

	Khyber Pakhtunkhwa Public Procurement Regulatory Authority
KPPRA	Finance & Accounting Policies Manual



ASP ASSESSMENT AND
STRENGTHENING PROGRAM



**Khyber Pakhtunkhwa
Public Procurement Regulatory Authority
KPPRA**

**Finance and Accounting
Policies Manual**

	Khyber Pakhtunkhwa Public Procurement Regulatory Authority
KPPRA	Finance & Accounting Policies Manual

Finance & Accounting Policies Manual

2012



Abbreviations & Acronyms

AGP	Auditor General of Pakistan
AGPR	Accountant General of Pakistan Revenues
AMP	Annual Management Plan
AMAF	Assistant Manager Admin & Finance
AA	Accounts Assistants
CGA	Controller General of Accounts
CV	Claim Voucher
DAF	Director Admin & Finance
GL	General Ledger
GRN	Good Received Note
HR	Human Resource
JV	Journal Voucher
KP	Khyber Pakhtunkhwa
KPPRA	Khyber Pakhtunkhwa Public Procurement Regulatory Authority
MAF	Manager Admin & Finance
MD	Managing Director
KP	Khyber Pakhtunkhwa
MoF	Ministry of Finance
NBP	National Bank of Pakistan
NIT	Notice Inviting Tender
PAO	Principal Accounting Officer
PO	Purchase Order
PR	Purchase Requisition
PIFRA	Project to improve financial reporting and auditing
RFP	Request for Proposal
SBP	State Bank of Pakistan

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A. Background and Objectives

1. About KPPRA

- a) The KP Public Procurement Regulatory Authority Act, 2012, establishes the KP Public Procurement Regulatory Authority as a body corporate and provides that the Authority shall have all the powers necessary or expedient for the performance of its functions. As per Act., the Authority shall have perpetual succession and a common seal, with power to acquire and hold property and to enter into contracts and shall be capable of suing and being sued in its corporate name.

2. Objectives of the Manual

- a) The Financial Accounting and Policies Manual (the Manual) documents the financial management, accounting and Internal Controls adopted by KPPRA to safeguard assets, secure the accuracy and reliability of accounting data and financial reporting and promote operational efficiency.
- b) The Manual provides operational guidance and instructions while undertaking operational activities of KPPRA and shall be followed by the personnel acting on behalf of/ for KPPRA during planning, designing, approval, execution and implementation of accounting and financial operational activities. This Manual has been compiled in line with applicable Government laws and regulations, anticipated requirements of existing donor agencies and anticipated scale of KPPRA's activities in medium to long term.
- c) Objectives of the Manual are to:
 - i. Identify and define the structures and processes related to accounting and financial operations of KPPRA;
 - ii. Document the policies and procedures of KPPRA in order to ensure uniformity in financial activities of KPPRA.
 - iii. Provide guidelines and roles and responsibilities to the departmental heads and key personnel of finance department of KPPRA.
 - iv. Inculcate and implement a stringent regime of internal controls and a mechanism of checks and balances within the functional and organizational structures of KPPRA.
 - v. Define the operational framework of the Finance and Accounts function of KPPRA.
 - vi. Use the documentation and other requirements as a means of implementation of internal control activities.
 - vii. Use the documentation and other requirements to ensure that only reasonable, allowable and allocable expenses are charged to KPPRA.

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3. Policy Statement

- a) To have in place an adequate system of internal controls which promote high level of compliance with procedures and requirements of regulators and applicable statute and KPPRA Act.
- b) To implement and maintain a system of control to assist the Board to carry out its activities in an efficient and orderly manner, ensure adherence to policies, safeguard KPPRA's assets and financial sustainability, and secure the accuracy and reliability of its records.

4. Application of Policy

- a) The Manual brings together those policies and procedures that relate to the Accounting and financial activities of KPPRA to maximize the accuracy and reliability of records, internal control procedures will support control which emphasis the following:
 - i. Separation of roles and functions performed by staff
 - ii. Review and reconciliation of financial records
 - iii. Detecting and correcting irregularities
 - iv. Access to, and security of, computer programs
 - v. Access to, and security of, cash, assets and other resources
 - vi. Sound Budget Management
 - vii. Ensuring adherence to policies and procedures
 - viii. Prudent Financial Governance
- b) This manual lays down comprehensive policies and procedures to be followed by KPPRA Finance Department. The policies stated herein are minimum requirements under normal conditions and are intended to provide KPPRA management and staff with accurate and detailed information for the performance of their duties.
- c) The purpose of this manual is to establish self-acting standards, providing a clear understanding of responsibilities of staff in the Finance Department at Head Office and all future locations of KPPRA.
- d) The overarching objective of this Manual is to set out the principles for financial management and control and guidelines applicable to the accounting and disclosure requirements for the statement of accounts and financial reporting of KPPRA as per GOK laws, rules and pronouncements.

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5. PIFRA applicability

- a) KPPRA will ultimately adopt the PIFRA accounting and reporting framework to comply with all applicable accounting and reporting requirements. The main objectives of PIFRA are as follows:
- i. PIFRA aims at improvement of governance in fiscal management sphere to achieve the vision of strengthened Integrated Financial Management System (IFMS) of the country. Objectives of the revised project are the same as those of PIFRA II and PIFRA-I, enlisted below
 - ii. Modernize government audit procedures and adopt internationally accepted auditing standards.
 - iii. Establish effective accounting and reporting systems
 - iv. Strengthen financial management practices
 - v. Generate financial information, which is more useful, complete, reliable and timely. Improved data will facilitate program management by government decision-makers.
 - vi. Tighten internal controls and minimize the occurrence of errors and irregularities in the processing of payments and receipts
 - vii. The objectives of project are in line with the sectoral objectives of MTDf 2005-10. One of the key sectoral objectives (the Governance sector) of MTDf relates with improvement in the indicators of governance in the country. The Chapter of MTDf on Governance clearly considers PIFRA as a major initiative leading towards good governance

6. Accounting Standards

- a) The accounting policies contained in this Manual follow generally accepted accounting practice (**GAAP**) in Pakistan, to the extent that it is meaningful and appropriate in the political party and not for profit organizations context.
- b) The Manual refers to accounting standards where they are relevant. These are part of **GAAP**. Where appropriate, the text contains a brief description of the requirements of the standards, together with details of any additional or alternative accounting treatments. The relevant accounting standards should be consulted for a full understanding of their requirements.

7. Compliance with the Manual

- a) This Manual is the authoritative statement of how particular types of transactions and other events should be treated, recorded and reflected in KPPRA's accounting. Compliance with the Manual will, in all but exceptional circumstances, be necessary for financial management and accounting to comply with the framework of good governance.
- b) The manual shall be maintained and kept upto date incorporating all amendment/modifications approved by the KPPRA from time to time therein. A complete

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record of all amendment/modifications to this Manual shall be maintained in the format provided as Appendix to this Preamble. Head of Finance Department shall have the responsibility to ensure correct application and exercise of powers contained in this book could be ensured and simultaneously intimidated to all concerned through special Notification.

8. Other guidance

- a) The Manual will be supplemented by more detailed guidance issued by Finance Department for specific types of body and on specific topics as appropriate. This will include elements of existing guidance, amended as necessary to reflect KPPRA's accounting considerations.

9. Development of the Manual

- a) This Manual will be subject to further refinement as KPPRA's accounting and budgeting progresses. It will be updated in the light of:
 - i. Developments in policy aims of KPPRA financial management needs and requirement of reporting, accounting and budgeting;
 - ii. The evolution of Government Accounting and Reporting standards and any amendment in KPPRA's Act.
 - iii. Experience and application
- b) Finance Department will be responsible for making amendments to the Manual as required, after taking advice and approval of KPPRA BoD.
- c) The effective date of the Manual
- d) This is the definitive version of the Manual to be used by the KPPRA w.e.f. its approval.

10. Change Control Process

- a) Since this manual incorporates formal statements of KPPRA policy, therefore it is subject to a high level and strict change control process. Each member of KPPRA's Department, key internal audit personnel, key Accounts personnel and other person(s) as deemed necessary by the Finance Department will be notified, about the proposed changes made along with their implication of roles and responsibilities, in this manual.
- b) Requests for any change(s) in the Manual can only be made through the Finance Department and shall be discussed in the BoD.
- c) Feedback comments, corrections and improvement suggestions on this policy manual (including any areas that are not sufficiently or well covered) can be received from those who were informed about the required changes through the circular.
- d) The Admin and Finance Department shall collect feedback from the other reviewers on the following template;

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Name & Designation: _____	
Date: _____	
Section number	Comments & suggested changes
General	
Signature: _____ (N/A if submitted through email)	

- e) Upon receiving the comments and suggestions from the other recipients of circulars, the MAF shall compile them in the shape of executive summary and present it to the DAF for their review and further action.
- f) The Finance Department shall keep the original signed copy of the approved manual in his custody and as and when required by any authorized requisitioner will be responsible for the issuance of a 'certified true copy' of it.

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B. General governing principles

1. Roles and responsibilities of public officers
 - a) Every public officer is expected to exercise the same vigilance in respect of expenditure incurred from public moneys as a person of ordinary prudence would exercise in respect of expenditure of his own money.
 - b) Each head of a section shall be responsible for enforcing financial order and strict economy at every step. She/he will be responsible for observance of all relevant financial rules and regulations both by her/his own office and by subordinate disbursing officers. Guidelines for Donors will be applicable in all cases where expenditure is incurred from Donor share for a project/ scheme/ program.
2. Role of Financial Management in Monitoring Government receipts
 - a) The main purpose of the financial management and accounting is to bring and maintain financial discipline in the KPPRA financial operation and provide guidance in the processing of Govt receipts and the investment of authority funds facilitate the KPPRA's management and staff in processing the Government receipts.
3. Compliance with delegation of financial powers
 - a) Expenditure shall be authorized as per the laid down Financial Rules of KP government (delegation of power). Adequate records for approval of expenditure shall be maintained by the finance department at the level of spending unit (Admin) as per the laid down document retention policy of KPPRA. The Admin and Finance department will arrange payment on submission of fully vouched bill by relevant section supported by authorization/ sanction of MD KPPRA.
4. Budgetary limits to be followed
 - a) No expenditure shall be incurred in respect of an activity that has not been budgeted and approved by the competent authority. Subsequent modifications in the annual budgets shall be approved by the competent authority as per the laid down policies and procedures of KPPRA regarding modification of budgets.
5. Recording and reporting currencies
 - a) All expenditures shall be recorded in Pakistani Rupees (PKR) in the financial accounting system of KPPRA and reported to the Provincial Government's Finance Department and the funding organization (if any) in the currency of receipt.

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6. Accounting and reporting software and chart of Accounts

- a) Ultimately KPPRA will use the PIFRA accounting and reporting system and will use the PIFRA Chart of accounts which will classify KPPRA's accounting data in a way that will promote its use, lead to better management and achieve more meaningful accountability.

