

## **ANDHRA PRADESH CHARITABLE AND HINDU RELIGIOUS INSTITUTIONS AND ENDOWMENTS AUDIT RULES, 1987**

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## **ANDHRA PRADESH CHARITABLE AND HINDU RELIGIOUS INSTITUTIONS AND ENDOWMENTS AUDIT RULES, 1987**

In exercise of the powers conferred by sub-section (2) of Section 60 read with Section 153 of the Andhra Pradesh and Hindu Religious Institutions and Endowments Act, 1987 (Act No. 30 of 1987) the Governor of Andhra Pradesh hereby makes the following rules, the same having been previously published as required by sub-section (1) of Section 153 of the said Act.

### **1. Short title :-**

These rules may be called the Andhra Pradesh Charitable and Hindu Religious Institutions and Endowments Audit Rules, 1987.

### **2. . :-**

The audit of the accounts of a Charitable or Religious Institution or Endowment under Section 58 shall be made in the Office of the institution concerned or at such other place as the Commissioner may, by special order, direct.

### **3. The auditor shall also report on the following matters relating to accounts :-**

(a) whether the accounts and registers required to be maintained by the Commissioner are kept;

(b) whether all the immovable properties and rights, such as fishery rights, right to long grass in village tanks, right to usufruct of trees,

and the like, not used by the institution for its purposes have been leased or licensed out in the prescribed manner and to the advantage of the institution and lease deeds or deeds of licence 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 licensed or lease deeds or deeds of licence have not been taken what such cases are:

(c) whether the various items of income or 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 case such action has not been taken;

(d) 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;

(e) whether all collections have been brought into account without delay;

(f) whether any claims have been written off and, if so, to what extent and under what authority and the reasons therefor as recorded by the authority ordering the write off;

(g) whether the expenditure is in accordance with the sanctioned budget and, if there are deviations from such budget, what these deviations are and if there is excess expenditure over budget sanctions, whether the same has been duly approved or ratified by the competent authority.

(h) whether every item of expenditure has been sanctioned by the authority competent in that behalf and is supported by proper voucher.

(i) whether there is any item of expenditure which, in the opinion of the auditor is, prima facie, extravagant;

(j) whether there has been any diversion of funds or properties for purposes other than those of the institution.

(k) whether advances made have been recouped or adjusted without delay and advances pending adjustment, outstanding on the date of audit;

(l) whether moneys not required for immediate expenditure have

been deposited in banks and surplus funds have been invested;

(m) whether all donations or offerings in kind are accounted for and whether donations made as contributions for specific purposes are earmarked and in other cases are invested in interest-yielding securities;

(n) 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 agreement are kept;

(o) whether securities have been obtained from the staff in charge of collections or valuables and security bonds got executed.

(p) whether proper safeguards have been made to preserve the costly and valuable jewellery and rare pieces of art or images in safe custody;

(q) whether there have been any violation 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;

(r) whether the sanction of the prescribed authority has been obtained for the creation of the post and scale of pay and allowance that the holder of the post possesses 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.

(s) whether claims for travelling allowance are in accordance with the rules prescribed and that the travelling allowance bills are approved or counter-signed by the prescribed authority.

(t) 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;

(u) 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 payee's acknowledgment, stamped wherever necessary, is obtained from the payee.

(v) whether the annual requirements of the various supplies and services are assessed at the beginning of the year, those 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.

**4. . :-**

The auditor shall verify the cash balance and state in the report whether the cash was readily forthcoming for verification.

**5. . :-**

(1) The auditor shall, in the course of audit, verify the debentures, share certificates, Government bonds or fixed deposits and the securities and the bank pass books belonging to the institution and report whether they are found correct and they are readily forthcoming.

(2) The auditor shall report whether any investment or securities have been encashed before the date of maturity and, if so, whether such encashment was done with the previous permission of the competent authority or not and whether the proceeds after such encashment have been spent for the purposes for which the encashment was reported and sanctioned for. It shall be verified whether the income tax exemption certificates were obtained.

(3) The auditor shall also verify whether an inventory register for the jewels and valuables belonging to the institutions maintained, and if so, whether they are intact and correct and whether it is being periodically inspected by such officers as may be appointed by the Commissioner.

**6. The auditor shall append to his report :-**

(a) a statement of receipts and charges under the budget heads;

(b) a statement of income and expenditure;

(c) a consolidated statement of assets and liabilities;

(d) a statement of the debentures, share certificates, Government bonds and other securities;

(e) a 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 in respect of all temples; and

(f) a statement of demand, collection and balance of all items of revenue income, or decrees, both arrears and current, outstanding in cash and in kind at the end of the year in respect of the institutions included in the lists published under Section 6.

**7. . :-**

The auditor shall prepare an abstract of the audited accounts (receipts and charges and balance-sheet) and submit two copies thereof along with the audit report.

**8. . :-**

One copy of the abstract of audited accounts shall be forwarded by the Assistant Commissioner or the Deputy Commissioner or Regional Joint Commissioner or the Commissioner as the case may be, to the trustee or the Executive Officer of the Charitable or Religious Institutions or Endowment for publication. The Trustee or the Executive Officer shall, on receipt thereof, publish the abstract on the notice board of the institution or in any other conspicuous place in the premises of the institution. Where the institution is a specified endowment, the abstract shall be published on the notice board or any other conspicuous place of the Charitable or Religious Institution to which it is attached. Where the specified endowment is attached to more than one institution or endowment, the abstract shall be published on the notice board or other conspicuous place of any one of the Charitable or Religious Institutions as the Assistant Commissioner, the Deputy Commissioner, or Regional Joint Commissioner or the Commissioner, as the case may be, may determine. The Commissioner may in the case of an institution or endowment of the accounts of which are subject to concurrent audit under clause (a) of sub-section (2) of Section 58, direct that the abstract of audited accounts shall, in addition, be published in any newspaper or any other manner.