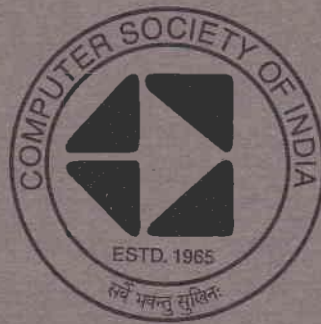


COMPUTER SOCIETY OF INDIA



Chapter Accounting Manual

Foreword

CSI has grown. It has a large number of Chapters today. We have brought out this Chapter Accounting Manual to provide comprehensive guidelines for Honorary Treasurer and other members of the Managing Committee of a Chapter. It is hoped that this would bring financial discipline and streamline accounting procedures at the Chapter level.

The need for such a manual has been felt much more in the last few years due to the consolidation of accounts at the national level as well as the various queries from statutory bodies. We have been sending Accounting guidelines to the Chapters in the last 2 years. This manual has been prepared based on feedback and views received from Chapter Treasurers and other committee members on the guidelines and the revised Chapter Bye-laws & Constitution changes, which have been recently approved by the General Body by balloting.

I sincerely thank Mr. Satish Doshi, Honorary Treasurer for bringing out this manual as part of his efforts and dedication in streamlining the accounts & finance function.

20th June, 1996



Dr. M L Goyal
President

Honorary Treasurer's Message

It is a pleasure that we have been able to compile this "Chapter Accounting Manual", with the intention of providing comprehensive guidelines on various aspects of Accounts and Finance at the Chapter level.

The preparation of this manual has required significant efforts from many people. My special thanks are due to our Finance Manager, Ms Renu Madan, without whose help this manual would not have been possible and Mr Lalit Sawhney, the immediate Past Treasurer, who has provided constant guidance. I would also like to thank the Honorary Secretary Mr M R Datar, my colleagues in ExecCom as well as various Chapter office-bearers and the CSI staff for their feedback and support.

This manual must be read in conjunction with the Constitution, Bye-laws, Conference manual and other manuals. If there are any suggestions for its improvement, it should be indicated to the Honorary Treasurer or Finance Manager, so that after due deliberations, these changes can be incorporated.

20th June, 1996



Satish Doshi
Honorary Treasurer

CHAPTER ACCOUNTING MANUAL

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Section- 1

Financial Guidalinas f0r CSI Chapten

1.1 Introduction

This manual is compiled with the major objective of helping CSI Chapters and Committee Members in conducting the fiscal affairs of the Chapters. CSI being a large organisation with Chapters and Student Branches spread all over India there is a requirement for the Chapters to follow the similar financial policies and procedures that are in keeping with the laid down objectives of CSI. Further for presentation of complete and correct financial picture of CSI we need to maintain systematic record of daily events/activities conducted by the Chapters and Student Branches all over India. Need for the continuity & adoption of the similar financial policies and procedures by the Chapters has induced us to put together the related fiscal matters for the smooth functioning of CSI.

1.2 Background

The Fiscal year of CSI is April 01 to March 31.

The allowance voted to the Chapter by CSI shall be subject to a maximum of one-third of the dues collected from members of all grades except the students grade who have elected to affiliate with the Chapter, as at the end of the previous year. This share can be claimed by the Chapter only if it has been active during the year and has submitted the Audited Statement of Accounts of the Chapter along with the Audited Activity Accounts for the National/Regional/Divisional activities conducted by it. Chapters should also ensure the remittance of seed money taken (if any) and the surplus generated from these activities before laying any claim on the Chapter Share.

The Chapter may collect voluntary contributions from its' members to meet emergency-or extraordinary expenses (Ref Section '3'- para 3.1.11). Chapters may also serve non members or groups wishing to receive meeting announcements and Chapter publications and collect reasonable amounts to meet the expenses.

It is the statutory requirement for the Chapters to have their accounts audited annually i.e as of 31st March and submit the Annual Balance Sheet and Income & Expenditure Account to Head Quarters not later than 31st May every year for compilation of consolidated accounts at HO. Chapters must ensure the incorporation of all monetary transactions relating to the affiliated Student Branches in the Chapter accounts.

Audited accounts should be approved by the Chapter AGM not later than June 30 and should be submitted to HQ by July 15.

Audited accounts of the National/Regional and Divisional Activities organised by the Chapters also need to be submitted separately to HQ along with the surplus generated for incorporation of the same in HQ Accounts. In the event of submission of Audited Regional/Divisional Activity Accounts within three months and Audited Annual Convention Accounts within six months of being held, Host Chapters may retain share of the Activity Surplus as follows:

Regional/Divisional Activity 1/3rd share

Annual Convention 1/5th share

This surplus should be shown under a separate account Head and can be utilised by the Chapters only for the acquisition of the Capital Assets and should not be used towards day to day expenses.

Seed money received from HQ for these activities should be immediately refunded to HQ on completion of the activity.

