with the collection of revenue.
- 2) that the amount and nature of security has been fixed by the appointing authority and approved by the Assistant Commissioner/Deputy Commissioner/Commissioner as the case may be.
- 3) That the amount of security fixed in each case is noted in register with the number and date of the orders of the authority fixing it.

- 4) That the security furnished is in one of the following forms vide rule 7 of the rules issued under section 100(2)(y) of the Act, 1951.
  - a) Cash or
  - b) Promissory notes of the State Government or any other State Government or Union Government or municipal debentures or post office bonds, or
  - c) Stock certificates State Government or any other State, Government or the Union Government or
  - d) Post Office Savings Bank Deposits, or
  - e) Post Office Cash Certificates and National Savings Certificates or
  - f) Deposits receipts of the Andhra Co-operative Bank, a Central Co-operative Bank approved by the Register of Co-operative Societies, Andhra Pradesh for deposit of the funds of local boards and Municipalities or a scheduled bank as defined in Reserve Bank of India Act, 1934.
- 5) that security bonds have been taken and the security bond is executed in the name of the institution.
- 6) that the security fixed for the post is furnished within 15 days of the receipt of the order of appointment or within such period as may be fixed in the order of appointment.
 

**Note:** The competent authority may be on the recommendation of the appointing authority extend the time for furnishing the security or exempt an Officer or servant from furnishing the whole or any part of the Security or reduce the amount of security.
- 7) that where security is furnished in the form of cash, it has been invested in any of the securities referred to in sub-para (4) above.
- 8) that the interest derived from such investment is paid to the persons concerned.
- 9) that the Savings Bank Pass books are forthcoming in all cases where Savings bank deposits have been furnished as security.
- 10) That the several Pass Books and promissory notes etc., have been duly endorsed to, and pledged in favour of the institution.
- 11) That the return of the pass books and other documents is duly acknowledged by the parties to whom they are said to have been made over.
- 12) That the register has been totaled and the total agrees with the amount shown on the side of the liabilities in Balance Sheet and the statement of assets and liabilities.

#### 44. REGISTER OF LOANS

It should be seen –

- 1) that the register is maintained in the prescribed form.
- 2) that the loan is taken for authorized purpose.
- 3) That the particulars relating to the amount of loan, the orders of the Government, Commissioner, Deputy Commissioner or Assistant Commissioner as the case may be sanctioning the loan, the conditions of the loan together with the rate of interest have been recorded.
- 4) That loans received by the institution are entered in the register and a separate page has been allotted for each loan.
- 5) That in all cases of lending or borrowing of moneys promissory notes have been executed on behalf of or in favour of the Trustee or the Executive Officer of the institution concerned.
- 6) That the repayment of principal and interest are regularly made in accordance with the conditions sanctioning the loan and recorded in the register.
- 7) That the loan is not taken long before the money was actually required for disbursement.

**Note:** The interest paid on loan for the period for which it is kept idle constitutes an avoidable expenditure and such cases have to be commented in the audit report.

- 8) that the amount raised by loan is spent only for the purpose for which the loan was obtained.
- 9) that prior approval of the competent authority is obtained for any deviation in the utilization of the loan amount.
- 10) That the register is reviewed periodically and at the end of the year by the Executive authority.

#### 45. REGISTER OF WRITES OFF

All revenues due to the religious institution whether under a contract or otherwise and the value of the articles lost, if found irrecoverable may be written off under specific sanction of the competent authority. All the transactions relating to the writes off should be recorded in this register.

In case of write off of irrecoverable loans, advances debts, loss of money, value of stores and articles and items of revenue due to the institution, it should be seen that the sanction of the authorities noted below for such write off is forthcoming.

SI No.	Authority competent to Write off	Maximum amount that can be ordered to be written off
1.	Assistant Commissioner	Not exceeding Rs.500 in case of institutions under his control.
2.	Deputy Commissioner	1) not exceeding Rs.1000 in case of all institutions in the list published under clause (b) of Section-6. 2) Exceeding Rs.250 but not exceeding Rs.500 in case of institutions within the jurisdiction of an Assistant Commissioner.
3.	Commissioner	Exceeding Rs.500 but not exceeding Rs.2,500 in case of any institution.
4.	Government	All other cases.

**Note:** The items of irregular, illegal or improper expenditure, which are surchargeable in nature should not be written off.

(Rule 18 of the rules issued under Section- 153 of the Act, 1987 with G.O.Ms.No. 735 Revenue (Endts. I) dt. 5-7-89)

#### 46. REGISTER OF INVESTMENTS

It should be seen –

- 1) that all investments made as seen from the paid vouchers are correctly entered in this register with full particulars.
- 2) that all loans paid by the institution are also entered in the register as no separate register has been prescribed for this purpose.
- 3) That the investments entered in this register is not written off unless and until it has been disposed off absolutely by sale or otherwise.
- 4) That the investments are not in personal name of the Executive authority but in the name of the institution.
- 5) That the interests due have been realized on the due dates are credited to the accounts and correctly posted in this register.
- 6) That investments made out of earmarked funds viz. specific endowments fund, loan fund, sale proceeds of the capital assets, security deposits of subordinates, contractors deposits and P.F.balances etc. have been reinvested if the amount is not required for expenditure.
- 7) That interest due but not realized at the end of the year has been brought forward to the next year.

**Note:** In cases where interest due for a subsequent half year has been shown as realized while the interest due for the previous period is shown as outstanding the matter should be carefully examined and a special letter to the Endowments Department should be put up with a view to investigate any possible misappropriation.