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C. Definitions of Basic Accounting Terminologies

The following are the definitions of basic accountancy terminologies that have been used in this manual. However, this is not an exclusive list of terminologies and the applicable reporting framework should be referred for further explanation and definition of other related concepts:

- i. "Act" means the Khyber Pakhtunkhwa Public Procurement Regulatory Authority Act of 2012.
- ii. "KPPRA" means Khyber Pakhtunkhwa Public Procurement Regulatory Authority
- iii. "Appointing Authority" means Managing Director KPPRA.
- iv. "Authority" means Khyber Pakhtunkhwa Public Procurement Regulatory Authority.
- v. "Managing Director" means the Managing Director of KPPRA.
- vi. "Government" means the Government of Khyber Pakhtunkhwa.
- vii. "Manual" means the Finance Manual for KPPRA.
- viii. Finance Department means the Admin & Finance Department of KPPRA
- ix. "Assets" are future economic benefits controlled by the entity as a result of past transactions or other past events.
- x. "Liabilities" are future sacrifices of economic benefits that the entity is presently obliged to make as a result of past transactions or other past events.
- xi. "Receipts" an amount of cash collected or the process of collecting money.
- xii. "Payments" The partial or complete discharge of an obligation by its settlement in the form of the transfer of funds, assets, or services equal to the monetary value of part or all of the debtor's obligation
- xiii. Intangible asset: An intangible asset is an identifiable non-monetary asset without physical substance.
- xiv. Depreciation: Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life.
- xv. Revenue: Revenue is the gross inflow of economic benefits during the period arising in the course of the ordinary activities of the organization when those inflows result in an increase in equity

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D. Organizational Structure of Finance Department

1. Role of Finance Department

- a) Finance Department plays an important role as a back office in the effective and efficient management of the Organization's operations. The most important function of the Finance Department is to accumulate the financial information from all Departments of KPPRA and to prepare the financial record. Finance Department shall have the overall responsibility of the financial affairs of KPPRA.
- b) The main tasks that will be handled by the Finance Department are stated below:
 - i. Recording and reporting of financial information
 - ii. Preparation of financial statements and reports
 - iii. Reporting to internal management and external authorities
 - iv. Banking, funds management and Payments
 - v. Recording of Fixed Assets acquisition and disposal
 - vi. Planning, budgeting and financial management
 - vii. Internal Control Procedures and compliance with policies and procedures
 - viii. Recording and reporting of Financial Information
- c) It is the responsibility of the Finance Department to accumulate and record information regarding all expenses, revenue, assets and liabilities from all the Departments of KPPRA which shall become the basis for the preparation of financial information and record.

2. Preparation of Financial Statements and Reports

- a) Finance Department is responsible for the timely preparation of the periodic financial statements along with all the disclosures as required by the applicable financial reporting framework.

3. Reporting to Internal Management and External Authorities

- a) Finance Department is responsible for the preparation of various reports for submission to senior management and external authorities within the purview of its financial reporting responsibilities and provisions of the Act.

4. Banking, funds management and Payments

- a) Finance Department is responsible for making payments for various supplies, services and salaries and wages and other benefits. For making petty cash payments, the Finance Department shall maintain a cash balance on a floating basis with a limit prescribed in this manual.

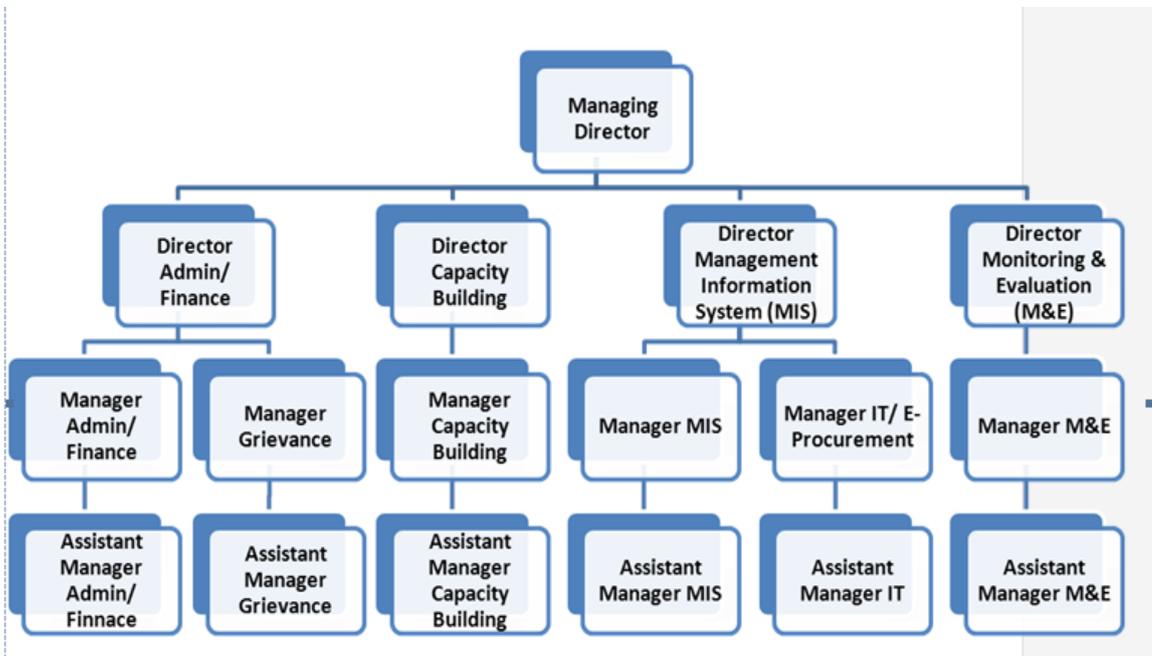
E. Function and Structure of Finance Department

1. Planning, budgeting and financial management

- a) It is the responsibility of the Finance Department plan financial activities in efficient manner and to ensure that all expenditure capitalized, is in accordance with the capitalization policy. Finance Department shall ensure the accurate calculation of the depreciation charge and that the carrying value of the assets is correctly stated in the financial statements.
- b) It is the responsibility of the Finance Department to ensure that purchases of fixed assets are properly authorized and payments are made after all relevant supports are made available to the Finance Department for the purchase of the fixed assets. It shall also be the responsibility of the Finance Department to record properly the addition and disposal of fixed assets.
- c) Based upon the inputs from respective functional organization and the inter KPPRA Departments, the Finance Department shall prepare budgets covering all areas of the KPPRA's operations.

2. Structure of Finance Department

- a) As per HR Manual following is the proposed organization chart of KPPRA



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3. Roles and Responsibilities of Finance Department

b) POSITION DESCRIPTION Director Admin & Finance (DAF)

JOB TITLE	Director admin & Finance (DAF)	DEPARTMENT/ DIVISION	Admin & Finance
REPORTS TO	Managing Director (MD)	LOCATION	Head Office, Peshawar
TERMS OF SERVICE	Deputation / Contract	GRADE	19

c) PURPOSE

- ix. The Director of Admin & Finance is responsible for finance and administration of the Authority. He is to ensure effective strategic and operational financial planning, monitoring and reporting to enhance the decision making process of MD and the Board. To ensure KPPRA comply with all statutory and external requirements and regulations. He/she will be a key player in creating the culture that is required and maintaining KPPRA's healthy financial and administrative wellbeing.

d) DUTIES AND RESPONSIBILITIES

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- i. Provision of day-to-day management and leadership of the Finance and Administration Unit, taking a lead in the KPPRA's financial planning, modeling and forecasting processes
- ii. Preparation of forecasts, budgets, year-end accounts, and related analyses
- iii. Control of the financial resources of KPPRA, overseeing cash flow to ensure funds are available for operational needs, whilst investing reserves to maximize returns
- iv. Direct financial planning and budget management functions, and monitor and analyze monthly operating results against budget
- v. Recommendation of benchmarks for measuring the financial and operating performance of the KPPRA's Programmes
- vi. Working closely across KPPRA to identify, recommend, develop, implement, and support strategic financial solutions
- vii. Working with the BoD and senior managers to develop the business plan for KPPRA, and presenting insightful management accounts at Board meetings
- viii. Ensuring compliance with, and regularly reviewing and updating, all corporate policies
- ix. Preparing for and overseeing the annual audit process
- x. Reviewing systems of internal controls, identifying weaknesses and implementing agreed changes
- xi. Overseeing the provision of office equipment, IT and telecoms facilities and managing relations with suppliers.
- xii. Overseeing the drafting and finalising of contracts, leases and other legal matters
- xiii. Property/ Office Management, including ensuring compliance with Health & Safety legislation
- xiv. To work flexibly with other members of the team
- xv. To maintain confidentiality over personal information relating to KPPRA staff and clients
- xvi. Performs other related duties as assigned for the purpose of ensuring the efficient and effective functioning of the work unit.

e) REQUIREMENTS

- i. Candidate can be from Central Superior Services being involved in similar experience being head.
- ii. CA, CGA, or CMA qualified form a recognized accounting program or equivalent International degree in Accounts and Finance.
- iii. 10-15 Years of financial and administrative experience with at least 7 years post qualification experience in a senior position, managing Finance and Accounts of large public / corporate entities.
- iv. Knowledge of all related local and international accounting and finance legislations
- v. Proficiency in financial accounting & reporting, including external statutory reporting and audit
- vi. Management accounting experience including budgeting, forecasting, monthly reporting
- vii. Proven ability for implementing and monitoring financial controls
- viii. Have a strategic outlook with the ability to drive change where necessary
- ix. Staff management experience
- x. Knowledge of legal and personnel issues
- xi. High degree of IT literacy
- xii. Communicates English, excellently in orally & in writing and be able to present finding in coherent fashion.

f) REPORTING POSITIONS

- i. Manager Admin & Finance
- ii. Manager Grievance

Reviewed	
Approved by:	
Date Approved:	

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g) POSITION DESCRIPTION Manager Admin & Finance

JOB TITLE	Manager Admin & Finance	DEPARTMENT/DIVISION	Admin & Finance
REPORTS TO	Director Admin & Finance	LOCATION	Head Office, Peshawar
TERMS OF SERVICE	Contract	GRADE	18

h) PURPOSE

- i. The Manager Admin & Finance reporting to Director Admin & Finance is responsible to establish and manage the finance and admin function of KPPRA and develop capacity in the office to carry out these functions. Ensures that KPPRA operates at the leading edge of operational efficiency and service quality whilst supporting the Director to deliver strategic and operational priorities.