Chapters must adhere to the directions issued by the HQ from time to time. This is necessary since various statutory requirements have to be adhered to by CSI as a whole in order to enjoy various benefits available to it under the various Statutory Laws e.g under the prevailing Income Tax Laws, CSI is required to invest surplus funds in a particular pattern as specified under section 11(5) of the Income Tax Act to enable CSI to claim exemption u/s 11 as a Charitable Institution or u/s 10(21) as a Research Association. This tax provision is binding on CSI as a whole and, in the event of even one Chapter making wrong investment of say Rs. 500/- or so, CSI would lose the Income Tax exemption and we would be liable to tax on the total/consolidated income of CSI HQs and all its' Chapters.

Finances will be guided by the relevant Chapter Byelaws and CSI Constitution & Byelaws which are reproduced for ready reference in Annexure '1' & '2'.

1.3 Duties and Responsibilities of Chapter Treasurer

The Treasurer will conduct all the fiscal affairs of the Chapter and maintain the records thereof.

The Treasurer will compile the accounts and financial statements of the Chapter and organise for its audit as per the guidelines/directions from HQ and shall submit the audited accounts to HQ for consolidation by May 31.

The Treasurer shall submit the audited accounts duly approved by the AGM to CSI HQs not later than July 15.

The Treasurer will ensure and maintain proper financial controls on all the activities and assets of the Chapter. He will ensure the utilisation of Chapter funds for the normal operations of the Chapter.

The Treasurer will be responsible for investment of surplus funds available with the Chapter as per the directions of the HQ.

The Treasurer being the Chairman of the Finance Committee of the Chapter shall prepare proposals seeking financial assistance and will be responsible for preparing annual and periodical financial statements.

The Treasurer alongwith the Finance Committee members shall suggest measures to improve the fiscal health of the Chapter and shall monitor the progress of income and expenditure during the year.

The Treasurer shall compile the Chapter budget from the requirements of the various committees and the affiliated Student Branches receiving assistance from the Chapter. He shall present the budget to the M C for its approval at its first regular meeting and the approved budget shall be submitted to CSI HQs, not later than August 31.

The Treasurer should prepare and submit the half yearly accounts i.e. for the period April 1 to September 30 to CSI HQ by October 31.

The Treasurer should give due consideration to the qualifications/objections, if any, made by the Auditors/Finance Manager- HQ on the previous financial years' accounts and should ensure to eliminate these.

The Treasurer should ensure the proper and timely maintenance of Books of Accounts. If required Chapters may seek professional help from outside for Accounts writing.

The Treasurer should ensure that the Chapter does not take any loans or overdrafts without prior authorisation of the ExecCom.

1.4 Opening of a Bank Account & it's Signatories

A savings bank account should be opened with a Scheduled Bank in the name of the Chapter. Chapters should open only one savings bank account for the normal Chapter activities.

All the financial transactions corresponding to the Chapter only shall be carried out through this account. Cheques collected by the Chapters towards Membership fees should be sent to the Head Quarters directly and not deposited in the Chapter bank account.

Signatories to the bank account shall be the Office Bearers of the Chapter. There should be minimum two signatories for any payments exceeding Rs.2,000/- with Treasurer being one of the signatories.

On change in the Management Committee, signatories to the bank account must be changed by passing a resolution in the Chapter Committee Meeting and the concerned bank authorities should be accordingly intimated.

Separate Bank Account should be opened in the name of the Activity for any Regional/Divisional/National Activities conducted by the Chapters (Ref Section '4' Para 4.2).

1.5 Chapter Auditors

For the audit of the Chapter accounts, the Chapter MC shall appoint auditors as directed by CSI HQ (Ref Para 4.5.7 of Chapter Byelaws).

1.6 Investments of Surplus Funds

In order to claim exemption u/s 11 as a Charitable Institution or u/s 10(21) as a Research Association under the Income Tax Act, 1961 we have to comply with the provisions of Sec. 11(5) relating to the uniform pattern of investment of Charitable Trust.

Since Income Tax return based on the consolidated accounts is filed by the HQs, HQ becomes accountable to the tax authorities for any mismanagement/wrong investment of funds at the Chapter level which may cause CSI to lose the exemption on its total income under the Income Tax Act e.g in the event of even one Chapter making wrong investment of say Rs. 500/- or so, CSI would lose the Income Tax exemption and we would be liable to tax on the total/consolidated income of CSI i.e of HQs and all its' Chapters.

To safeguard the interest of CSI as a whole, investments of surplus funds available with the Chapter must be made in accordance with the directions given by the CSI HQs.

In compliance with the prevailing (current) Income Tax provisions, Chapters should invest the surplus funds in Fixed Deposits with Scheduled Banks and Public Sector Companies only. All investments should be taken in the name CSI/CSI Chapter.

1.7 Assets Acquisition / Disposal

Chapters wishing to purchase/sell/dispose off any fixed assets, should put up a proposal for the same to the Chapter's Management Committee for its approval.