- 8) that the investments and promissory notes for loans paid are forthcoming for verification in audit.
- 9) that all investments are of the nature prescribed in the rules under Section- 94 of the Act, 1966 issued with G.O.Ms.No. 100, Home (Endts.III) Department, dated 24-1-69.
- 10) That no investments have been pledged, encashed or withdrawn without the specific permission of the competent authority.
- 11) That all the investments which matured have been promptly encashed and reinvested.
- 12) That amounts paid by the institution to the Electricity Department towards security deposit for service connections are also entered in this register.
- 13) That an abstract showing the names of the securities held, the amount invested during the year, the amount realized and the balance of investments on hand at the end of the year is prepared and got attested by the Executive authority.
- 14) That a Demand Collection Balance statement for the interest is prepared and got attested by the Executive authority.
- 15) that the total investments and the total amount of interest due and outstanding as shown in this register agrees with the figures shown in the statement of assets and liabilities and the balance-sheet on the assets side.

#### **47. REGISTER OF MONEY ORDERS AND OTHER VALUABLES RECEIVED BY POST**

It should be seen –

- 1) that amounts received by money orders and valuables received by post are entered in this register; and the money order coupons bear the dated initials of the Officer authorized to receive money orders and are stamped with the seal of the institution.
- 2) that the amounts and valuables received by post are entered in the respective registers as per this register and attested by the Executive authority.
- 3) that there is no delay in transferring the postings of this register to the cash book or to the register of kanukas as the case may be.
- 4) that the register is scrutinized by the Executive authority daily.

#### **48. ESTABLISHMENT AUDIT REGISTER**

This register will have been checked under the process of check laid down in the preceding paragraphs relating to check of pay bills, etc. It should be seen that all recurring charges have been entered in the register and orders sanctioning each post has been quoted in support and that the sanctioned strength of the staff is in accordance with the schedule of establishment attached to the sanctioned budget of the religious institutions. The orders should be verified in every case in which the charges have been newly sanctioned or there has been change in them since last audit.

It should be seen whether –

- 1) any excess over the sanctioned scale appear in any month of the whole period under audit and all excesses over the sanctioned monthly scale have been satisfactorily explained.
- 2) the order sanctioning the establishment have been noted in all cases and the amounts entered in the sanctioned scale columns authenticated by the initials of the Executive authority.
- 3) The alterations in the scale column have also been initialed by the Executive authority and the dates from which they have been taken effect have been invariably noted.
- 4) House rents, fixed contingencies etc., if any drawn along with pay have been properly posted in the audit register.

- 5) Refunds by short drawals, fines and amounts withheld for further payment have been correctly noted.
- 6) The fly-leaves have been correctly noted.
- 7) The temporary establishments if any, have been entered separately after the permanent establishments in the audit register, the period for which sanction holds good has been noted and lines have been drawn across the pages or months previous and subsequent to such period, and
- 8) The register has been maintained correctly and posted monthly when pay bills are passed for payment.

#### 49. SERVICE REGISTER

It should be seen –

- 1) Whether a separate Service Register has been maintained for every employee borne on the establishment of the institution.
- 2) Whether the record of service of each Officer is complete.  
**Note:** When examining establishment bills It should be seen – seen that all leave, increments etc., have been recorded in the service register.
- 3) Whether it bears evidence of having undergone annual verification at the hands of the executive authority.  
**Note:** The auditor should see that all omissions or inaccuracies noticed by him in the registers are rectified, if possible before the completion of the audit.
- 4) Whether leave accounts have been maintained for each Officer.  
**Note:** Whenever an employee's leave salary comes up for audit, the leave account should be referred to and the eligibility for leave verified. The auditor should check the leave account to see that the entries of leave earned leave taken and the balance at credit are correct.

#### 50. REGISTER OF SUITS

It should be seen –

- 1) that all the suits to which the institution is a party are entered in the register.
- 2) that separate pages are allotted for each suit and that appeals are entered separately giving a cross reference to the original suit.
- 3) That the expenditure incurred on a suit is entered with full details in the appropriate columns of the register.
- 4) That advances made to vakils and their adjustments on receipt of detailed bills or khata extracts are noted in it against the suit concerned.
- 5) That particulars regarding the results of the suits, the sum decreed towards suit, costs etc., are noted in the appropriate columns of the register.
- 6) That recoveries made are also noted in it.
- 7) That decrees are not allowed to be time-barred and that execution petitions have been taken in time.
- 8) That the progress of suits, execution of decrees and recoveries of amounts decreed are watched through this register.
- 9) That amounts decreed have been noticed in the miscellaneous demand register with a view to watch their necessity.
- 10) That the register has been reviewed by the Executive authority periodically and a certificate to the effect recorded by the Executive authority.

**51. ACQUITTANCE REGISTER**

This register would have been checked while auditing the pay bills, TA bills etc. of the establishment. It should be seen –

- a) that the acquittances have been stamped where the amount disbursed exceeds Rs.5000/- and the acquittances are dated.
- b) that the names of the employees are entered in the acquittance register in the same order as shown in the concerned bills.
- c) That the acquittances have been obtained in the case of all amounts disbursed.
- d) That the undisbursed amounts, if any, have been remitted back to the funds of the Devasthanam.
- e) That there has been no delay in disbursements.
- f) That the Executive authority has recorded a certificate of disbursement with dated signature at the end of each day after disbursements.

**Note:**

- 1) When any amounts are sent by M>O, the connected M>O acknowledgement should be verified in audit.
- 2) When amounts are disbursed to any person other than the original payee, it should be seen that the authorization is in proper form and that stamped acquittance has been furnished by the original payee.

**52. POSTAGE STAMP ACCOUNT**

It should be seen –

- a) that the stamps purchased have been entered in the stamp account.
- b) That the balances are correctly struck (the balance of stamps should be verified by the auditor during audit.)
- c) That the stock is verified periodically by the executive authority.

**53. REGISTER OF PAYMENT OF LAND REVENUE AND LOCAL TAXES**

It should be seen –

- a) that all the payments of land revenue and local taxes have been posted in this register.
- b) that the particulars of properties noted in this register agree with those in the register of immovable properties under Section- 38 of the Act.
- c) That the land revenue or taxes payable by the lessees and tenants according to the conditions in lease or rent deeds have been recovered and credited to temple funds.

