

# Manner of Audit of Accounts Rules

TAMILNADU

India

## Manner of Audit of Accounts Rules

### Act 1187 of 1961

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Manner of Audit of Accounts Rules Published vide Notification No. G. O. Ms. No. 4065, Revenue dated 26th September 1961 - SRO No. A-1187 of 1961 Original rules published in Part V of the Fort St. George Gazette, dated the 6th December 1961. G. O. Ms. No. 4065, Revenue dated 26th September 1961 - SRO No. A-1187 of 1961. - In exercise of the powers conferred by clause (xiv) of sub-section (2) of section 116 of the Tamil Nadu Hindu Religious and Charitable Endowments Act, 1959 (Tamil Nadu Act 22 of 1959), the Governor of Tamil Nadu hereby makes the following Rules, namely:-

#### 1. Short title.

- These Rules may be called the Manner of Audit of Accounts Rules.

#### 2. Place of audit.

- The audit of the accounts of a religious institution under subsection (2) or (3) of section 87 shall be made in the office of the institution concerned or at such other place as the Commissioner may, by special order, direct

#### 3. Auditor to verify the cash balance.

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

#### 4. Items to be verified by the Auditor.

- The auditor shall, in the course of audit, verify the debentures, share certificates, Government bonds and other securities and the bank pass books belonging to the institution and report whether they were found correct. The auditor shall also verify whether an inventory register for the jewels

and valuables belonging to the institution and an appraisement register are maintained and, if so, whether it is being periodically inspected by such officers as may be appointed by the Commissioner and whether any loss referred to in the appraisement register of the verification officer was due to neglect, fraud or theft and, if so, whether the loss has been made good.

## **5. Contents of the audit report.**

- The auditor shall report, among other points arising in audit,-(a)whether the accounts and registers required by the Commissioner to be maintained are kept and whether entries are made regularly and properly by the persons responsible for the preparation of bills, challans, subsidiary registers, etc., and duly checked by the executive authority in charge of the institution;(b)whether all the immovable properties ,and rights such as fishery rights, right to long grass in village tanks and the right to the usufruct of trees not used by the institution for its purposes have been leased out in the prescribed manner and to the advantage of the institution and lease deeds have been taken and adequate securities taken in all cases; and if in any case such properties have not been leased or lease deeds have not been taken, what such cases, are;(c)whether the various items of income amounts due to the institution have been realised at the proper times and whether due steps to recover amounts overdue have been taken and, if not, in which cases such auction has not been taken and the avoidable defects or otherwise noticed;(d)whether any claims have become barred by the law of limitation and, if so, what such cases are;(e)whether all collections have been brought into account without delay;(f)whether any claims have been written off and, if so, to what extent and under what authority and whether such authority is competent for the purpose;(g)whether the expenditure is in accordance with the sanctioned budget and if there are deviations from such budget, what those t deviations are;(h)whether every item of expenditure has been sanctioned by the authority competent in that behalf and is supported by a proper voucher;(i)whether there is any item of expenditure which in the opinion of the auditor is, prima facie, extravagant;(j)whether there has been any diversion of funds or properties for purposes other than those of the institution;(k)whether advances made have been recouped or adjusted without delay;(l)whether moneys not required for immediate expenditure have been deposited or lodged in banks as per rules and surplus funds have been invested properly;(m)whether all donations or offerings in kind are accounted for;(n)whether in respect of building works check-measurement was done before final payment was made and whether the necessary subsidiary accounts and registers such as measurement books, stock books, muster rolls, tenders and agreements are kept;(o)whether in the case of supplies, tenders have been called for, wherever needed and scrutinised and accepted or confirmed as per relevant rules;(p)whether securities have been obtained from the staff in charge of collections or valuables and security bonds got executed; and(q)whether there has been any violation of any of the scheme provisions, if the institution is governed by a scheme or of the rules framed under notification, if the institution has been notified.

## **6. Appendices to audit report.**

- The auditor shall append to his report-(a)a statement of receipts and charges under the budget heads;(b)a statement of receipts and charges of paddy and other grains;(c)abstract of audited accounts;(d)consolidated statement of demand, collection and balance of all items of revenues or

decrees both arrears and current outstanding in cash and in kind.(e)statement of debentures, share certificates, Government bonds and other securities;(f)consolidated statement of assets and liabilities.

## **7. Abstract of the accounts audited.**

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

## **8. Publication of the abstract.**

- One copy of the abstract of audited accounts shall be forwarded by the Assistant Commissioner, [Joint Commissioner, Deputy Commissioner or the Commissioner, as the case may be] [Substituted by G. O. Ms. No. 200, C.T.&R. E., dated the 30th May 1996.], to the trustee of the religious institution for publication The trustee shall, on receipt thereof, publish the abstract on the notice board of the institution or other conspicuous place in the premises of the institution. Where the institution is a specific endowment, the abstract shall be published on the notice board or other conspicuous place of any one of the maths or temples as the Assistant Commissioner, [Joint Commissioner, Deputy Commissioner or the Commissioner, as the case may be] [Substituted by G. O. Ms. No. 200, C.T.&R. E., dated the 30th May 1996.], determine. The Commissioner may, in the case of an institution, the accounts of which are subject to concurrent audit under sub-section (3) of section 87, direct that the abstract of audited accounts shall, in addition, be published in any newspaper or in any other manner.