Minimum three quotations should be called for purchase/sale of any fixed assets.

Where the original value of an asset proposed to be bought/sold or disposed off is Rs. 25,000/- and above, proposal for the same, alongwith the recommendations of the Chapter's Management Committee' should be put up for approval to the Regional Vice President.

For assets valued at Rs: 50,000/- and above proposal approved by the Chapter's Management Committee should be put up to the National Office Bearers for approval through Regional Vice President.

For assets valued at Rs. 1,00,000/- and above proposal approved by the Chapter's Management Committee should be put up to the ExecCom for approval through National Treasurer, CSI.

Fixed assets of whatever value should not be sold below its written down value without the approval of the National Office Bearers.

Proposal for the sale of any fixed assets should include original cost of the asset, year of purchase, accumulated depreciation, written down value of the asset and details of quotations received alongwith the recommendations from the Chapter's Management Committee/Regional Vice President.

1.8 Closing of Accounts

Chapters must close the accounts on 31st March every year i.e the Accounting/Financial year of the CSI being April 01 to March 31.

The accounts of all the Chapters of CSI are merged with HQ accounts and are presented for adoption by the AGM. For meaningful consolidation, Chapters shall prepare, present and submit the accounts in accordance with the directions issued by the HQs from time to time.

Chapters should request the affiliated Student branches to submit the annual activities report and statement of expenses and receipts countersigned by the Counsellor, alongwith the books of accounts and supporting documents for incorporation in Chapter books.

Copy of Audited Balance Sheet and Income & Expenditure Account along with the Receipt & Payments Account should be submitted to Head Office latest by 31st May of the year, in the format enclosed as Annexure'4'. The Audited Accounts duly approved by the Chapter AGMs should be sent to HQ not later than July 15.

1.9 Handing over /Taking over between Committees

On the change in the Management Committee of the Chapter as of June 30, the out going Managing Committee should ensure the submission of all the documents pertaining to the Chapter to the Nw Managing Committee including the following:

- a) Updated Books of Accounts of the Chapter as of 30th June of the current financial year i.e cash/bank book, journal, ledger etc along with all the supporting vouchers/documents;
- b) Bank statements and cheque books along with the bank reconciliation statement as of 30th June;
- c) Cash in hand as reflected in the cash book as on 30th June;
- d) Fixed Deposit receipts in original duly matched with the balance reflected in the updated Investment register as on 30th June;
- e) Audited Statement of Accounts as of 31st March along with the original books of accounts, receipts, vouchers and all the other related documents;
- f) Books of Accounts in original along with a copy of Audited Accounts, receipts, vouchers and all the other relevant documents for atleast previous tenyears,since these documents may be required to be produced before Assessing officer at any time for regular/reopened Income Tax Assessments.
- g) Chapter Accounting Manual and other related documents sent by HQ from time to time;
- h) Activity Accounts for activities in progress, if any alongwith all the relevant documents;
- i) Accounting S/W package, if provided by HQ.
- j) Fixed Assets belonging to the Chapter as reflected in the Fixed Asset register duly verified by the Managing Committee as of June 30.

Out going Management Committee must ensure the settlement of all outstanding dues/advances relating to the Chapter activities during their tenure as the office bearers of the Chapter.

Incoming Management Committee must ensure taking over of all the above refEirred documents.

Section- 2

Accounts And Book-Keeping

2.1 Books of Accounts

Keeping the accounts in a systematic manner helps in presentation of complete and correct financial picture. A systematic record of daily events/transactions leading to presentation of a complete financial picture is known as accounting or, in its elementary stages, as book-keeping. To achieve this we need to record each and every transaction entered into by CSI. Meticulous maintaining of books of accounts by the Chapters will facilitate preparation of the Annual Accounts.

The Treasurer should ensure the proper and timely maintenance of Books of Accounts. If required external professional help may be used for maintaining Accounts/Book-keeping.

CSI, being a service organisation, should mainly maintain the following books of accounts to record its' day to day transactions :

- a) Cash & Bank book
- b) Journal

2.1.1 Cash & bank book (Ref. Annexure '7'...for Format)

All cash and bank transactions should be recorded in this book. All monetary transactions whether of capital nature (like expenditure/income from acquisition/sale of any fixed asset) or revenue nature (like expenditure/income incurred/earned for conducting the normal activities of CSI) should get reflected in this book. Cash receipts should be recorded on debit side of cash book in cash column (in bank column for any receipts by cheque) and all cash payments should be recorded on the credit side of the cash book in cash column (payments by cheques to be credited in the bank column). In case of withdrawal of cash from bank, receipt of cash should be entered on the debit side in the cash column and withdrawal of cash through cheque being payment by cheque should get reflected on the credit side under the bank column in the cash book.

The difference between the debit and credit side of the cash & bank column shall reflect cash & bank balance. Cash balance should be tallied daily with the cash in hand.