**Note:** In case the land revenue or taxes were paid in the first instance by the institutions, It should be seen that the amounts have been debited to 'Advances recoverable' and the recovery watched.

- d) that in case any of the buildings have been vacant, vacancy remission of the tax has been applied for and obtained.
- e) that in respect of buildings etc. eligible for exemption of the taxes under the relevant sections of local acts, such exemptions have been obtained.
- f) that the payments made are not in excess of the amounts demanded.

**Note:** If there are large variations in the amount of land revenue paid compared to the previous year, the reasons for the same should be called for.

- g) that the properties are in the name of the institution and not in the name of individual persons as seen from the receipts issued for the payment of the land revenue and the taxes.

#### 54. REGISTER OF SPECIFIC ENDOWMENTS AND KATTADIES AND LEDGER OF TRANSACTIONS RELATING TO SPECIFIC ENDOWMENTS AND KATTADIS

It should be seen –

- 1) that the particulars of each endowment have been correctly noted with reference to entries in the section 38 register, Endowment deeds etc.
- 2) that the history and conditions of each endowment with particulars of its sources of income and its assets and the nature of expenditure usually incurred from it together with the sanctioned dittam for the expenditure are recorded in the register.
- 3) That all income due from the immovable and investments under each endowment as recorded in the register under Section- 38 of the Act, is watched through the Miscellaneous Demand Register and register of investments and prompt action taken for their early realization.
- 4) That all such income is earmarked for the purpose for which the endowment was created.
- 5) That the income from the specific endowments has been utilized only for the purpose for which it is intended and is not diverted for other expenditure.

**Note:** In order to watch that specific endowment funds are appropriated only for the purposes for which the endowments was created, a separate register showing in separate pages the yearly transactions of each endowment should be maintained.

- 6) that surplus balances not required for expenditure in the near future have been invested in approved interest fetching securities.
- 7) that an abstract showing the total receipts and charges is prepared for all the endowments at the end of the ledger.
- 8) That the closing balance arrived at the end of the year is carried over as opening balance of the respective endowment accounts for the next year.
- 9) That the total collections as shown in the abstract is agreed with the figures noted under collections in the Demand Collection Balance statements prepared in the miscellaneous demand register, and in the register of investments for the interest on securities under endowments and the total collection of grain in kind in the Demand collection Balance Statement prepared for the transactions in kind in the Miscellaneous Demand Register separately for endowments.
- 10) That the total of receipts and expenditure is agreed with the figures in the posting register.

**Note:**

- 1) In cases where the expenditure in respect of any specific endowment exceeds the receipt the Executive authority should have the dittam revised with the approval of the competent authority so as to bring the expenditure within the receipt. Except in cases where the service for which the endowment was created is one, the entire cost of which has to be borne by the temple but for the endowment, the debit to the temple funds of the expenditure in excess of receipt in respect of the endowments not covered by the cases indicated above, does not form a legitimate charge against the funds of temple. Even in cases where the debit of such excess expenditure is considered to be a legitimate charge against the funds of the religious institution such excess expenditure over the sanctioned dittam should be considered "Unauthorised" in the sense that the excess expenditure is not covered by any sanction of the competent authority unless the Executive authority takes immediate action to revise the dittam.
- 2) In respect of amounts casually received as Ubhayams for the performance of same special poojas, a separate ledger account has to be opened in this ledger in the name of the tender to watch the expenditure. Accounts opened for the accounting of Ubhayams should not be mixed up with accounts maintained for specific endowments. Except in cases where the expenditure is in progress at the time of closing of the ledger, the other personal accounts (opened for ubhayams) should be considered as closed and not carried over to the next year's ledger as in the case of endowment accounts. In the posting register the expenditure should be posted under "Ubhayams".

### **55. STOCK ACCOUNT OF TICKETS TO BE MAINTAINED BY THE SUBORDINATE ENTRUSTED WITH COLLECTIONS**

It should be seen –

- a) that all the ticket books issued to the subordinates as seen from the issues in the register of money value forms are entered in this register.
- b) that the total value of tickets sold has been correctly worked out.
- c) That the total collections made have been remitted promptly into the temple office.
- d) That the total value of the tickets entrusted at a time to a subordinate is within the security furnished by him.
- e) That the balance of tickets with the subordinates have been periodically checked by the Executive authority.

### **56. INVENTORY REGISTER OF JEWELS AND OTHER VALUABLES**

It should be seen –

- a) that the pages are numbered and the number of pages in the register has been certified to.
- b) that the correct description, weight and estimated value of all jewels, Gold vessels, Silver vessels and other valuables and full particulars of gems, if any in the jewels have been entered.
- c) That the sanction of the Commissioner, Deputy Commissioner or Assistant Commissioner as the case may be has been obtained for altering repairing, replacing, selling of jewels etc., as required under rule 8 of the rules issued under Section- 32 and 33 of the Act, 1966.
- d) That any jewel or vahanam has been made only with the prior sanction of the Commissioner, Deputy Commissioner or Assistant Commissioner as the case may be.  
  
**Note:** The entries in this register would have been checked while checking the register of Kanukas and vouchers on which, payments have been made for purchase of jewels and other valuables.
- e) that the entries in this register agree with the entries in the register maintained under Section- of the Act and the annual statements sent under sub-section 10 of Section- 38 of the Act.
- f) that periodical verification has been made and a certificate to that effect has been recorded by the Executive authority with his dated signature.
- g) That an abstract showing the value of articles as at the commencement of the year those purchased or disposed of during the year and those on hand at the close of the year is prepared over the signature of the Executive authority.
- h) That the value of the articles at the close of the year as shown in the register agrees with the figures shown in the statement of assets and liabilities and the balance sheet on the assets side.