i) DUTIES AND RESPONSIBILITIES

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- i. Establish and implement financial procedures in line with organizational requirements
- ii. Timely and accurate recording of all financial transactions in line with organizational requirements and deadlines
- iii. Establish and prepare accurate and timely information for budget monitoring
- iv. Provide financial management advice on revisions of budgets, preparing periodical forecasts and any changes needed
- v. Monitoring of the petty cash and bank balances to ensure sufficient funds are always available depending on the KPPRA needs
- vi. Management and reconciliation of the bank and cash accounts, preparation of the weekly cash counts and monthly financial records including cashbooks, ensuring financial and resource accountability and effective management for records as required for auditing
- vii. Disbursement of cash advances and reconciliation to ensure recovery
- viii. Control of salary payments to staff, including national insurance and tax liabilities, reconciling the same and monitoring medical expenses, subsistence allowances, mobile phone usage, etc.
- ix. Collection and filing of regular financial reports and budget records
- x. Represent KPPRA budgets and finances to relevant stakeholders when requested Establish and implement administration and logistics procedures in line with organizational requirement
- xi. Identify, establish and manage an effective working office for the KPPRA ensuring effective security
- xii. Contribute to the adherence of all security guidelines
- xiii. Establish and manage all procurement and logistics activities including possible management of vehicles and drivers
- xiv. Represent KPPRA at relevant meetings
- xv. Performs other related duties as assigned for the purpose of ensuring the efficient and effective functioning of the work unit.

j) REQUIREMENTS

- i. CA, CGA, or CMA qualified form a recognized accounting program or equivalent International degree in Accounts and Finance.
- ii. 7 Years of financial and administrative experience with at least 3 years post qualification experience in a similar position, managing Finance and Accounts of large public / corporate entities.
- iii. Proven financial analysis and forecasting ability
- iv. Strong leadership & managerial skills.
- v. Strong sense of judgment.
- vi. Reliability, integrity.
- vii. High sense of initiative and creativity.
- viii. Timeliness, good time management.
- ix. Strong concern for social improvement.
- x. Ability to work under pressure.
- xi. Communication skills.
- xii. Initiative and self-motivation.
- xiii. Planning, scheduling and organizing skills.
- xiv. Good computer literacy, with knowledge of Microsoft Office applications including Word, Excel and Outlook.

k) REPORTING POSITIONS

Assistant Manager Admin & Finance

Reviewed:	
Approved By:	
Date Approved:	

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l) POSITION DESCRIPTION

JOB TITLE	Assistant Manager Admin & Finance	DEPARTMENT/DIVISION	Admin & Finance
REPORTS TO	Manager Admin & Finance	LOCATION	Head Office, Peshawar
TERMS OF SERVICE	Contract	GRADE	17

m) PURPOSE

- i. The Assistant Manager Admin & Finance plays an active role by collecting and delivering ad hoc information to and for the department. He/ She provide support to the Manager on accountancy, finance, administration and office management.

n) DUTIES AND RESPONSIBILITIES

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- i. Makes accounting entries to properly record business and financial transactions in Company financial systems.
- ii. Reconcile and analyze balance sheet accounts to ensure transactions are recorded accurately and account balances are accurately stated in accordance KPPRA's policy.
- iii. Reconcile general ledger and subledger accounts to source data and systems to ensure all transactions have been accurately recorded.
- iv. Consolidate, reconcile, review, and analyze financial information and documentation for submission and/or reporting.
- v. Implements actions identified by Manager to resolve outstanding financial issues or queries.
- vi. Performs final check (e.g., check methodology, reasonableness, propriety of information) of financial material prior to distribution.
- vii. Preparation of monthly, quarterly and annual financial reports related to Accounts and Finance.
- viii. Assist in external audit process, preparing schedules and answering inquiries.
- ix. Provide general administration support across the business.
- x. Preparation of staff salary and allowances and other payments.
- xi. Preparation of monthly and quarterly reports and documents for audit queries.
- xii. Ensuring and managing proper documentation and filing.
- xiii. Closing periodical and yearly accounts.
- xiv. Maintain strict confidentiality of work.
- xv. Responding to correspondence, formatting and editing reports and letters.
- xvi. Day-to-day office & facilities management and orders.
- xvii. Filing and archiving.
- xviii. Any other task assigned by the Manager.

o) REQUIREMENTS



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- i. B Com or CA inter. However, M Com will be preferred.
- ii. 8 years of related accounting/fixed assets work experience, for M Com 5 years of related experience would be enough.
- iii. Knowledge of basic accounting principles (e.g., debit and credit) around transactional processes (e.g., accruals, derivatives, benefit plans, marketing programs).
- iv. The ability to analyze financial data .This includes creating spreadsheets, explaining variances, identifying issues, and making appropriate recommendations.
- v. Excellent knowledge of English (written and oral).
- vi. Good knowledge of MS office and other tools (Excel, Word, Outlook, Internet).
- vii. Accurate – discreet - affinity with figures is mandatory.
- viii. Have good planning and organizational skills, ability to work with deadlines.
- ix. Service minded - proactive – flexible.
- x. Be a team player and able to work autonomously.
- xi. Have good relationship & communication skills.
- xii. Be enthusiastic and positive.

p) REPORTING POSITIONS

Clerical Staff

Reviewed:	
Approved By:	
Date Approved:	

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F. Financial Reporting Process

1. Introduction

a) Reporting is an effective communication channel within an organization and with external authorities and is used for the following:

- i. To monitor performance of the organization and analysis against results of previous periods and targets set by management.
- ii. To provide information that is vital for the effective implementation of the decision making process.
- iii. To monitor actual performance against budgetary targets
- iv. To carry out management about each day's activities and material changes.
- v. To assist in the implementation of an effective internal control system
- vi. To ensure compliance with external regulatory bodies and statutes
- vii. For effective corporate governance
- viii. The reporting system of the KPPRA can be divided into two sections:

✓ Internal reporting

✓ External reporting

- Weekly Reporting;
- Monthly Reporting;
- Quarterly Reporting;
- Annually Reporting

b) Responsibility

- i. Finance Department is responsible for the review and finalization of all the reporting. Where, the responsibility of the submission of reports to the regulatory bodies and associations rest with DAF.

c) Internal Reporting

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- i. Daily reporting : The fund position is prepared on daily basis on an excel sheet and this statement goes to the DAF.
- ii. Monthly reporting: The only formal internal reporting in the KPPRA are the monthly accounts which are submitted to the MD office. The monthly accounts are system generated and are the only regular internal reporting documents that are provided to management for the regular assessment of KPPRA's performance.

d) External Reporting

- iii. Financial reporting to Government
- iv. KPPRA will cause preparation of annual financial statements in respect of expenditure made out of Government funds. The financial statements shall follow:-
 - i. cash basis of accounting;
 - ✓ format approved by the AGP for preparation of Annual Financial Statements;
 - ✓ Financial statements must communicate comprehensive, relevant, reliable, understandable and comparable information about the entity and must meet the needs of the users.
 - ✓ Preparation of financial statements shall be the responsibility of MAF. The periodic financial statements shall be reviewed by the DAF and approved by the Director General – KPPRA.
 - ✓ Filing of financial statements with the Government authorities, as per Government regulations, shall be the responsibility of DAF

e) Annual Accounts:

- i. The fiscal year of KPPRA is July to June. The KPPRA shall prepare its annual financial statements at the end of each accounting year as at the last working day of that year. These financial statements together with the auditor's report, as passed in the Board Meeting, shall be circulated to the relevant regulatory authorities within the stipulated time period.

f) Half Yearly Accounts

- i. Half yearly financial statements shall be prepared by Finance Department within two months of the close of the half-year (2nd quarter). These half-yearly statements shall be circulated to the Finance Committee and to the Board.

g) Quarterly Accounts

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- i. For 1st and 3rd quarter, quarterly un-audited financial statements, along with DAF's review, shall be prepared by the Finance Department within 30 days of the close of the quarter to which they relate. These quarterly financial statements shall be circulated to the Board.

- h) External Audit and Limited Review
 - i. As per applicable regulations the annual financial statements of the KPPRA are subject to audit by a Chartered Accountants Firm of well repute.
 - ii. The external auditors shall be appointed by MD.
 - iii. The Finance Department shall coordinate with the auditors in all matters and shall provide to the auditors all the necessary information and documentation as may be required during the course of their audit or review accordingly.

- i) Special Limited Reviews
 - i. The regulatory authorities may also require the KPPRA to carry out any type of review as they deem fit. It may also be possible that the regulatory authorities may appoint an expert to carry out any sort of review and in such a case the KPPRA shall cooperate with such expert in all related matters.

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G. Fixed Assets Accounting Function

1. Introduction

- a) Fixed assets accounting ensures proper recording of all the capitalized assets and ensures their physical safeguarding and authorized access, with adequate insurance of the asset.

Scope:

- b) This procedure applies to all capital equipment with a value of Rs. 10,000 or more and with a useful life greater than one year. This procedure also applies to IT purchases of a value of Rs.10,000 or more and with a life greater than one year.
- c) Proper control procedures are followed for all capital asset acquisitions, transfers and dispositions in order to provide internal control of capital equipment and to assist in reporting. Department managers are responsible and accountable for furniture, equipment, machinery and any other capital assets in their departments and maintain some type of control over capital assets. Accounting assists and evaluates any department's capital asset control procedures.

- d) Fixed Assets accounting will ensure:

All fixed assets are recorded in the books of accounts.

- i. All fixed assets are valued correctly
- ii. Depreciation is charged correctly as per KPPRA policy on all fixed assets.
- iii. All fixed assets are insured against all known risks.
- iv. All fixed assets are legally and physically in the possession
- v. Custodians are identified for all the fixed assets
- vi. All fixed assets are presented in the financial statements as per applicable disclosure requirements.
- vii. Finance Department shall be responsible for recording of fixed assets and the administration Department shall be responsible for the acquisition, disposal and maintenance of the fixed assets.

2. General Policies

- e) Controls over the recording of fixed assets shall be maintained to ensure,

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- i. Accuracy of the records
 - ii. Safeguarding of assets
 - iii. Improper disposal is avoided

 - f) Single fixed assets system should be used across the organization.
 - g) Every year, the Finance Department shall prepare a capital expenditure budget. The Board shall approve the budget.
 - h) Common policies and procedures for fixed assets shall be used across the organization. (standard capitalization policy including standard useful life, depreciation methods, etc.)
 - i) Fixed assets ledger shall be integrated with financial accounting for summary level acquisition, depreciation, amortization, improvements and disposition data.
 - j) Periodic reconciliation of the underlying record of fixed assets with the accounting records (general ledger) should be made.
 - k) Reconciliation of the periodic physical inventory of fixed assets with the fixed assets records should be made.
 - l) Owned fixed assets including all additions will be recorded on an amount equal to the cost or the revalued amount less accumulated depreciation and impairment losses, if any.
 - m) Normal repairs and maintenance will be charged to expenses, as and when incurred. Major renewals and improvements will be capitalized as per the capitalization policy.
 - n) The Administration Department shall maintain close coordination with the Finance Department to ensure that information regarding the fixed assets, their additions and their disposals are timely transmitted to the Finance Department.
3. Recording of Fixed Assets
- a) Fully depreciated assets shall be recorded in the books of accounts at a nominal value of Rs. 1.
 - b) No purchase of fixed asset would be done without obtaining quotations.
 - c) No purchase or disposal of fixed asset would be made without the prior approval of the fixed Assets Disposal Committee.
 - d) All assets acquired under Accounts lease arrangements with the transfer of ownership clause at the end of the lease term, would be held till the maturity of the lease after which ownership of the asset would be transferred to KPPRA as per the lease agreement.
 - e) On the basis of information from the Administration Department, designated officer shall prepare a voucher to record the addition or disposal of the fixed asset for entry in the general ledger. This voucher shall be reviewed and approved by the Manager Accounts before entry in the general ledger.