Bank statements should be periodically updated and balances compared and reconciled with the cash/bank book balances. Reconciliation statements should be prepared monthly to explain the difference between the bank balance as per Bank Book and Bank statement.

2.1.2 Journal (Ref. Annexure 'S'...for Format)

Chapters should maintain a Journal to record those transactions which do not find any place in cash/bank book. Journal should be used to record:

- 1) Opening entries- to bring forward the closing balances of assets and liabilities of the previous year as on April 1;
- 2) Closing entries- for closing the accounts and transferring the balances to other accounts as on March 31;
- 3) Rectification entries -for setting right any mistake in recording any transaction;

- 4) Adjustment entries- relating to depreciation, provision for bad & doubtful debts etc.; and all transactions of non-cash nature like receivables, payables and dues etc.

2.2 Procedure for Cash / Bank Payments

No payments should be made without the supporting vouchers. Original bills/challans must be enclosed with the vouchers.

Proper receipts should be obtained in respect of all the payments. Vouchers received in support of payments should be filed and arranged in serial order. Reference of the voucher number should be given in the cash/bank book for easy reference.

There should be minimum two signatories for any payments exceeding Rs. 2000/= with treasurer being one of the signatories.

All payments should be duly approved by the appropriate authority being Secretary/Chairman of the Chapter before these are passed for payment.

As far as possible cash payments should be avoided except for day to day expenses like conveyance, refreshments etc.

Care should be taken to make payments by crossed cheques only.

2.3 Receipt / Bank Deposits

Official receipts should be issued for amounts received in cash or by cheque from various parties. Receipt should give the name of the party, amount received in cash or by cheque and the purpose of receipt i.e on account of what payment has been received. In case of receipt by cheque, details of cheque should also be mentioned on the receipts. Copies of the receipts issued should be retained for office use. Cash receipts should be recorded on the receipt side (debit side) in the cash book. Cheques received for the various Chapter activities should be deposited in the bank through pay-in-slips and should be recorded on the debit side in the bank book.

Care should be taken to ensure that amounts received on account of membership and National/Regional/Divisional activities organised by the Chapters should not be deposited in Chapter bank account. Membership Cheques should be immediately sent to HQs. All receipts relating to National/Regional/Divisional Activities should be deposited in the respective bank accounts opened for the various Activities.

2.4 Preparation of Ledger Accounts or Posting

In addition to the cash/bank account, accounts for each person, asset, liability, head of income, head of expenditure etc. needed for preparation of financial statements should be opened in the ledger. After opening the various accounts as listed in Section '3', posting of cash/bank book and journal transactions should be made to the respective ledger accounts. The list of Ledger Heads, explained in detail, is given in Section '3' of this manual.

First of all the opening entry should be posted by carrying forward the closing balances of the assets & liabilities as on March 31 as opening balances in the respective accounts as of April 01 to start the financial year. Then the transactions recorded in the cash/bank book and the journal book should be posted on the daily basis.

As for the posting of the cash/bank book, all the accounts which are recorded on the debit/receipt side of the Cash/Bank Book should be credited with their respective amounts in the ledger as "By Cash/Bank Account". Similarly all accounts appearing on the payment/credit side of the Cash/Bank Book should be debited with by the respective amounts as "To Cash/Bank Account".

Journal entries should be similarly posted to the ledger keeping in mind that the account which is debited in the Journal should be posted on the debit side of the respective account and the account which is credited should be posted to the credit side of the respective account.

Care should be taken to do the posting in chronological order of the transactions.

2.5 Trial Balance

After posting the transactions to the respective ledger accounts they should be balanced and a Trial balance should be drawn. Trial Balance should be prepared every month to ensure that the ledger has been correctly written and to check the arithmetical accuracy of the accounts. Trial Balance should be prepared only after the posting has been completed

and the accounts are balanced, that is to say, the difference in two sides of the accounts is ascertained. If the debit side is bigger than the credit side, the difference is known as "debit balance" and likewise, if the credit side is bigger, the difference is "credit balance". Trial balance is prepared with all the debit & credit balances of the accounts including cash and bank balances. The total of the debit balances should agree with the total of credit balances.

2.6 Final Accounts

To know whether current income is sufficient to meet current expenses and what the financial position of the Chapter is at the end of each year, we need to prepare the following:

2.6.1 Receipts and Payments Account

Receipts & Payments Account should be prepared as of March 31 which is nothing but a summary of cash and bank transactions.

Only actual cash and bank transactions irrespective of their nature and period should be reflected in this account.

Receipts and Payments Account indicates the cash position of the Chapter. The balances reflected by this account should tally with the physical cash-in-hand and balance with bank.

2.6.2 Income & Expenditure Account

Income and Expenditure Account, setting out all incomes (or revenue receipts) on the right hand side and all revenue expenses on the left hand side should be prepared as at March 31 every year in the format enclosed as Annexure '4'.