### **57. Register of money value forms**

It should be seen –

- 1) that with reference to paid vouchers and invoices received, all the tickets, miscellaneous receipt books and other money value forms are entered in this register allotting a separate page for each kind of ticket or form.
- 2) that issues are not made in excess of requirements.
- 3) that all the books are forthcoming for verification either as used or unused.
- 4) that the printed machine numbers of books issued have been noted in the register and the acknowledgements of the persons concerned have been taken for issues.

- 5) that the counterfoils of the used ticket books have been received back from subordinates and tallied with the issues shown in this register.
- 6) that the stock has been verified periodically and the fact certified to by the executive authority with his dated initials.
- 7) That the actual stock on hand at the time of audit agrees with the book balance.

**Note;** This should be ascertained by actual counting after striking the balances in the register, and this fact of agreement should be certified to in the latter. If any differences are discovered, they should be drawn prominent attention to in the audit report and the actual balances entered in ink in the register by the auditor himself. It should also be seen whether these forms are kept securely under lock and key in charge of a responsible Officer.

#### **58. STOCK REGISTER OF LIVE STOCK**

It should be seen –

- i) that the register is correctly maintained allotting separate sets of pages for recording the particulars of different species of animals like buffaloes, cows etc.,
- ii) that the entries relating to the additions made from time to time are correct with reference to the paid vouchers in the case of new purchases, by the connected files in the case of animals received as free gifts and by birth reports in the case of new borns;
- iii) that deletions due to death of animals are supported by death reports duly approved by the Executive authority;
- iv) that deletions due to sales are supported by the connected sale lists and corresponding credits for the sale proceeds;
- v) that the correctness of the number of animals according to the register has been certified to in the register by the Executive authority.

#### **59. STOCK REGISTER OF FODDER, STATIONERY ETC**

It should be seen –

- i) that the register contains a complete record of all articles under the heading of the register;
- ii) that all the articles purchased during the year according to payment vouchers, have been shown in the register;
- iii) that the issues are in accordance with the scale, if any prescribed;
- iv) that articles are not stocked largely in excess of requirements;
- v) that the stock of paper and other stationery articles has been verified and the fact certified to in the register periodically by the Executive authority.

#### **60. STOCK REGISTER OF TOOLS AND PLANT OTHER THAN JEWELS AND VALUABLES**

It should be seen –

- 1) that the register contains a complete record of all tools, furniture, vahanams, metal vessels etc.;
- 2) that all tools and plant etc., purchased during the year according to payment vouchers, have been shown in this register.
- 3) that the purchases of tools and plant and sales, if any thereof as being unserviceable, lhb made with competent sanction;
- 4) that issues are noted only lint case of sales and losses;
- 5) that no entry is made for issue of articles for use;
- 6) that credits are traceable in the accounts for all sale proceeds of unserviceable tools etc.;

- 7) that the cert has been furnished by the Executive authority as to the actual verification of the balance on hand;
- 8) that separate registers or separate sets of pages in a register are set apart for recording tools and plant in various subordinate institutions;
- 9) that the value of tools and plant found short at the time of verification is recovered from the person responsible or is written off with the sanction of the competent authority;
- 10) that articles of tools and plant found in excess at the time of verification are brought to account;
- 11) that the balance of stock at the end of the year has been entered in a fresh register; and
- 12) that the value of the stores at the close of the year agrees with the figures shown in the statement of assets and liabilities and the balance sheet on the sets a side.

#### **61. STOCK REGISTER OF PROVISIONS**

It should be seen –

- 1) that with reference to the paid vouchers and miscellaneous receipts all the provisions purchased and received from lessees have been entered and separate pages are allotted for each kind of stores.
- 2) that issues made for various services are entered correctly under the concerned heads of services.
- 3) that totals are struck at the end of every month and the total issues under each service are commuted into money value.

**Note:** In respect of stores received in kind, the market rate should be adopted.

- 4) that the stock register has been verified periodically and a certificate to that effect has been recorded under each article under the dated signature of the Executive authority.

**Note:** The following procedure should be adopted for accounting stores purchased and stores received in kind from the lessees and their issues.

- i) when stores are purchased, the amount paid should be debited in the cash book 'to stores account' in the first instance.
- ii) when stores are received in kind from lessees etc., the value of the same at market rate should be credited in the cash book to the concerned head of receipt viz, receipts from lands etc., and also debited to 'Stores account'.
- iii) the total value of stores issued for various services at the end of the month should again be debited by adjustment in the cash book as expenditure under the said services and credited to stock account.
- iv) the balance of stock of the stores at the end of the year should be valued at the same rate at which they have been valued previously and the total value of all the stores, shown as an asset being stock on hand, in the statement of assets and liabilities and the balance sheet.

#### **62. CHOULTRY AND TRAVELLERS BUNGLAW RENT REGISTER**

It should be seen –

- 1) that the rates have been fixed and got approved by the Assistant Commissioner, Deputy Commissioner or Commissioner as the case may be.
- 2) that the amounts paid are correct with reference to the duration of halts and the fees fixed.
- 3) that the amounts have been remitted to temple funds by the watcher, if any, without any undue delay.

**Note:** This should be checked with reference to the entries of remittances noted in this book and the credits appearing in the miscellaneous receipt Register.

- 4) that a notice embodying the rules and regulations governing the choultry and the rest house and the scale fixed by the competent authority for the occupation of the rooms is exhibited in a conspicuous place in the choultry for the information of the travelers.

### **63. REGISTER OF WORKS**

It should be seen –

- 1) that all original works the cost of which exceeds Rs.1000 have been entered in this register.
- 2) that it shows the amount provided in the estimate and the actual expenditure by sub-heads.
- 3) that the several money columns have been totaled at the end of the year or on completion of the work so as to enable a comparison between the total expenditure and the amount of estimate or contract being made.
- 4) that the total of the year's expenditure on each work has been recorded in the register of estimates and allotments.
- 5) that excess over estimates or allotments, either under sub-heads or in the total expenditure on the works are covered by sanctions obtained on the deviation statement or completion, reports or otherwise.
- 6) that in the case of incomplete works, the necessary entries have been brought forward from year to year until the works are either finally completed or abandoned.
- 7) that the register has been periodically examined and initialed by the executive authority.