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4. Capitalization of Fixed Assets

- a) An asset shall be capitalized only,
 - i. If the asset has a useful life of more than one year
 - ii. The expected benefits from the asset are to be obtained for a period of more than one year.
- b) The total cost of fixed assets includes the purchase price, freight/shipping insurance, sale/use/transfer taxes, import duties and installation costs.
- c) Any item costing less than Rs. 10,000 shall be charged off directly to the expenditure account. However items like calculators and mobiles shall be kept in record for control purpose but shall be charged to expenses.

5. De-recognition

- a) The carrying amount of an item of fixed asset shall be derecognized:
 - i. On disposal; or
 - ii. When no future economic benefits are expected from its use or disposal
- b) The gain or losses arising from de-recognition of an item of fixed asset shall be included in profit or loss account when the item is derecognized.
- c) The gain or loss arising from the derecognizing of an item of fixed asset shall be determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

6. Revaluation of Fixed Assets

- a) Revaluation of fixed assets shall be recommended by the Finance Department after review by MD and approved by the Board. The effect of revaluation shall be recorded by the Finance Department in the financial statements to arrive at the fair value of assets. The amortization of revaluation surplus should be made as per applicable requirement.

7. Depreciation and impairment charge

- a) Depreciation will be charged based on the useful life of the asset. The depreciation policy used and the estimated useful life of the assets shall be reviewed periodically and, if there is any significant change in the expected pattern of economic benefits from those assets or revision in the estimated useful life of the asset then the depreciation rate shall be changed accordingly and accounted for as a change in estimates.
- b) The useful life of the assets should be reviewed at the end of each year; if the carrying amount of an asset exceeds its recoverable amount then the impairment loss should be

recognized in the profit and loss account.

- c) Depreciation shall be provided on assets acquired during the year from the month in which these assets are purchased till the month these assets are disposed-off.
- d) The depreciation charge for each period shall be recognized in profit or loss unless it is included in the carrying amount of another asset.
- e) The designated officer shall be responsible for the calculation of the depreciation charge and for the preparation of the depreciation voucher. The depreciation voucher shall be reviewed and approved by the MAF before entry in the general ledger.
- f) Depreciation on leased assets would be charged on the useful life of the asset and not over the lease term.
- g) No depreciation shall be charged on assets purchased which are still to be brought into use or which are under construction. Such assets will be treated as capital work in progress.
- h) Rates of depreciation to be charged to the respective fixed assets, depends on their future utilization and the management's estimates regarding them, whereas the following estimates are used for the major categories of fixed assets;

Non-Current Asset	Depreciation Rate (%)
Building	10
Furniture & Fixture	20
Computers	33.33
Vehicles	20
Equipments	20

8. Physical Verification and Tagging

- a) All fixed assets which are physically present shall be tagged and listed. For this purpose fixed asset register shall be maintained. This exercise shall be carried out on an annual basis to ensure that no asset remains unrecorded.
- b) All assets shall be identified upon their receipt by the use of a pre-numbered tag. The tag shall be permanently affixed in a readily visible area on the asset. The number on the tag shall be recorded in the detailed fixed asset ledger. The location of the asset installation shall also be recorded in the fixed asset register.
- c) The register shall be kept updated at all times and shall be sequentially numbered. The register shall be kept in the safe custody and no unauthorized access shall be allowed.

9. Fixed Assets Records

- a) Adequate itemized record of fixed assets should be maintained which at minimum must indicate the following particulars:



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- i. Detailed description on of each item
- ii. Original cost of the item
- iii. Date of its acquisition
- iv. Classification of the item
- v. The location and/ or the custodian of the item
- vi. The rate of depreciation
- vii. Accumulated depreciation
- viii. Depreciation charge for the period
- ix. The Department / cost center to which the depreciation is charged
- x. Date of revaluation (if any)
- xi. Revalued amount (if any) of the item
- xii. Depreciation on revalued amount
- xiii. Accumulated depreciation on the revalued amount

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H. Budgeting and Planning

1. Introduction

- a) A budget is a financial plan containing estimates of revenues and expenditures for a single fiscal year. Budgeting allows KPPRA to evaluate its needs in light of the revenue sources available to meet those needs and maintain cash and funds management.

2. Importance of Budgeting

- a) The following important points may be taken into consideration:
 - i. Budgeting plays a pivotal role in planning and monitoring of operations against pre-determined standards. The standards, where appropriately set, serve as a benchmark to analyze deviations for implementing corrective actions.
 - ii. The annual budgeting process develops a mind frame of expectation from the management for certain goals and objectives to be achieved within a specified time frame and commits managers towards attainment of these objectives.
 - iii. Budgeting is an integral part of the risk management process; its deviations should be monitored on a regular basis. The budget variances serve as early warning for the higher management that the actual risk analysis of the KPPRA may not be equal to the desired risk analysis.
 - iv. The budgeting process translates the goals and strategies in the strategic plan into annual targets. Capital expenditures, new projects, and financial projections in the strategic plan for the next fiscal year should all be incorporated into the budget.

3. Overview of the Budgeting System

- a) The budgeting system shall provide measures:
 - b) To develop strategies to achieve the goals and objectives within the available resources
 - c) To provide a method for monitoring performance of the KPPRA and also to provide corrective measures incase of deviations.

4. Budgetary Process

- a) The Budget Committee and the Finance Department has the overall responsibility for preparation of the consolidated budget of the KPPRA. Preparatory work for annual budgets shall begin in April each year..

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5. Preparation of Budgets of revenue and expenses

- a) Based on the budgetary targets received from all offices budget manager will submit a budget in light thereof and presents it to the Budget Committee.
- b) The Budget Department will consolidate the documents and ensure that the budget is within set limits and meets management objectives.
- c) By the end of April, the draft consolidated budget should be ready for review by the Budget Committee.

6. Approval of Budget

- a) The final budget should be reviewed by Budget Committee and DAF shall submit it to the Board for approval.
- b) DAF shall make presentation on budget to the Board.

7. Key Budgetary Dates

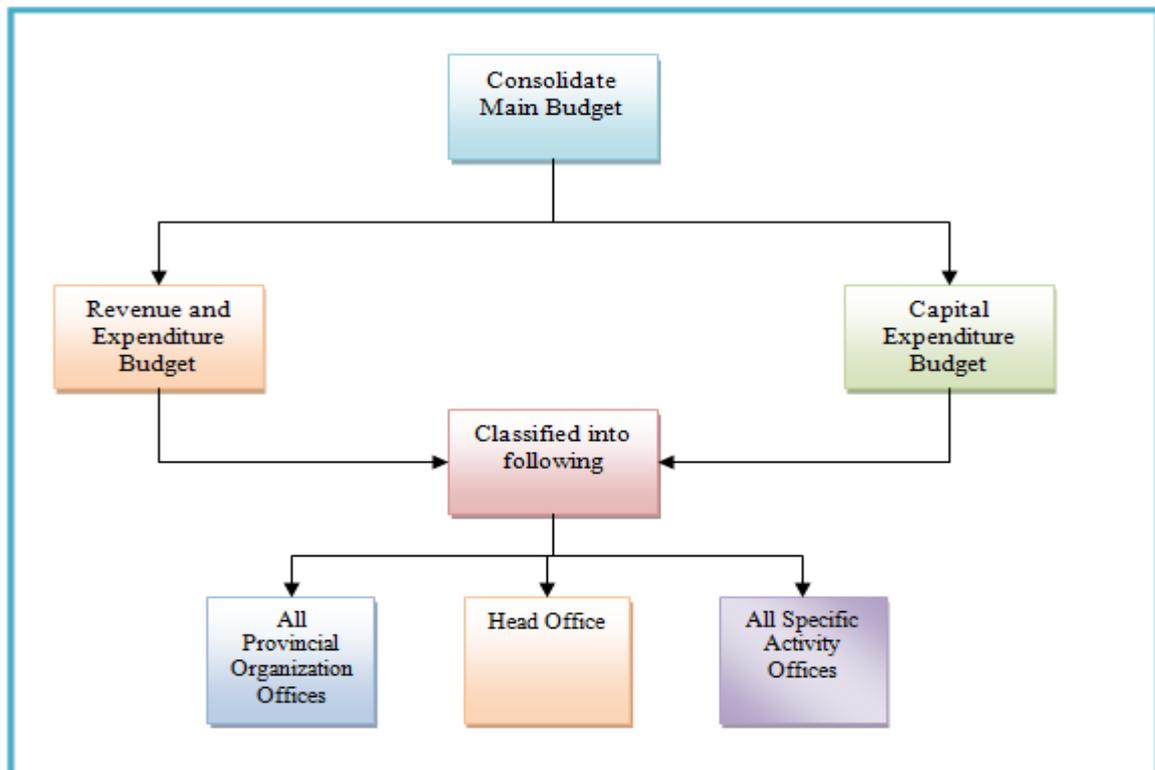
Particulars	Date
Finalization of Targets	April 25th
Communication of Targets to the Department Heads	May 1st
Finalization of Departmental budgets by the Head of Departments	May 15th
Communication of Departmental Budgets to the Budget Department	May 20th
Final Consolidation of the Budget	June 10th
Approval by the Board	June 20th

8. Capital Budget

- a) Capital budgeting forms an integral part of every organization's annual business plan. It is important that before an acquisition is made, the following points are taken into consideration:
 - i. Current year's budget
 - ii. Projected benefits of the addition
 - iii. Analysis of the lease versus purchase option.

b) Types of Budget

- i. The following types of budget are prepared:
- ✓ Revenue and Expenditure Budget
 - ✓ Capital Expenditure Budget
 - ✓ Special Event Budget
 - ✓ Specific Objective Budget
 - ✓ The budgets prepared shall be classified in the following manner:



9. Variance Analysis

- a) One of the fundamental reasons for the preparation of the budget is to inform the management on a regular basis, the actual performance of the KPPRA against the targeted results (budget). Variance analysis by comparing the budget and actual shall be done on a monthly basis.
- b) Every department, organization on a monthly basis shall report its actual data to the Finance Department at Head Office for variance analysis and performance. The Manager Accounts will make analysis and inquire the differences and justification from the relevant

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office.