While preparing this account following points should be borne in mind :

- a) no items of capital nature should be included in this account;
- b) all revenue items should be included;
- c) expenses and incomes should relate only to the year concerned (i.e. items relating to the past or future should be excluded)
- d) the whole of the incomes or expenses, even if some amounts are outstanding, should be included.

2.6.3 Balance Sheet

It summarises the true financial position of an organisation on a given date. It summarises on the right hand side the assets and on the left hand side the liabilities of the organisation including the capital & reserves. All the accounts which have not been closed by transfer to Income & Expenditure Account must appear in the Balance Sheet. Chapters should prepare the Balance Sheet as of March 31 every year as per the format in Annexure '4'.

2.7 Other Accounts Registers

In addition to the above, following registers should also be maintained by the Chapters:

2.7.1 Fixed Assets Register (Ref Annexure'S'... for Format)

Chapters should maintain proper record of its assets e.g. library, office equipments, electric equipments, computers etc held on its charge.

This register should be maintained to record the itemwise break up of the assets purchased, date of purchase/acquisition, cost of asset, yearwise depreciation charge, date of sale, sale price, profit or loss on sale, date of disposal etc. Separate folios for different class of assets should be maintained as per format enclosed.

Physical checks of the various assets should be done by the Management Committee of the Chapter at regular intervals. Record of these checks should also be maintained for audit purpose.

2.7.2 Investment Register (Ref. Annexure'S'... for Format)

Year wise details of investments made should be recorded in this book indicating the date of deposit, date of maturity, cost of investment, maturity value, rate of interest, amount of interest etc.

Section- 3

Ledger Account Heads

Keeping in mind the activities of the Society and for preparation of the Consolidated Accounts of CSI it is imperative for the Chapters to record transactions in alike manner. Since for consolidation, the accounts of HQ and the Chapters are to be combined on a line by line basis by adding together like items of assets, liabilities, revenue and expenses, Chapters must adopt the following common Revenue (Nominal - Income and Expenses) accounts and Balance sheet/Capital (Real and Personal) accounts for recording various transactions.

3.1 Revenue (Nominal - Income and Expenses) accounts:

3.1.1 Courses/Examinations in Advance Technical Areas:

Income and expenses relating to any courses, exams and lectures etc should be grouped under this account head. Chapters should maintain separate accounts for different courses/exams to be able to determine the financial viability for various courses/exams conducted. Two separate accounts i.e one Income account and one Expenditure account should be opened to account for the receipts and payments relating to courses, exams and lectures held/conducted. Gross fees received towards the various courses, exams & lectures held by the Chapters should be credited to the Income account. All expenses on account of 'examinations/ courses etc. should be shown as an expense in separate account of debit nature as mentioned above.

Any receipts or payments on account of NSTPC, SEARCC & any other Exams conducted on behalf of Education Directorate should not be booked as income or expenditure in the Chapter accounts since these are reimbursable/claimable from Education Directorate, Madras. These should be debited or credited to the respective account heads and should appear as receivables/payables in the Balance Sheet if outstanding as at the end of the financial year.

3.1.2 Conferences concerned with Development of Technology:

Income and expenses relating to any seminars, events, activities etc held at the Chapter level should be reflected under this account head. Chapters should maintain separate accounts for different seminars/events etc. to be able to determine the financial viability for various courses/exams conducted. Two separate accounts i.e one Income account and one Expenditure account should be opened to account for the receipts and payments relating to seminars, events and activities held. Gross receipts on account of any seminars, events & activities like registration fees etc. held by the Chapters for the events organised at the Chapter level should be credited to the Income account. All expenses pertaining to any activities should be shown separately under the expenses account. The idea is to reflect both income and expenses relating to these activities separately in the final accounts as these are the major activities of our Society.

Separate accounts should be maintained for all Divisional/Regional/National Activities held by the Chapters and audited activity accounts along with the surplus generated should be remitted to the Head Quarters within 3 months of holding the activity. In the event of submission of Audited Regional/Divisional Activity Accounts within three months and Audited Annual Convention Accounts within six months of being held, Host Chapters may retain share of the Activity Surplus as follows:

Regional/Divisional Activity 1/3rd share
Annual Convention 1/5th share

This surplus should be shown under a separate account Head and can be utilised by the Chapters for the acquisition of the Capital Assets only and should not be used towards day to day expenses.

Seed money received (if any) should be refunded immediately to HO on completion of the activity.

3.1.3 Membership/Chapter share :

One-third of the dues collected from members of all grades, except the student grade, as at the 'end of the previous year paid to the respective Chapters shall be of the Income nature for the Chapters and an Expense for the HO. Gross amount of Chapter share received/due from the Head Office should be reflected here. Any deductions from the Chapter share relating to adjustments of seed money/surplus etc. should be reflected separately.