### **64. REGISTER OF ESTIMATES AND ALLOTMENTS**

It should be seen –

- 1) that all estimates and allotments have been entered in this register.
- 2) that when an estimate has been revised, the value of the revised estimate has been noted after striking the original value neatly.
- 3) that the total of the year's expenditure has been recorded with reference to the entries in the register of works.

### **65. CONTRACTOR'S LEDGER**

It should be seen –

- 1) that a separate folio is opened in the personal ledger for each contractor.
- 2) that the entries on the debtor side shown the payments made to the contractors and those on the creditor side the value of work done as shown in the contract certificates passed from time to time.
- 3) that the account embraces all transactions to which the contractor is a party whether relating to one or several works or to materials purchased from him.
- 4) that the account show the number and amount of each passed bill and certificate with a brief entry of the name of work, the number and amount of each bill or certificate and the balance due to it from the contractor on account of each work not settled in full.
- 5) that the contractor has signed the account at convenient intervals in token of the acknowledgement of the correctness of his account.

### **66. MEASUREMENT BOOK**

It should be seen –

- 1) that all measurements of work done whether by means of daily labourer, by contract and of materials received or issued, have been recorded in the measurement book.
- 2) that the arithmetical calculation and totals in the measurement books are correct.

**Note:** About 20 per cent of calculations need be checked for this purpose.

- 3) that the correctness if any are attested by the Officer concerned.
- 4) that there are no undue delays in measurement and check measurement of work done.
- 5) that all entries which have been transcribed into the bills have been neatly crossed out in ink.
- 6) that there are no erasures or unattested alterations.
- 7) that pencil entries have not been inked over except in the contents column, which should invariably be in ink,
- 8) that reference is given in all cases to the vouchers on which payments were made,
- 9) that the book evidences check at the hands of the check measuring officer.
- 10) that the used up books have been returned to the institution and that they are carefully filed,
- 11) that the measuring officer has authenticated each set of measurements by his signature or initials, and
- 12) that the rules issued by Government regarding measurement and check measurements of works of religious institutions have been observed.

#### **67. POSTING REGISTER**

It should be seen –

- i) that it is posted up monthly,
- ii) that the postings have been correctly made and that the classifications are correct,
 

**Note:** The entries in the charge portion should be examined with reference to the vouchers when they are being audited, while in the case of receipts, monthly and grand totals should be checked with subsidiary registers like miscellaneous demand, deposits, advances and other registers.
- iii) that the several adjustments made in the accounts including sums expunged from both sides, have been correctly posted,
- iv) that the monthly and progressive totals are correct,
- v) that the totals as finally arrived agree with those shown in the annual account appended to the audit report,
 

**Note:** The alterations made by the auditor owing to errors in classification or in totaling, etc., should be neatly carried out in the posting register and the correct figures noted in the last column.
- vi) that the total receipts and charges of the service and debt heads have been correctly entered in the posting register and they agree with the corresponding figures in the subsidiary accounts maintained.

**Note:** Where instead of a posting register only a ledger account has been maintained, it should be seen that the receipts and expenditure are correctly classified and correctly totaled. At the end of each month and at the end of the year, an abstract according to budget heads of receipts and charges should be worked out with opening and closing balances.

#### **68. CASH BOOK**

It should be seen –

- 1) that the cash and bank or treasury columns are correctly used.
- 2) that the entries on receipt side have been correctly made from the remittance challans, miscellaneous receipts and subsidiary registers.
- 3) that there are no erasures and that all corrections have been neatly made and attested by the Executive authority.

- 4) that the book is closed every month and reconciliation of the closing balances of the pass book and cash book is effected and recorded under the signature of the Executive authority.
- 5) that the book is written up daily and that the cash balance at the time of audit is correct,

**Note:**

- i) The balance on any one day should be verified and certified to in the cash book.
  - ii) For purpose of verification of cash on hand It should be insisted upon that the cash book is written upto date, the collections remitted into the bank and the pass book produced for audit. If a heavy sum of cash is retained on hand and no arrangements are made to remit the same into bank or to produce the cash balance, a report should be made to the administrative authorities separately in advance of the audit report.
- 6) that all receipts paid by parties in the Treasury or Bank direct and amounts of grants etc. adjusted to the personal deposit account at the Treasury are entered in red ink in the Treasury or Bank column of the cash book,
  - 7) that the amounts entered in the Treasury or the Bank column on the charges side of the cash book agree with those in the counterfoils of cheques.

**Note:**

- i) All the counterfoils of cheques for the period of audit should be traced into the cash book,
- ii) If a cheques includes the amounts due for payment on more than one voucher, the totals should be tested to see that the amount drawn on a cheques is correct.
- iii) that the cancelled cheques are forthcoming; and

**Note:** The cancelled cheques should be destroyed in audit. It should be seen whether a note has been recorded on the counterfoil of the cheques under the initials of the Drawing Officer.

- 8) that the amounts drawn on self cheques are brought on to the cash book or petty cash book with particulars of voucher number and the purpose of payment,
- 9) that adjustment entries relating to deposits and advances are correctly shown in the Treasury columns of the cash book.

**69. PETTY CASH BOOK (SUBSIDIARY CASH BOOK)**

Every executive authority who draws money on self cheques for disbursement should keep a petty cash book in the prescribed form.

It should be seen -

- 1) that all moneys drawn on self cheques, except those received in recoupment of permanent advance, is promptly entered in the respective column under 'Amount received' on the date of receipt,
- 2) that the disbursement is noted promptly and chronologically in the respective columns of the register,
- 3) that no amount is posted in this register as disbursed before actual disbursement,
- 4) that no payment is made for purposes other than those for which the moneys are drawn.
- 5) that acquittances are taken wherever necessary in support of the disbursements.
- 6) that the balance at the close of each day is struck and such balances are verified daily by the executive authority and the fact of verification recorded under the initials of the Verifying Officer.