- c) In case of any major deviations, the departments /branches/organizational offices shall be answerable to the management. The Finance Department shall ensure that all the variances have been resolved or a plan of action is devised to minimize the effect of adverse trend. This plan of action shall be incorporated in the form of budget revision, after the approval of the Budget Committee.
- d) The Finance team shall review the consolidated monthly and year to date balance sheet, Statement of receipt and payment and cash flow variance analysis reports which shall have the following particulars:
 - i. Actual amount;
 - ii. Budgeted amount;
 - iii. Variance;
 - iv. Percentage of variance;
 - v. Critical analysis of the variances; and
 - vi. Proposed actions for the future by the Functional Heads
 - vii. This analysis shall be presented to the MD on monthly and quarterly basis results for their review and approval of the proposed actions.
 - viii. Any modifications required in the budgets, business plans and/or the business strategy as a result of the approved actions shall be duly updated in the strategy, business plans and budgets of the KPPRA by Finance Team member responsible to prepare the business plans.

10. Budget Revisions

- a) When realized that conditions have arisen which requires a budget revision, they may request it by preparing a decision package for the relevant activity.
- b) The decision package must be accompanied by the original decision package and a note commenting on the effect the revision will have on the operations of other Departments and cash flows of the KPPRA. The package and the commentary shall be sent to the Finance Department. The Finance Department shall review the proposed changes and discuss the changes with the relevant authority.
- c) The MD shall have the power to approve budget revision upto Rs. 200,000.00
- d) For amounts exceeding Rs. 500,000 the changes shall be approved by the Board.
- e) The duly approved revised budget shall be redistributed in the same manner as mentioned in the budgeting process.

OPERATIONAL BUDGET				
Activity	Explanation	Responsibility	Input	Output
Budget Call Circular	Before 15 April of each year the budgeting committee shall circulate a directive to all sections and regional offices for the submission of their operational budgets; and	Budgeting Committee	Budget Format	Budget Call Circular

	The operational budget shall be submitted by each department and regional Office before 30 April of that year to which the budget relates. The budget shall be prepared by each department on the basis of the previous year's budget however amounts under each budget head shall be adjusted to provide for the expected inflation rates.	Relevant Department /Regional Office		Draft Budget
Budget Consolidation and Review	Once the inputs have been received from each of the department these shall be consolidated; MAF shall present the consolidated budget to DAF for review; The DAF shall present the budget to the budgeting committee for review;	AMAF MAF Budgeting Committee	Budgets of Departments Consolidated Budget Budget Reviewed by DAF	Consolidated Budget Reviewed Budget Budget Reviewed by the Budgeting Committee
Budget Finalization	The Budgeting committee shall finalize the budget and present to MD as well in the annual review meeting for authorization and approval of budget.	MD	Budget reviewed by the Budgeting Committee	Approved Budget
Budget variance reports	AMAF shall prepare budget variance reports on quarterly basis and submit to the Budgeting Committee for approval.	AMAF	Quarterly budget variance report	Comments and Recommendations

11. Guidelines / Procedures for the submission of revised estimates and Budget Estimates

- a) Applicable “guidelines/ procedures for submission of revised estimates and budget estimates” as outline in the Budget Manual and General Finance Rules in respect of the current expenditures and receipts shall be complied while submitting the revised budget estimates to the Provincial Finance Department.

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I. Receipts

1. Government funding through Assignment Account

- a) Receipts from Government funding sources in the Assignment Accounts shall be governed by the Revised Procedure of Assignment Account, 2008, as amended from time to time.
- b) Finance wing shall be responsible for recording of entries in respect of transfer of funds on the basis of allocations by the Government as per approved procedure.

2. Donor funding through Assignment Account

- a) Receipts from International donor organizations shall be governed by the Revised Accounting Procedure (issued in 2010) for Revolving Fund Accounts (Foreign Currency Assignment Account). All accounting entries in respect of receipt of funds shall be made in accordance with the laid down procedures.
- b) Receipts from donor organizations shall be recognized at the time of actual receipt of money. However, the receipts shall be executed in accordance with the terms and conditions of the grant agreements and adequate compliance with stipulated milestones agreed with the donor.

General Policies for Receipts				
Activity	Explanation	Responsibility	Input	Output
Voucher Preparation	<p>A printed receipt form is to be issued to the payer of Authority's receipts.</p> <p>The AMAF shall enter the amount and its Receipt No. in the cashbook date wise on daily basis and will prepare Banks Receipt Voucher (BRV) on the basis of receipts and forward it to MAF .</p>	AMAF	PR	Approved PR
Approval of voucher	MAF to check the accuracy, completeness, materiality of the documents and will process the voucher for further checking of classification.	MAF	Printed Receipts Form.	Deposit Slip



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	DAF to check and approve the voucher. FA will then immediately deposit the receipts in relevant Bank account by filling up the pay in slip.	DAF Finance Assistant (FA)		
Documentation on to be kept	Copy of the counterfoils of Receipt Books will be kept. AMAF will mark and number the reference on the supporting documents and the voucher. Finance Assistant to file the voucher in serial order in the grand file /Folder.	AMAF FA		

J. Payments

1. From Government funding through assignment account mechanism
 - a) Payments out of Government funding sources through the assignment accounts shall be governed by the Revised Procedure of Assignment Account, 2008, as amended from time to time.
 - b) Finance wing shall be responsible for recording of entries in respect of payments made out of the assignment account.

2. From Donor Funding through Revolving Account
 - a) Payments out of funds received from International donor organizations shall be governed by the Revised Accounting Procedure for Revolving Fund Accounts (Foreign Currency Assignment Account). All accounting entries in respect of payments shall be made in accordance with the laid down procedures.

General Policies for Payments				
Activity	Explanation	Responsibility	Input	Output
Sanction of Expenditure	<p>A Purchase Requisition (PR) is raised. A budget availability review is carried out for the purposes of assessing whether the expenditure is provided for in:</p> <p>The schedule of Authorized expenditure; and A Supplementary Grant.</p> <p>PR is approved and forwarded to the Procurement Department</p>	<p>MAF</p> <p>DAF</p>	PR	Approved PR
Voucher preparation for claims	After receiving the supporting documentation, a Claim Voucher Form shall be raised.	AMAF	Approved RFP, PO, GRN, etc	Claim Voucher Form
Approval of Payments	<p>AMAF will check the accuracy, materiality and completeness of the bills/ cash memos or documents in all respects and ensure that services/ goods have actually been supplied/received. The Claim Voucher shall be sent to DAF for approval.</p> <p>The approving authority shall be held personally responsible for the claims hence, he/she must ensure the correctness of the claims, admissibility as per rules &</p>	<p>AMAF</p> <p>DAF & MD</p>	Claim Voucher Form	Approved claim Voucher Form



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	regulations and whether the approved PO is attached.			
Authorization for Payment	The Claim Voucher shall then be authorized for payment by the 2 joint signatories who shall be deemed to be the final authority.	MD	CV	Cheque
Issue of Payment	<p>The payments, above petty cash limit should always be made through cheque.</p> <p>Cheque payments shall be either directly released to or collected by the payee or authorized agent with authority letter. Counterfoil of the cheque shall be retained for office record and proof of payment.</p> <p>For cheques to be dispatched to payees, accountant to arrange for covering letter, seeking acknowledgement of payment from the concerned party and Dispatch covering letter through outward mail register.</p>	MAF		

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K. General Guidelines for Bank Payments/ Receipts

- a) Preparation of the Bank Receipt/ Payment Voucher shall be the responsibility of the Staff under the DAF.
- b) All receipts of the Authority shall be realized by issue of a proper receipt to the payer and for the purpose the Authority should obtain Receipt Book from the Government Printing Press and kept in safe custody.
- c) Bank Receipt/Payment Voucher shall be used as source document for incorporation of all banking transactions in the books of Accounts.
- d) Column reserved on Bank Receipt/Payment Voucher shall be properly filled in by the respective official.
- e) Bank Receipt/Cheque Vouchers shall be prepared on the authority of properly checked and approved bank transfers/party bills, invoices and cash memos or any other documentary evidence intimating receipts/payments.
- f) AMAF shall be responsible to instantly deposit the cheques or money otherwise received in different times, preferably on the same working day or if due to unavoidable circumstances the same is not possible, it must be deposited on the next working day.
- g) MAF shall properly check and sign all the vouchers for approval, as the case may be.
- h) MD and DAF office shall approve the Bank Receipt/ Payment Vouchers.
- i) Receipts or payments shall be recognized/ paid on the authority of properly checked and approved Bank Receipt/Payment Vouchers.
- j) All the payments except for specific reasons, exceeding Rs. 5,000/- shall be made through crossed cheque.
- k) AMAF shall be responsible to maintain and update the books of account immediately after cheques are issued and receipts realized.
- l) While delivering cheque to the payee, the Accounts Assistant shall obtain payee acknowledgment on the Payment Voucher. If cheque is to be mailed to the payee, a covering letter seeking acknowledgment should be arranged by DDF. Payee acknowledgment when received shall be attached to the respective payment voucher instantly by the AMAF. Such Cheque must be "Payees Account only".
- m) When payment has been made to the payee, Accounts Assistant will stamp the relevant Voucher and supporting documents as "PAID".
- n) MF will check and verify the vouchers and shall incorporate the Vouchers in the books.
- o) All bank receipts/payment vouchers shall be filled in Serial order when process is completed.
- p) DAF shall after prior written approval/ instructions of MD cancel a cheque when required. When a cheque is cancelled it should be defaced with rubber stamp as "CANCELLED" and kept properly folded with the relevant counterfoil.

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- q) AMAF shall be responsible to keep the Bank Book and the Bank Receipt/Payment Vouchers under his safe custody himself.
- r) Summary of Receipts and Payments shall be prepared by the AMAF and placed before the MAF. After receiving the summary the MAF shall be responsible to check the transactions with relevant voucher, documents and posting in the books of accounts.
- s) At end of month a consolidated Summary of Receipts and Payments shall be prepared by the ADAF and placed before MAF and DAF.
- t) The AMAF shall be responsible to obtain monthly statement from the banks.
- u) AMAF shall be responsible for the preparation of monthly Bank Reconciliation Statements and submit it for the approval of MAF in the first week of the following month.
- v) For the purpose of exercising an effective management and internal controls over banking activities, printed and pre numbered vouchers will be used for both receipts and payments.