Membership cheques received by the Chapters should not get reflected in this account. Care should be taken to ensure that Membership cheques are immediately sent to the HOs. Any such cheques in hand with the Chapter as at the end of the financial year should be sent to the HQs immediately alongwith the date of receipt of such cheques so that it can be accounted for in that particular financial year and not be carried forward.

3.1.4 Advertisement Charges:

Two separate accounts, one of Revenue nature for accounting revenue earned from advertisements released by the Chapters in its publications for outside parties and other of Expense nature for accounting expenses incurred by the Chapters, should be operated.

All advertisements released on account of the Chapter must be booked/provided for.

Advertisement income/expense relating to any Chapter events/ activities or examinations etc should get reflected in the respective event/activity or examination account only.

Care should be taken to ensure that advertisement expenses relating to any Divisional/Regional/National activities are charged to the respective Activities and Events.

3.1.5 Manufacturers' Presentation:

Fees received towards manufacturers' presentation should be reflected in this account.

3.1.6 Interest Received:

Gross Interest received on fixed deposits with banks and on savings accounts with banks should be credited to two separate accounts. Any tax deducted by banks should be shown separately as debit to 'Tax Deducted at Source Account' being recoverable from Govt. Chapters must ensure that no tax is deducted on the investments made by it in the Fixed Deposits with Banks/Public Sector Companies as lots of formalities are required to claim refund from the Govt. and it may take years to get the refund. To ensure this Chapters should obtain confirmation, before depositing, from the Bankers and Public Sector Companies in which they are proposing to invest surplus funds, that no tax at source (TDS) shall be deducted on the Chapters' investments.

Certificate from banks for interest on savings and fixed deposit accounts should be obtained as at the end of every Financial year. Certificates for bank closing balance as of March 31 should also be obtained for audit verification.

3.1.7 Income from Investment :

Gross interest on deposits with Public Sector companies should be reflected in this account. In order to claim exemption u/s 11 as a Charitable Institute or u/s 10(21) as a Research Association under the Income Tax Act, 1961 we have to comply with the provisions of Sec 11(5) according to which any surplus funds available with the Chapters can be invested in Fixed Deposits with Scheduled Banks and Public Sector Cos only. All investments should be taken only in the name of CSI/CSI Chapter. No investments should be made in Fixed Deposits with Private Companies or with Public Ltd Cos as it would cause CSI to lose the exemption on its total income under the Income Tax Act.

3.1.8 Book Publication :

Expenses relating to any publications published by the Chapters like News Letters etc should be debited to this account.

Care should be taken to ensure that printing cost of any Souvenirs for any Regional/Divisional/National activities is charged to respective activity account.

3.1.9 Administrative Expenses:

Various day to day expenses incurred on account of running the Chapter like printing & stationery, postage, telephone & telex, rent rates & taxes, Insurance, bank charges, local conveyance, repairs & maintenance, office advertisements, travelling expenses, auditors' fees should get reflected 'under this account head in the Income & Expenditure account. Separate accounts, as listed in Schedule 'D' of Annexure '4', should be maintained for the various expenses.

Cost of books and software should not be capitalised. The cost of these should be written off in the year of purchase.

Any payments towards the Telephone/Telex deposits may be written off on receipt of the Telephone/Telex connection.

3.1.10 Establishment Expenses:

Separate accounts should be opened for accounting expenses incurred by way of salaries, medical reimbursements, leave travel, Chapters' contribution to Provident Fund etc in connection with the permanent/contractual employees of the Chapter. These are grouped as Establishment Expenses for presentation in Income & Expenditure Statement.

Any payments towards honorarium or conveyance reimbursement etc. in connection with any lectures/activities/seminars etc should not be debited to this account but to the respective activity accounts.

Any payments to persons working on part time basis should be debited to miscellaneous expenditure account as honorarium paid and not to salaries account.

In accordance with the Employees Provident Fund Scheme, 1952 under which CSI is registered, every employee engaged by CSI will get enrolled as a member of Provident Fund/Family Pension Fund/Employee Deposit Linked Insurance Scheme from the date of his/her appointment. This should be borne in mind while appointing staff at Chapter level.

3.1.11 Grants/Sponsorships:

This account should reflect donations or grants received by the Chapter. In principle voluntary grants and donations should not be accepted except donations with specific direction that they shall form part of the Corpus of the Society. Grants accepted by the Chapter with specific direction that they shall form part of the Corpus need not be treated as Income and should be directly added to the General Reserves in the Balance Sheet. Format of the letter to be taken from the party is enclosed as Annexure '9'.

3.1.12 Profit/Loss on sale of Fixed Assets:

Profit on sale of fixed assets account should reflect the profit on sale of any fixed assets sold by the Chapters. Here profit would be sale proceeds in excess of the written down value of the asset sold. Written down value of an asset is the original value of the asset less depreciation charged on it till the date of sale of the asset.

Loss on sale of any fixed assets should be debited to a separate account which should get reflected separately in the Income & Expenditure Account.