- 7) that the details of undisbursed balances are noted in the respective column with explanation for non-disbursement of every pending item under the signature of the Executive authority.
- 8) that amounts drawn upto the end of previous month and which remained undisbursed at the close of each month have been refunded into the Bank.
- 9) that the balance according to the petty cash book on the day of audit agrees with the actual cash in hand undisbursed.

**Note:** The undisbursed cash in hand should be actually counted and if it agrees with the balance shown in the petty cash book, the fact should be certified to in the book. If not, the deficit should be noted in the audit report and also reported to the Executive authority immediately. Before verifying the cash balance, the counterfoils of cheques issued upto date since last verification in audit should be examined to see that all amounts of cheques drawn in favour of the Executive authority upto the date of verification of the undisbursed balance on hand have been duly shown in the petty cash book. The entries on the disbursement-side need not be verified with payment vouchers, but it need to be seen that the accounts have been closed every month and the undisbursed balances refunded into the Bank.

## 70. CHEQUES

It should be seen -

- 1) that the cheques books used are those supplied by the Treasury or Bank,
- 2) that the total number of cheques in each book is certified to on the cover,
- 3) that cheques are issued only for payments of Rs.100/- or more,
- 4) that the cheques have been drawn only by the Executive authority,
- 5) that cheques have not been signed unless required for immediate delivery to the person concerned,
- 6) that the cheques who drawn in favour of the Executive authority for payment of salaries recoupment of permanent advance, etc.,

**Note:** that cheques are not issued in the name of temple servants when amounts are drawn by the Executive authority for cash disbursements by him towards salaries etc., to the establishment, recoupment of permanent advance, etc., but are drawn on self,

- 7) that all cheques issued have been duly recorded in the cash book.

**Note:** For this purpose, the counterfoils of all cheques issued during the period under audit should be traced into the cash book, care being taken to see that the amount, number and date of the cheques have been correctly entered.

- 8) that the cheques books are in the personal custody of the Drawing Officer who signs the cheques.

## 71. Remittance Challans

It should be seen -

- 1) that amounts noted as remitted in the cash book have been acknowledged by the Bank and credited in the pass book,
- 2) that any amount returned by the Bank on the ground that the coins are counterfeit ones or the currency notes are mutilated, is taken credit in the cash book and included in the next days remittance, and
- 3) that the remittance challans are signed by the Executive authority and the actual remittances verified by him with reference to the receipted challans and that he has initialed them in token of such verification.

**72. Adjustment register or transfer entry register**

It should be seen -

- 1) that every alteration in the accounts is effected by means of a transfer entry made in this register.
- 2) that every entry made in this register shows the Head or Heads of Account to be debited and the Head or Heads of account to be credited and the grounds upon which the transfer is proposed to be made.
- 3) that the transfer entry is passed by the Executive authority on the voucher.
- 4) that these adjustments are not passed through the cash book, but they are straightaway posted in the posting register in red ink under the respective account heads.
- 5) that consecutive numbers are assigned to the transfer entries in the transfer entry register and the same posted in the posting register.
- 6) that adjustments made by transfer entries so far as they relate to receipts are noted in red ink in the Miscellaneous receipt register below the totals under the Receipt head concerned at the end of the month.
- 7) that the corrections are not made if the errors are discovered after the accounts of the year have been finally closed.

**73. Lodgement of funds**

It should be seen -

- 1) that moneys received are in the custody of the Executive Officer for the Chairman of the Trustees where there is no Executive Officer.
- 2) that all moneys received by the Executive authority and that the moneys received in excess of the limit permissible are lodged in a Scheduled Bank as defined in the Reserve Bank of India Act, 1934.

**Note:** Any moneys belonging to an institution or endowment lodged as above should not be withdrawn or encashed or reinvested without the specific permission of the competent authority.

- 3) that moneys received as deposits are lodged separately and not withdrawn unless required for being refunded or adjusted.
- 4) that deposits of neys are made in the name of the institution.
- 5) that moneys are not withdrawn from the bank unless required for immediate payment for the purpose of institution.

**74. PASS BOOK**

It should be seen -

- i) that the collections remitted into Treasury or the Bank have been duly credited and that only the amounts of cheques issued by the Executive authority upon the Treasury or Bank have been debited in the pass book.

**Note:** For this purpose, the daily remittances of collections as per cash book should be traced into the pass books through the remittance challans and the payments as per the cash book through the counterfoils of cheques issued.

- ii) that all receipts from the institutions attached to the temple paid into the Bank or Treasury direct to the credit of temple funds and amounts of grants etc., adjusted to the credit of the temple at the Treasury are credited in the cash book and posting register.
- iii) that the pass book is written up at the treasury or bank and that each receipt entry is duly authenticated.
- iv) that the pass book is balanced monthly under the signature of Treasury Officer or bank agent.
- v) that the pass book is sent to the treasury or bank once a week for being written up; and

- vi) that the balance shown in the pass book at the close of the year agrees with that entered in the 'Bank' or 'Treasury' column of the cash book for the month of March after making the necessary allowances for uncashed cheques etc.

**Note:** This verification should be effected as follows:

Take the cash book balance and add to it the total amount of uncashed cheques and deduct the amount of unremitted revenue. This will represent the balance in the Bank or Treasury and if there is any difference it should be traced. The uncashed cheques should be verified with reference to the subsequent encashments noted in the pass book after the close of the financial year concerned.

- vii) that the Bank Account is in the name of the institution and not in the name of the Executive authority.