Activity	Explanation	Responsible	Input	Output
Recognition of expenditure	<p>The date of expenditure incurred shall be the same as the date of issue of cheque.</p> <p>In the case of inter-government transfers, expenditure will be recognized on the date the transfer is made by the transferor.</p> <p>The financial year to which a payment should be charged is determined by the date on which a cheque or payment advice is issued.</p>	MF AMAF FA		
Computerized Accounting Record	The AMAF in the Finance Section /Department must enter the claim and payment details in the accounting system against the appropriate expenditure head code (account code), as set out in the Chart of Accounts.	MF AMAF FA		

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L. Banking

- w) The purpose of this section is to set out the principles for managing bank accounts
- x) Opening a Bank Account
 - i. Finance Department of KPPRA will raise request to the MD KPPRA for opening of a local currency assignment account or Revolving Fund Account (Foreign Currency Assignment Account).
 - ii. Bank account opening request shall be prepared with stating the reason for opening of new bank account.
 - iii. Once the MD recommends the opening of new bank account, finance department of KPPRA shall follow the rules as prescribed in the procedures for the maintenance of local currency assignment account and Revolving Fund Account (Foreign Currency Assignment Account) as notified by the Government and amended from time to time.
 - iv. The account shall be jointly operated by the Managing Director, KPPRA and the DAF KPPRA, Khyber Pakhtunkhwa
 - v. All monies received from profit out of investment, grants by government, donations or income from any other source will be deposited in this account.
- y) Reconciliation of Bank Accounts

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- vi. The bank reconciliation will be completed within the accounting system of KPPRA each month. A printed copy of the completed detail reconciliation will be attached to the appropriate original bank statement each month.

PREPARATION AND RECONCILING ITEMS

- vii. Upon receipt of the monthly bank statement including cleared cheques, deposit slips and any other transaction notifications, the monthly bank reconciliation is prepared by Manager Accounts.
- viii. All cleared transactions on the bank statement will be reconciled and cleared in the accounting system. After all cleared items for the month have been selected, the book ending balance and the bank ending balance must match with a zero difference.
- ix. Any discrepancies between these two balances will require research to determine the cause, such as recording errors, omissions, postings errors, etc. This can also include recalculation of the bank statement for any possible errors made by the bank.
- i. The bank reconciliation is an essential component of the accounting system. Bank reconciliations are important to guarantee that accounts and reported figures are complete and reliable.
- ii. Bank reconciliation should ensure all reconciliations are completed promptly and prompt action is taken to resolve the causes of imbalances.
- iii. At the end of every month, the finance department of KPPRA shall take a bank statement from its bank.
- iv. Generally, the ending balance shown by the bank statement is not equal to the ending balance in the Cash and General Journal. This is due to the fact that the KPPRA and the bank do not record transactions at the same time.
- v. AMAF is responsible for preparing a monthly reconciliation report of all bank accounts in operation. All differences arise in reconciliations are communicated to designated branch officer and are rectified and agreed.
- vi. MAF shall review monthly reconciliation reports and forward to DAF for sign off.
- vii. Approved Monthly Reconciliations reports will be communicated to AG office if required in the first week of the following month. These reconciliation statements highlight any reconciling items that may have arisen, such as un presented (i.e. uncleared) payments at the bank, or payments in AG records that are not in the bank statement.
- z) Investment of Funds:

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- viii. The bank account shall be properly managed and the Finance Department may place the Funds in any scheduled bank for short-term investment with the prior approval of MD as per the applicable regulations. The profit earned on these investments shall be credited to the Authority's Accounts.

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M. Recording Transactions in Accounting System

Policy:

- a) The Finance Department is responsible for the proper posting of journals and entries to the general ledger and for the maintenance of the accounts to ensure accuracy, validity and reliability of financial records

Purpose:

- b) To describe the functions for recording transactions and maintaining the general ledger and books of accounts

Scope:

- c) This policy applies to all accounting personnel with involvement in recording accounting transactions.

Procedure:

1. POSTING TRANSACTIONS AND JOURNALS

- a) Computerized accounting system aids in the maintenance of journals and posting of transactions to general ledger accounts. The following functions are performed on a monthly basis to update the general ledger for the month's activities:
 - b) All transactions are required to have proper coding at minimum to the individual class, program, activities and general ledger codes.
 - c) All activities recorded in journals will be posted to the general ledger using the computerized posting feature. These journals include:
 - i. General Journal
 - ii. Cash Receipts Journal
 - iii. Cash Disbursements Journal
 - iv. Payroll Journal
 - d) The recurring adjusting journal entries will be posted via the general journal. Recurring journal entries will be established for adjustments that occur equally each monthly accounting period. Recurring journal entries can include the following:
 - i. Amortization of prepaid expenses
 - ii. Depreciation of Fixed Assets
 - e) Recurring journal entries are reviewed monthly and adjusted accordingly
 - f) Adjusting journal entries are prepared for transactions that have not been recorded in

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other journals or to correctly restate account balances to accurate amounts. The need to make adjusting journal entries may be due to any of the following:

- i. Accrual of revenue and expense items
 - ii. Correction of errors
 - iii. Recording of non cash transactions
- g) All journal entries are reviewed and authorized by the MAF before being posted. Adequate supporting documentation will be prepared and maintained for each journal entry.

2. TRIAL BALANCE

- h) After posting all journals and adjusting entries, a trial balance is printed. The trial balance is reviewed to ensure that the general ledger is in balance. Next, all control accounts in the general ledger are reconciled to subsidiary ledgers. Any differences will be investigated and appropriate adjustments are made.
- i) The DAF will make a final review of the trial balance for accuracy and proper reflection of account balances before printing financial statements.

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N. Petty Cash Management

Policy:

To facilitate minor operating expenses, a petty cash fund will be available to employees. The head of each department or activity must designate one specific individual to act as custodian of the petty cash fund. Each custodian will be required to sign a Petty Cash Receipt Acknowledgement Form to indicate their understanding of the responsibilities and requirements as custodian of a petty cash fund. In addition, the respective department head will also be required to sign, indicating his or her acknowledgment of the policies and procedures associated with the petty cash fund.

Purpose:

To outline the disbursement and reimbursement of petty cash

Scope:

These procedures apply to all employees and office holder of KPPRA

1. Petty Cash Fund

- a) In order to decrease the administrative costs and to expedite the process of handling minor purchases, a department or sectional offices may be authorized to operate a Petty Cash Fund.
- b) These funds should be used for non-capital expenditures where it is expedient and efficient to pay cash and where the cost is less than the authorized limit. Where there is need for a fund, a written request giving the reason must be submitted to Manager Admin & Finance for approval. Maintaining a minimal fund reduces security risk.
- c) Receipts and cash on hand must always total the amount of the initial petty cash advance. Revenues, expense recoveries and other cash receipts should not be combined with the petty cash fund. Such amounts must be promptly deposited in the KPPRA's designated accounts.
- d) The internal/external audit Department requests written verification of petty cash balances at year-end and should periodically perform unannounced audits of selected funds.
- e) Finance Department shall be overall responsible for the receipt and payment related function.

2. Petty Cash Administration

- a) The Manager Accounts is responsible to count the petty cash fund monthly to ensure the custodian has the correct total of petty cash and adjustment vouchers. A record of these counts must be kept in file.
- b) Approval of the Manager Accounts is required to establish, close, change the amount of, or replenish a petty cash fund.

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3. Petty Cash Adjustment Vouchers

- a) The Petty cash adjustment vouchers must be pre-numbered and be prepared manually. These vouchers shall be signed by Cash Officer and shall be reviewed by Manager Accounts and DAF. These vouchers shall be used for entry in the general ledger.

4. Petty Cash Limits

- a) The Administration Department will maintain a petty cash balance for their day-to-day operations. The cash limit shall be equal to Rs. 20,000 and shall be maintained on floating basis. All float holders shall report expenses incurred to the Finance Department on utilization of the balances and shall provide Finance Department with all the approved bills for which the payments were made during the week after due vetting from Internal Audit.

5. PETTY CASH FUND CONTROL

- a) The Custodian maintains control of the cash box, petty cash journal and all petty cash transactions. The petty cash fund is set up in the amounts ranging between Rs. 20,000 to Rs. 25,000 according to needs for authorized out-of-pocket expenses and advances for minor expenses.
- b) Advances or reimbursements from petty cash are limited to amounts of Rs. 5000.00 (Rupees Five Thousands) or less. Petty cash is not to be used for per diem or gas/fuel for staff/ employee's car. If an employee requires funds in a greater amount, they should request a cheque.

6. Custodian Responsibilities

- a) Assignment of Petty Cash Funds to Custodians –Finance Department issues a check payable to the Custodian to establish the petty cash fund. The Custodian remains accountable for the petty cash until custody is formally transferred to another employee or until the fund is formally closed. It is the responsibility of both the Custodian and the department/section Head to acquire a thorough knowledge of the applicable policies and procedures and to ensure the funds are properly safeguarded.
- b) Protection of Petty Cash - Access to cash funds must be restricted to the Custodian only. To prevent access by anyone except the Custodian, petty cash must be kept in a locked strong box in a locked desk or cabinet whenever not in use or whenever the Custodian is absent. In case of theft the Finance Department must be notified. The Custodian's supervisor should periodically inspect the records and count the cash (in the continual presence of the Custodian) in the petty cash fund to ensure proper accountability. If a Custodian fails to provide receipts or a reconciliation of petty cash when asked, the balance unaccounted for will be charged to the operating budget of the Custodian's department and may choose to prosecute.
- c) Manager Administration or any other designated person will be the custodian of petty cash. The custodian is responsible for control of petty cash fund, together with the

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supporting documentation. Specifically the custodian is responsible for the following:

- d) Safekeeping of petty cash funds. The fund (including cash, receipts and vouchers) must be kept secured in a locked box, cash drawer or safe. Only the custodian is to have access to and disburse petty cash. Handling of petty cash should only take place in secure locations.
- e) Issue of petty cash advance against the approved petty cash requisition form
- f) Receive adjustment vouchers along with the supporting documents.
- g) Maintain a record of petty cash expenses. To minimize the risk of fraud and provide evidence of the missing amounts in the event of loss of funds, this record of expenses is to be stored separately from the petty cash funds and in a secure location (i.e. locked desk or filing cabinet).
- h) Intimate cash shortages or excess cash immediately to the Manager Finance/Accounts
- i) Return the petty cash fund (money, receipts and petty cash vouchers) upon termination of employment or transfer to another position.
- j) Periodically, and preferably at least once a week, the petty cash adjustment report is to be submitted, with the invoices attached, to the Finance Department for reimbursement. A duplicate copy of the petty cash adjustment report is to be retained by the section for reference purposes.
- k) The petty cash adjustment voucher is to be signed and authorized by the Manager Accounts.
- l) Change of Custodian - One Custodian may not informally transfer a fund to a new Custodian without obtaining written approvals as required on the Petty Cash Receipt Acknowledgement Form. The petty cash fund must be physically counted and reconciled before it is accepted by the new Custodian.
- m) Absence of the Custodian - During absence or vacation, a Custodian may place the petty cash fund with a temporary Custodian. The temporary Custodian and the regular Custodian must physically count the petty cash box and prepare a list of cash, receipts and replenishment requests in process. These must total the authorized value of the petty cash fund. The temporary Custodian signs a copy of the reconciliation as a receipt. This receipt is retained by the regular Custodian since that individual is transferring personal responsibility for the value of the fund. When the regular Custodian returns, the same procedures must be followed with the receipt retained by the temporary Custodian.
- n) Confirmation of Petty Cash Funds - Custodians may receive an annual request from Finance Department or internal and external Auditors to confirm the amount of the petty cash fund as part of their audit procedure. Some funds are selected each year for a surprise audit of cash and records to ensure proper accountability of funds and proper application of policies and procedures.
- o) Closing a Petty Cash Fund - If a petty cash fund is no longer needed, the Custodian must close the fund. If a Custodian leaves without formally closing the fund and there are no receipts or records, the balance unaccounted for will be charged to the operating budget of the Custodian's department and the Organization may choose to prosecute.