For purchase and sale of any asset by the Chapters, refer 'Asset acquisition and disposal policy' (as discussed in para 1.7 of Section '1').

3.1.13 Previous Years' Adjustments:

All material charges (expenses) or credits (revenue/income) which arise in the current period as a result of an error or omission in the preparation of Financial Statements of the prior years should be distinguished and shown separately from the current years transactions.

To clearly distinguish amounts pertaining to the previous periods from those concerning the current periods two separate accounts i.e one Income account and one Expenditure account should be opened to account for any income/expenditure relating to previous years which was not booked for in the accounts as income/expense of the previous year/s.

Any charge or credit arising as a result of any contingency, which at the time of occurrence could not be estimated accurately on the basis of which provision was made, does not constitute the correction of an error but a change in estimate. Such an item is not treated as a prior period item and should not get reflected here.

3.1.14 Bad Debts:

Non recoverable debts should be debited to this account. In order to consider any debt as bad, Chapters must first exhaust all the possibilities of its' recovery. Debts should be put up to the Managing Committee of the Chapter for write off only when there is no hope of recovery of dues from debtors.

All bad debts for write off should be approved by the Managing Committee.

Write off of debts in excess of Rs 2,000/- proposed to be written off must be put up to the Regional Vice President for his approval by the Management Committee of the Chapter.

Write off of debts in excess of Rs 10,000/- must be approved by the National Office Bearers on recommendation of the Regional Vice President.

On obtaining the approval for write off as above, following entry should be made in the Chapter books:

Bad Debt Account Dr
 To The Debtor's Account Cr

In the event of any recovery against the debts written off, Chapters must treat this as profit and credit it to 'Bad Debt Recovered Account' which should be reflected on the credit side of the Income & Expenditure account.

3.1.15 Depreciation:

Depreciation on the various fixed assets should be charged as per the rates applicable under the Income Tax Act. Depreciation should be charged on the written down value method. Under this method, the rate of depreciation is fixed and it applies to the value at which the asset stands in the books in the beginning of the year.

3.1.16 Misc Income/Misc Expenditure Account:

Income and expenses of miscellaneous nature should be reflected in these accounts eg. Salproceeds of waste paper, Chapter mailing list, question papers, sale of tie & tie pins etc should be reflected in the miscellaneous income account and daily wages to temporary employees, office cleaning charges etc should be debited to miscellaneous expenses account.

3.1.17 Excess / Deficit of Income over Expenditure:

Surplus / Excess of Income over Expenditure should be transferred to General Reserve A/Cor Income & Expenditure A/C only . No other Reserve to be created by the Chapters since the Consolidated Income/Expense of CSI is apportioned to various reserves in accordance with the norms specified by the ExecCom.

3.2 Balance Sheet / Capital (Real and Personal) accounts

3.2.1 Fixed Assets :

Fixed Assets-eg. Furniture & Fixture, Office Equip. etc. acquired by the Chapters either through their own funds or through the funds borrowed from Head Quarters should be capitalised in the books of the Chapter . Funds borrowed should be shown as a loan from Head Quarter for acquisition of Furniture, Office Equip etc. Depreciation should be charged as per the rates applicable under the Income Tax Act.

Office Building acquired by the Chapters will be capitalised in the books of the Head Quarters only. Funds borrowed from the Head Quarters by the Chapters for the acquisition of the office premises should be shown as a loan from H Q in the Chapter accounts.

For this following entries will be passed in the Chapter books:

- i) On payment of Installments to the builder
 - Advance for Office premises A/c Dr.
 - To Loan from HQ for office premises Cr.
 - (with the amount contributed by Head Quarters & the chq. is in the name of the Builder)

- ii) On acquisition of Office premises
 Office Premises *Nc* Dr.
 To Advance for Office premises *Nc* Cr.
 (with the total cost of premises acquired)
- iii) For transferring the cost of the Premises to
 Head Quarters
 Head Quarters *A/c* Dr.
 To Office Premises *A/c* Cr.
 (with the total cost of premises acquired)

Cost of books and software should not be capitalised. The cost of these should be written off in the year of purchase.

3.2.2 Investments:

Investments in fixed deposits with Scheduled banks and Public Sector Companies should be debited to two separate accounts at cost. Investments in fixed deposits with Public Sector Companies should be reflected as 'Investments' while fixed deposits with Scheduled banks should be shown under 'Balances with Scheduled Banks' on the asset side of the Balance Sheet.

Separate schedule similar to Schedule 'B' of Annexure '4' should be prepared and enclosed along with the Balance Sheet for fixed deposits with Public Sector Companies, if any.

3.2.3 Interest accrued on Fixed deposits:

Interest on fixed deposits with banks and with public sector Companies accrued but not due as on the last day of the year should be booked as income and debited to this account as it becomes due to the Chapter for the relevant period. Accrued interest should be booked on the basis of certificates obtained from the banks indicating the amount of interest accrued on various deposits as of March 31.