## 75. ACCOUNTS

Statements to be appended to the Audit Report:

- 1) The statements noted below shall be appended to the audit report.
  - a) A statement of receipts and charges under the budget heads
  - b) A statement of income and expenditure
  - c) A consolidate statement of assets and liabilities
  - d) A statement of the debentures, share certificates, Government bonds and other securities
  - e) Statement of the demand, collection and balance of all items of revenue or income or **decrees** both arrears and current outstanding in cash and in kind at the end of the financial year and of the names of the tenants or other persons from whom the arrears are due with details of years for which they are due
  - f) A balance sheet as on the last day of the year
  - g) An abstract of the audited accounts
  - h) Questionnaire forms

**Note:** The following statements can be dispensed with in respect of the institutions getting and annual income of less than Rs.10,000.

(G.O.Ms.No. 118 S.W. & Labour Department, dated 5-2-57)

- i) Statement of income and expenditure.
- ii) Statement of debentures and share certificates, Government bonds and other securities.

The particulars of the investments should be shown in detail in the statement of assets and liabilities. The maintenance of the register of investments should be insisted in all the religious institutions.

- 2) The Auditor should also report -
  - a) Whether the cash balance as on to the date of audit was readily forthcoming for verification.
  - b) Whether the debentures, share certificates, Government bonds or fixed deposits and other securities and the bank pass books belonging to the institution are verified and found correct and they are readily forthcoming.
  - c) Whether any investments or securities have not been encashed before the date of maturity and if so the previous permission of the competent authority have been obtained for such encashment and the income tax exemption certificates have been obtained.
  - d) Whether an inventory register for the jewels and valuables belonging to the institution is maintained and they are intact and correct and whether it is being

periodically inspected by such Officers as may be appointed by the Commissioner.

(Rules 4 and 5 of the rules under Section- 60 of the Act, 1987 issued with G.O.Ms.No. 635 Rev (Endts-I) deptt. dt. (Endts. I) Deptt. dt. 30-6-89)

## 76. PREPARATION OF STATEMENTS TO BE APPENDED TO THE AUDIT REPORT

The statements to be appended to the Audit Report have to be prepared on the lines indicated below:

### 1) Receipts and charges statement:

The statement should contain only cash transactions and other adjustments of cash only.

The statement should -

- i) Commence with opening balance brought forwarded from the previous year and should include closing balance.
- ii) not include revenue or expenditure relating to that period but not realized in the year, but include revenue received whether relating to that year or other period.
- iii) include expenditure actually incurred whether it relates to that year or other period.

### 2) Income and expenditure statement:

- i) This account does not commence with any balance.
- ii) It includes all income accrued whether received or charges whether paid or not relating to that period but \_\_\_\_\_.
- iii) It excludes capital receipts or expenditure.
- iv) It excludes income realized relating to prior period or advance receipts relating to subsequent period.

**Note:** Some of the important items of revenue which might have accrued but not realized or fully realized to be shown in this account are:

- a) Lease amounts from lessees, rents due from the tenants, Government grants due etc. (The entire demand should be shown as income):
- b) Interest accrued on investments, loans etc. Some of the important items of charges which might have become due but not paid are:
  - 1) Salaries and allowances.
  - 2) Land Revenue and Taxes.
  - 3) Interest accrued on loan obtained by the institutions.
  - 4) Contribution if any due for that year.
  - 5) Bills pending payment for purchases made etc.

## 77. ASSETS AND LIABILITIES STATEMENT AND BALANCE SHEET

These statements should be prepared with reference to the previous year's statements, receipts and charges statement for the year and the income and expenditure statements for the year.

The following items should be shown on the assets side:

- 1) The closing balance in cash and in Bank.
- 2) The value of immovable properties according to the last year's statement plus additions during the year.
- 3) The value of the gold, silver ornaments and other jewellery belonging to the institution is to be exhibited in accordance with the value fixed by the administrative department in

the properties register. The value in respect of immovable properties should agree with the values shown in different subsidiary registers like the registers maintained under Section- 38 of the Act, register of immovable properties etc.

- 4) Investments made, loans given, deposits made by the institution (This should agree with the figures in the register of investments, loans etc.)
- 5) Sundry debtors, like lease amounts, rents etc., due in cash or in kind (commuted to cash value) interest on investments and loans given due and other miscellaneous items due like bills and land revenue paid by the institution but recoverable from the lessees etc., but not realized. (This should agree with the balance shown in the demand, collection and balance statement).
- 6) Advances given by the institution towards TA, Pay for supplies etc., land pending realization on adjustment (This should agree with the figures shown in the register of advances recoverable).
- 7) Value of stock of stores on hand at the end of the year according to the stock account of stores.
- 8) Amount due on decrees including interest.
- 9) Permanent Advance.
- 10) Other miscellaneous assets (with particulars).

The following items should be shown on the liabilities side.

- 1) Balance of loan amount payable by the institution including interest (This should agree with the amount shown in the register of loans)
- 2) Deposits received from lessees, temple employees, contractors etc. including advance collections of lease amounts etc. (This should agree with the balance in the register of deposits).
- 3) Arrear of pay and allowances, taxes, rents, bills etc., pending payment.
- 4) Amounts decreed against the institution if any.

Thus the important items that are to be exhibited on assets and liabilities side are as follows:

**ASSETS:**

1. Closing Balance:
  - a) Cash on hand.
  - b) Cash in Bank. Total:
2. Investments:
  - a) Govt. Promissory Notes
  - b) Defence Bonds
  - c) Fixed deposits
  - d) Other investments (to be Specified) Total:
3. Interest due:
  - a) Interest due on investments  
Of temple funds.
  - b) Interest due on Bank accounts. Total:
4. Book debts:
  - a) Amount due on promotes with  
Interest.
  - b) Amount due on mortgages with  
Accrued interest not realized.
  - c) Other book debts (to be  
Specified) Total:

5. Arrears of revenue due:
- a) Miscellaneous revenues.
  - b) Commuted value of grains pending Realization at the end of the Year.
  - c) Arrears of land revenue Recoverable from lessees. Total:
6. Amount due on decrees including Interest (other than land revenue dues).
7. Advances recoverable:
- a) Permanent advance
  - b) Other advances. Total:
8. Value of provisions in stores:
- a) Paddy
  - b) Other grains Total:
9. Moveables:
- a) Estimated value of jewels. etc.
  - b) estimated value as per inventory register
  - c) Vessels and other articles.
  - d) Furniture and tools and plant.
  - e) Vahanams.
  - f) Live stock.
  - g) Others (to be specified) Total:
10. Immovable properties:
- a) Value of lands.
  - b) Value of buildings.
  - c) Value of others(to be specified) Total:

**LIABILITIES:****Heads:**

1. Balance of loans:
- a) Mortgage
  - b) Pronotes, etc. Total:
2. Deposits:  
Security Deposits:
- a) From contractors
  - b) From lessees
  - c) From temple employees Total:
3. Arrears Pending Payment:
- a) Salaries and allowances.
  - b) Land revenue and Taxes.
  - c) Rents.
  - d) Bills pending payment (for purchases made).
  - e) Others (to be specified). Total:
4. Amounts decreed against the institution  
Pending payment.
5. Provident Fund.

## 78. DEMAND COLLECTION AND BALANCE STATEMENT

This should be prepared with reference to the Miscellaneous Demand Register. Separate Columns should be provided for arrears and current. The total collections shown in this statement should agree with the collections in the posting register.

**Note:** Separate demand, collection and balance statement should be furnished for 'kind'.

## 79. QUESTIONNAIRE FORM

The auditor should report on the following matters relating to accounts in a questionnaire form to be appended to audit report.

- 1) Whether the accounts and registers required to be maintained by the Commissioner are kept.
- 2) Whether all the immovable properties and rights not used by the institution for its purposes have been leased out in the prescribed manner and to the advantage of the institution and lease deeds have been got executed in all cases and registered, where necessary, and if in any cases such properties or rights have not been leased or lease deeds have not been taken, what such cases are.
- 3) Whether the various items of income amounts due to the institution have been realised at the proper times and whether due steps to recover the amounts overdue have been taken and if not, in which cases such action has not been taken.
- 4) Whether any claims have become barred by the law of limitation, and if so, what such cases are and the person or persons responsible for allowing the claims to become time barred and the quantum of amount to which each person is responsible.
- 5) Whether all collections have been brought into account without delay.
- 6) Whether any claims have been written off and if so, to what extent and under what authority and the reasons therefore as recorded by the authority ordering the write off.
- 7) Whether the expenditure is in accordance with the sanctioned budget and, if there are deviations from such budget what those deviations are and if there is excess expenditure over budget sanctions, whether the same has been duly approved or ratified by the competent authority.
- 8) Whether every item of expenditure has been sanctioned by the authority competent in that behalf and is supported by a proper voucher.
- 9) Whether there is any item of expenditure which in the opinion of the auditor is prima-facie, extravagant.
- 10) Whether there has been any diversion of funds or properties for purposes other than those of the institution.
- 11) Whether advances made have been recouped or adjusted without delay and advances pending adjustment, outstanding on the date of audit.
- 12) Whether moneys not required for immediate expenditure have been deposited in banks and surplus funds have been invested.
- 13) Whether all donations of offerings in kind are accounted for and whether donations made as contributions for specified purposes are earmarked and in other cases are invested in interest yielding securities.
- 14) Whether in respect of building works check-measurement was done by the competent authority before final payment was made and whether the necessary subsidiary accounts and registers such as measurement books, stock books, muster rolls tenders and agreements are kept.
- 15) Whether securities have been obtained from the staff in-charge of collections or valuables and security bonds got executed.
- 16) Whether proper safeguards have been made to preserve the costly and valuable jewellery and rare pieces of art or images in safe custody.

- 17) Whether there have been any violations of any of the scheme provisions, if the institution is governed by a scheme or of the rules framed under notification if the institution has been notified.
- 18) Whether the sanction of the prescribed authority has been obtained for the creation of the post and scale of pay and allowances, that the holders of the post possess the requisite qualifications and are within the age limits prescribed and that in the case of fresh entrants that certificates of age, health and vaccination are enclosed to the first pay bill.
- 19) Whether claims for travelling allowance are in accordance with the rules prescribed and that the travelling allowance bills are approved or countersigned by the prescribed authority.
- 20) Whether a dittam is prepared and got sanctioned by the prescribed authority and that the expenditure in this regard is strictly in accordance with the sanctioned dittam.
- 21) Whether in respect of all refunds of deposits, the claim from the party for the refund is forthcoming, that the amount referred is supported by corresponding credit in the concerned deposit register, that the fact of refund is duly recorded against the concerned item in the deposit register and that the payees acknowledgement, stamped wherever necessary, if obtained from the payee.
- 22) Whether the annual requirements of the various supplies and services assessed at the beginning of the year, the tenders or quotations have been invited or called for in respect of all supplies and services in the prescribed manner that the rules regarding invitation of tenders, obtaining of earnest money and security deposits and execution of agreements are strictly adhered to.

(Rules 3 of the rules issued with G.O.Ms.No. 635 Rev (Endts-I) deptt. dt. (Endts.I) Department, dated 30-6-89.)

#### **80. ABSTRACT OF ACCOUNT**

This statement should contain the following heads:

- (1) Head of Account, (2) Opening balance, (3) Receipts, (4) Charges, (5) Closing balance.

This statement should be prepared basing on the receipts and charges statement relating to that period. The receipts and charges should be divided into four categories, viz.

- (1) General Fund, (2) Deposits, (3) Loans and (4) Advances.

The opening balance under the above heads should be taken from the closing balance of abstract of account relating to the previous year and the remaining heads should be worked out with reference to the receipts and charges statement relating to that period. The totals arrived in the abstract of account should be tallied with figures shown under opening balance, total receipts, total charges and closing balance of the receipts and statement relating to that year and corresponding balances with the concerned subsidiary registers.