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7. Petty Cash Receipt Acknowledgement Form Department:

I hereby acknowledge that I understand my responsibility and requirements as Custodian of Petty Cash: (Custodian sign here)
I hereby acknowledge that I understand my responsibility and requirements as Department / Unit Head of Petty Cash: (Department Head sign here)

8. DRAWS

- a) When an employee requests a petty cash draw, the Custodian will records the amount advanced, date of disbursement, reason for the draw and name of the employee receiving the advance.
- b) The employee should, by the next business day, return the receipt(s) and any change to the Custodian. A petty cash voucher will then be completed with the receipt attached.

9. REPLENISHMENT

- a) At the end of each month or whenever the petty cash fund drops below a balance of Rs.5000, the Custodian completes the reimbursement paperwork from the journal with the itemized description of expenses, and attaches all vouchers and submits to Finance Department for review.
- b) Once the Finance Department has reviewed for accuracy and reasonableness of account code data and expenses, the Custodian is then issued a cheque in the amount of the reimbursement and will be responsible for obtaining cash from the bank to replenish the cash box.

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O. Accounts payable, Cash Disbursement and Accrued Expenses

Policy:

Proper internal controls are followed to ensure that only valid and authorized payables are recorded and paid. Accounting procedures are implemented to ensure the accuracy of amounts, coding of General ledger accounts and appropriate timing of payments.

Purpose:

To explain the procedures for documenting, recording and issuing payments for accounts payable transactions.

Scope:

This procedure applies to all purchases including reimbursement of travel and expense reports. Procedure:

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1. DOCUMENTING ACCOUNTS PAYABLE

- a) The following documents are forwarded to accounts payable for temporary filing and subsequent matching to form an accounts payable voucher package:
 - i. Purchase Order if applicable
 - ii. Packing Slip with receiving report if applicable
 - iii. Vendor invoice
 - iv. Copy of contract for goods and services and terms of payment
 - v. Cheque request with proper approvals as noted on Authorization Limits Guidelines (Required for all payments whose nature is not a utility bill or contractual agreement on file by the Finance Department)
- b) Once the accounts payable department has all of the above documents, the following steps are performed to ensure proper authorization, validity of purchase, receipt of purchased items or services and accuracy of amounts.
- c) The vendor invoice will be stapled to the cheque request when applicable, the packing slip and purchase order should also be attached.
- d) The purchase order should be evaluated for proper authorization and the nature of the purchase and pricing as shown on the invoice reviewed for validity.
- e) The quantities shown shipped or delivered on the invoice will be compared to the packing slip. Any discrepancies must be followed-up and resolved prior to commencing with the voucher process
- f) Cheque requests should include proper general ledger account coding. This coding should reasonably describe the expense to be incurred as well as correspond with approved and allowable budgetary items.
- g) Calculations on the invoice will be recomputed such as quantities received multiplied by unit price and totals. Sales tax amounts listed on the invoice will be reviewed so that when appropriate, sales tax exempt notifications can be sent to the vendor.

2. RECORDING

- a) Once the accounts payable voucher package has been properly assembled the voucher package is then batched and entered into the computerized accounts payable system. A preliminary batch report is printed on weekly basis for review by the Manger Accounts. Once this review has occurred and all necessary corrections made the batch is posted to the accounts payable ledger.
- b) Voucher Register reports and accounts payable aging reports are then printed and filed in respective journal folders.
- c) The voucher package is then temporarily filed by due date in the unpaid invoice files to await payment.

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3. PAYMENT OF ACCOUNTS PAYABLE

- a) Every week, accounts payable invoices are selected for payment according to their terms for payment. Accounts payable should normally be paid within seven days of their payment term unless otherwise determined by DAF.
- b) Any debit balances (amounts owed to KPPRA) are applied to credit amounts when determining payment.
- c) A cheque edit list is printed and reviewed by DAF. Upon approval, cheques are then printed/written for the accounts payable invoices to be paid.
- d) After the cheques are printed/made, they are matched to the voucher package and submitted to authorized signatories for signing. Upon return of the cheques to accounts payable, the 2-part cheques will be separated and processed as follows:
- e) Original - Mailed to the vendor along with any necessary payment stubs. Cheque stub is attached to the voucher package and filed alphabetically in the paid vendor files.
- f) Positive Pay procedures shall be implemented for cheque writing security and fraud prevention. Procedures include forwarding to the bank a file/list with cheque numbers, amounts and payees for the bank to clear only those cheques listed. This file is sent after cheques have been signed and approved by an authorized cheque signers.

4. ACCRUED EXPENSES

- g) The Accounts Assistant is responsible for preparing records of accrued expenses at the end of each month. Accrued expenses represent amounts due for services or benefits that the KPPRA has received but are not yet payable. Types of these expenses can include:
 - i. Payroll
 - ii. Payroll Taxes
 - iii. Rent
 - iv. Utilities
 - v. Lease Charges
 - vi. Audit Fees
- h) The MAF determines the proper amount of each expense that should be accrued.
- i) Once all amounts have been determined, the accrued expenses are recorded in detailed ledgers and the expense amount properly coded. A journal entry will then be prepared for recording to the general ledger after proper review and approval by DAF.
- j) The Manager Accounts also reviews all existing accrued expenses recorded from prior periods and ensures that reversing accounting entries are made.

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P. Procurement

Policy:

KPPRA uses purchase procurement procedures to obtain services, supplies, or other property exceeding Rs.10,000. in total.

Scope:

KPPRA Head office and all subordinate office shall comply with procurement procedures

Procedures:

- a) For any one-item purchase under Rs.10, 000 price or rate quotations are not required.
- b) Procurement of recurring items of stationary, entertainment and office expenses do not require rate quotation.
- c) KPPRA obtains three verbal or written prices or rate quotations for any purchase between Rs.10,001 and Rs. 40,000. Telephone and other verbal quotations must be documented.
- d) Three written prices or rate quotations are required for any item purchase over Rs. Rs. 40,000 to Rs. 100,000.
- e) KPPRA's Purchase Committee selects the vendor providing the best value and documents the rationale for selection.
- f) Purchases over Rs, 100,000 will comply with requirements of Procurement through tender and bidding process drafted by Finance Department
- g) The purchase committee will document the rationale for selection of the vendor and shall record minutes of such meetings

5. KPPRA Contract Approval and Procurement Guidelines

- a) The following guidelines shall govern the procurement of goods and services over and above Rs. 100,000.
- b) All contracts for the procurement of goods and services in excess of Rs. 100,000 require approval of the Finance Committee. This applies to all contract amendments and change orders to previously approved contracts.
- c) The Finance Committee shall be constituted comprised of members from all departments of KPPRA
- d) All goods and services in excess of Rs, 100,000 require three competitive bids.
- e) Non-competitive bid transactions are characterized as follows:



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- i. Available only from a single source
- ii. Where Finance Committee decides that prevailing economic conditions preclude the value of competitive bidding
- iii. Commodities and services not subject to bid solicitation or price negotiation
- iv. Emergency requirements affecting health and safety
- v. Items of un-biddable nature such as repair of equipment and machinery. (Standard price are normally charged for the parts and labor is charged at prevailing hourly rates.)
- vi. Every effort should be made to obtain 3 price quotes for each non-competitive bid item and they should be documented through a Competitive Bid Process Waive

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Q. Employee Travel Reimbursement

1. POLICY:

- a) It is the policy of the KPPRA to reimburse employees for KPPRA business use of personal vehicles. Expenses for transportation, lodging, meals, and related items are allowable when they are incurred by an employee, or volunteer on official business which is directly attributable to the contract or required for administration of KPPRA activities.

2. PROCEDURES:

- a) Employees whose jobs require regular driving for KPPRA's business must be able to meet the driver approval standards of this policy at all times. In addition, employees holding those jobs must inform their supervisors of any changes that may affect their ability to meet the standards of this policy.
- b) Supervisors must approve employees' travel in advance for program related activities, and to attend conferences, seminars, and community meetings and to conduct planned events.
- c) Employees should provide their supervisor with the required and completed mileage form by the tenth of each month, requesting approval for mileage reimbursement.
- d) Employee's expenses for approved travel are paid or reimbursed when properly document by the employee and approved by the supervisor.
- e) Travel mileage is reimbursed at not to exceed the recommended rates.
- f) Employees may not drive KPPRA's vehicles without prior approval of their supervisor.

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R. Payroll Processing

Policy:

Payroll is processed to ensure accuracy, validity of transactions and proper internal control procedures are maintained to assure that disbursements are for valid services performed.

Purpose:

To outline the steps for payroll processing activities

Scope:

This procedure applies to all accounting personnel involved with payroll processing.

Procedure:

1. PERSONNEL RECORDS, MANAGEMENT AND CHANGES

- a) Personnel records for hiring, classification, rate changes and termination are performed by Human Resources department. Payroll processing is performed in conjunction with the following related procedures performed by the Human Resources and approved by department managers and the Finance Department.
 - i. Employee Hiring and New Employee Orientation
 - ii. Job Description.
 - iii. Payroll Funding Source or Allocation
 - iv. Paid and Unpaid Time Off
 - v. Pay and Payroll Matters
 - vi. Performance Appraisals and Salary Adjustments
 - vii. Disciplinary actions
 - viii. Resignations and Terminations

2. PAYROLL PROCESSING

- a) Finance Department receives completed and approved timesheets from department managers.
- b) Once timesheets are received, the Payroll Accountant reviews for completeness and approvals by department managers then performs calculations for payroll salaries and payroll deductions. The AMFA then enters data in the Payroll system and prepares worksheets of payroll information.
- c) Once the summary has been approved by MAF, the Assistant processes payroll disbursements and transfers data to the Accounting system General Ledger. Reports are then generated and used as back up to transfer funds to the Payroll bank account authorized by the DAF.

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- d) Validated payroll amount is directly transferred to staff bank account
- e) It is recommended to use direct transfer of salary to employee bank account.
- f) Tax deducted in advance from salaries should be paid to treasury on due date and reported as required in the Tax Law.

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S. Prepaid Expenses Management

Policy:

Procedures are followed to ensure that prepaid expense amounts are properly identified and recorded in the general ledger of accounting system.

Purpose:

To outline the steps for recording prepaid expenses.

Procedure:

1. IDENTIFICATION OF PREPAID EXPENSES

- a) Prepaid expenses represent amounts that have been paid but the related service or benefit due the KPPRA has not yet been received. Types of these expenses can include:
 - i. Deposits
 - ii. Insurance Premiums
 - iii. Lease Payments
 - iv. Rent

2. RECORDING OF PREPAID EXPENSES

- a) Manager Accounts is responsible for identifying and preparing records of prepaid expense amounts. After properly identifying prepaid amounts, the Manger Accounts determines the portion of the amount paid that is prepaid. For example, if the KPPRA pays its six month insurance premium in advance, the amount recorded as prepaid after the first month would be five/sixths of the premium.
- b) Prepaid expense amounts are properly recorded in the ledger. Information includes the description of the type of service or benefit, vendor, benefit period, amount paid, amortization amount and any other pertinent information. The prepaid expense amounts is then properly coded and recorded in the general ledger via a journal entry.
- c) The Manger Accounts also reviews schedules of existing prepaid expense amounts for any changes that may alter the amortization or recorded amounts.

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T. Release of Financial or Confidential Information

Policy:

The releases of financial, statistical or other information that may be of a confidential nature to the KPPRA are controlled and every request is referred to DAF or location in charge, Human Resource Officer or Chairman Office depending on the nature of information. Any financial information shall be released by Central Finance Department.

Purpose:

To provide a means for the control of information to banks, members, media, credit bureaus, or other agencies and organizations.

Scope:

Any requests by an outsider to an employee regarding financial, or member or donor information on the KPPRA. If in doubt, verify with the, DAF or Chairman Office.

Procedure:

1. WRITTEN REQUESTS

- a) Typical requests are for additional information concerning details of the published financial statements, litigation progress, party affairs, names of donors or members, etc.
- b) If the request is by letter or other written correspondence, the material is forwarded to the DAF who will decide what information may be released or routed to the DAF or Chairman Office and they will decide who is authorized to reply.

2. TELEPHONE/PERSONAL REQUESTS

- a) If the request is by telephone or a personal visit to KPPRA office, the requester is referred to the DAF and Chairman Office, If either one is unavailable, the requester is asked to provide their name, company, telephone number and address, if possible. Also they are asked the reason for the request and a brief description of the information desired. This information is written down and forwarded to the DAF for follow-up.

b) Confidentiality declaration

All employees and members having access to financial and non-financial quantitative or qualitative data or any other form of information, data, documents, reports of any type shall sign a declaration to that effect to protect the interest of KPPRA

A format of such declaration is attached as Annexure.

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U. Records Security and Retention

1. POLICY:

- a) KPPRA protects member's records, financial records, bank statements, and other donor identifying information from loss, tampering, and unauthorized access or disclosure and required retention timeframes.

2. PROCEDURES:

- a) When records are computerized, the facility protects the files from unauthorized or accidental access; and has a backup system.
- b) An authorized person is continuously present in the immediate area.
- c) Client records and all financial records are retained at least seven years plus current fiscal year.
- d) If records are microfilmed scanned, or destroyed, the facility takes steps to protect confidentiality.
- e) Financial and client records remain in the "active" files system until the Independent Auditors have completed the required Annual Audit for the previous year(s).
- f) Thereafter, financial and client records are placed in the storage offices under lock and key.

V. Annexures

11.1 Request for user creation in SAP

Request for user creation in SAP

Date: _____

User Name: _____

Designation / Department: _____

User Signature: _____

Department Manager: _____

Department Manager

Approved by

For Administrator Use Only

User created by: _____

Signature: _____

Dated: _____

11.2 Cash Count Performa

	CASH COUNT	Date: _____
Subject: _____		
		Amount (Rs)
Closing balance of cash in hand as per daily cash transaction register:		_____
Cash balance as per cash count:		_____
Add: Cash paid but bills not posted		_____
Difference (if any):		_____
Breakup of cash balance:		
	5,000 x _____	_____
	1,000 x _____	_____
	500 x _____	_____
	100 x _____	_____
	50 x _____	_____
	10 x _____	_____
	5 x _____	_____
	2 x _____	_____
	1 x _____	_____
	TOTAL	_____
_____		_____
Cash Holder		Cash count performed by:

11.3 Bank reconciliation statement

	BANK RECONCILIATION STATEMENT	Month:
BANK NAME Account Title		
	Amount (Rs)	
Balance as per bank statement:	_____	
Less: Our Debits		
(i.e.) Un presented cheques		
1.	<input style="width: 80px; height: 30px;" type="text"/>	
2.	<input style="width: 80px; height: 30px;" type="text"/>	
Bank's credits		
(i.e.) Direct deposits		
Profit	<input style="width: 80px; height: 30px;" type="text"/>	
Add: Our credits		
(i.e.) Un cleared cheques		
1.	<input style="width: 80px; height: 30px;" type="text"/>	
2.	<input style="width: 80px; height: 30px;" type="text"/>	
Bank's debits		
(i.e.) Bank charges		
1.	<input style="width: 80px; height: 30px;" type="text"/>	
2.	<input style="width: 80px; height: 30px;" type="text"/>	
Balance as per bank book:	_____	
_____	_____	_____
Prepared by	Checked by	Approved by

11.4 Cash Receipt Voucher Format

CASH RECEIPT VOUCHER						
					VOUCHER NO.	
					DATE	
DEBIT ACCOUNTS						
ACC.CODE	Section.	Donor	PAYEE	Title of Account	Amount (Rs)	
Total Debits						
CREDIT ACCOUNTS						
Total Credits						
AMOUNT IN WORDS _____						

PURPOSE OF RECEIPT _____						

PREPARED BY			APPROVED BY			

11.5 Bank Receipt Voucher

BANK RECEIPT VOUCHER						
					VOUCHER NO.	
					DATE	
DEBIT ACCOUNTS						
ACC.CODE	Section	Donor	PAYEE	Title of Account	Amount (Rs)	
Total Debits						
CREDIT ACCOUNTS						
Total Credits						
AMOUNT IN WORDS _____						
PURPOSE OF RECEIPT _____						
PREPARED BY	CHECKED BY		APPROVED BY			

11.6 Cash Payment Voucher

CASH PAYMENT VOUCHER						
					VOUCHER NO.	
					DATE	
PAY TO:						
ADDRESS:						
TOTAL AMOUNT					Rs.	
DEDUCTIONS(WITHOLDING TAX):					Rs.	
OTHER DED.(SPECIFY):					Rs.	
NET PAID:					Rs.	
AMOUNT IN WORDS:						
PURPOSE OF PAYMENT:						
PREPARED BY		CHECKED BY		APPROVED BY		ACKNOWLEDGEMENT
DEBIT ACCOUNTS						
ACC. CODE	SEC	DON	MF	PAYEE	ACCOUNT DESCRIPTION	AMOUNT (Rs)
TOTAL DEBIT						
CREDIT ACCOUNTS						

Date: _____

Mode of Payment:

Cash Bank Transfer Cheque

Description:	Budget Line	Currency	Amount	Inv. No.	Inv. Date	Purchase Request Available

Total: _____

Additional information about payment: _____

Submitted By: _____

Designation: _____

Signature: _____

Approved By: _____

Designation: _____

Signature: _____

Documents Required:

- 1) Original copy of invoice
- 2) Copy of goods receipts note, if applicable.
- 3) Copy of purchase order issued
- 4) Copy of inspection report

11.9 Travel Authorization Form

TRAVEL AUTHORIZATION FORM					
NAME OF EMPLOYEE:		TA#			
DESIGNATION:					
DEPARTMENT:		DATE:			
A. Purpose of travel: _____					
B. DATES OF TRAVEL			C. PLACES		
FROM	TO				
D. OTHER DETAIL: TICK WHICHEVER IS APPLICABLE:					
TRANSPOR TATION:	AIR	RAIL	PaRRSA VEHICLE	BUS	OTHER
DAILY ALLOWANCE	[]				
LODGING	HOTEL	STAFF HOUSE	PERSONAL		
ADVANCE REQUIRED	YES	NO			
OTHER TERMS	_____				
E. APPROVAL					
_____ REQUESTED BY			_____ APPROVED BY*		
F. CLEARANCE FROM ACCOUNTS AND FINANCE(A&F)					
ESTIMATE COST OF TRAVEL:	RS []				
CHARGE TO ACCOUNT	[]			_____ CLEARED BY(A&F)	

* TA should be approved by respective department head

11.10 Travel Claim Form

TRAVEL EXPENSE CLAIM VOUCHER

NAME OF EMPLOYEE: _____

TA NO. _____

DESIGNATION _____

DATE _____

DEPARTMENT _____

Date	Time	Places of Travel		Mode of Travel	Transport Cost	Boarding (Food etc)	Lodging (Stay)	Flat Daily	Others	Total	Remarks (Specify Others)
		From	To								

TOTAL

* Specify in this column, mode of travel such as BY AIR, RAIL, OFFICE VEHICLE, PERSONAL etc.

TOTAL EXPENSES _____

LESS: OUTSTANDING ADVANCE BALANCE _____

NET PAYABLE/RECEIVABLE _____

CLAIMED BY

VERIFIED BY (A&F)

APPROVED BY

11.11 Fixed Assets Register

FIXED ASSETS REGISTER (FAR)										
Sr. No	Asset Code	Location	User Name/ Name of the person in control of asset	Asset Description	Date of Purchase	Date of Disposal	Cost (Rs)	Written Down Value (Rs)	Sale Proceeds in case of disposal (Rs)	Gain/ loss on disposal (Rs)
<i>Office Equipment</i>										
1.										
2.										
<i>Vehicles</i>										
1.										
2.										
<i>Furniture and Fixture</i>										
1.										
2.										
<i>Computers</i>										
1.										
2.										

11.12 Fixed Assets Transfer Request

FIXED ASSETS TRANSFER REQUEST(FATR)		FATR No.				
		PR Ref No.				
Name of Transferor: _____ Name of Transferee: _____ Date: _____						
Sr. No	Asset Code	Location	Asset Description	Quantity		
1.						
2.						
3.						
4.						
5.						
_____ Prepared by			_____ Checked by		_____ Approved by	

11.14 Vehicle request form

VEHICLE REQUEST FORM

(To be submitted at least 48 hours before the date vehicle is required)

Name of Requesting and responsible Official _____

Purpose _____

Duration of Vehicle's use:

From _____ To _____
(Dates)

From _____ To _____
(Time)

Pick-up Place _____

Return Place _____

Destination _____

Remarks (if any) _____

Signatures and Date of the
Requesting/Responsible Official

Approved []

DG

DD Admin

Request No _____ Date Received _____

Vehicle assigned _____

Driver assigned _____

Supervisor Transportation

11.15 Request For Advance

REQUEST FOR ADVANCE			
		NAME	
		Deptt:	
		DATE	
PURPOSE			
TOTAL AMOUNT REQUESTED _____			
_____	_____	_____	
Requested by	Recommended by	Approved by	