3.2.4 Sundry Debtors:

Debtors for Advertisements, Manufacturers' presentation, Courses & various other activities etc should get reflected here.

3.2.5 Cash/Bank account :

All cash and bank transactions are recorded in this book, whatever be their nature. Cash receipts are recorded on debit side of cash book in cash column (in bank column for any receipts by cheque) and all cash payments are recorded on the credit side of the cash book in cash column (payments by cheques to be credited in the bank column)(Ref. Section '2' Para 2.1.1).

3.2.6 Other deposits:

Any deposits with postal/telephone authorities etc should be debited to this account.
 Telephone/Telex deposits may be written off on receipt of the Telephone/Telex connection.

3.2.7 Loans & Advances:

Advances recoverable in cash or in kind or for value to be received e.g. Rates, Taxes, Insurance etc. should be debited to 'Prepaid Expenses Account' which gets reflected under this group head. All expenses paid for in the current year, benefit of which will accrue in the future year being expenses paid for in advance should be debited to this account to the extent pertaining to the next financial year. Separate account should be operated for debiting advances given for Chapter activities.

Any advances for seminar/events should be debited to a separate advance accounts opened in the name of the respective activities.

Advances should reflect Nil/Minimum Balance at the end of the year. To achieve this reminders must be sent to

the various parties for settlement of advances on regular basis. Advances pending settlement for more than six months must be brought to the notice of the Managing Committee to decide upon the necessary course of action.

3.2.8 General Fund/Income & Expenditure Ale:

Surplus/ Excess of Income over Expenditure is transferred to this account. This account appears on *the* liability side of the balance sheet. Chapters should transfer the surplus/deficit for the year to this account only. No other Reserves should be created by the Chapters as the Consolidated Income of CSI is apportioned to various reserves in accordance with the norms specified by the ExecCom.

3.2.9 Loan from HQ for acquiring Building Premises:

Loan taken by the Chapter for acquisition of office premises should be credited in this account on receipt of loan from HQ or on payment to the party on behalf of the Chapter by HQ (Ref. Fixed Assets account).

3.2.10 Other loans :

Any other loans taken by the Chapters should get credited to this account. However loans or overdrafts should not be taken by the Chapters unless authorised by the ExecCom in writing.

3.2.11 Liability for expenses/Sundry Creditors:

Separate accounts should be maintained by the Chapters for liability for revenue expenses and for any capital items. All expenses relating to the previous financial year though paid in next financial year must be provided for as a liability for the previous financial year.

3.2.12 Provision for expenses:

Provision is nothing but an amount set aside as a charge against profits/surplus to meet any known liability the amount of which cannot be ascertained as of the date of the Balance Sheet. Any provision made for doubtful debts should be debited to a separate account and should be reduced from the 'Debtors Account' on the face of the Balance Sheet.

3.2.13 Lecture/Course Fees received in advance:

As the name suggests fees received for any course/exam/lecture not conducted by the Chapter during the financial year should be debited to the respective Exam/Course account and credited as liability in the books.

3.2.14 Library Deposits:

Caution money collected by the Chapter as library deposit should be credited to this account. For any other deposits taken by the Chapter, separate deposit accounts should be maintained.

Section- 4

Financial Guidelines for CSI National/ Regional/ Divisional/International Events

4.1 Preparation & Approval of Activity Budget

Committee wise budget must be prepared & presented to Chairman Finance Committee (CFC), who in turn will prepare an overall budget incorporating the budgets of all Committees in agreement with Chairman Organising Committee (COC).

The budget shall be presented to the ExecCom for approval. It shall be duly amended as per the suggestions of the ExecCom, if any.

4.2 Opening of a Bank Account & It's Signatories

An account in the name of the Convention, (say CSI'95) shall be opened with any Nationalised Bank.

All financial transactions relating to the activity only shall be routed through this bank account.

Signatories to the bank account would be any two of the following with Hon. Treasurer as a signatory for opening & closing of the bank account.

- 1) Chairman Organising Committee
- 2) Chairman Finance Committee
- 3) Chairman, Local Chapter
- 4) Regional Vice President
- 5) Hon Secretary, CSI
- 6) Hon Treasurer, CSI

4.3 Seed Money

Seed Money shall be released by HQs on approval by the ExecCom and on receipt of the approved budget.

4.4 Procedure for Procurement {Namely for purchasing}

Minimum two quotations from the Vendors required for all purchases/expenditures of Rs 10,000/- and above.

The formal arrangements/agreements/understanding/order with the chosen vendor should be in writing and such formal arrangements should be signed by the Chairman of the respective committee (COC) and the chosen vendor. The formal understanding should be specific and not vague especially on the items like quantity, advance delivery schedule, quality and payments terms. The selected quotation needs to be formally approved by the Chairman of the respective committee.

Original document of such formal arrangement should be sent to the Chairman Finance Committee i.e. (CFC). For records and reference COC's should keep either a copy or photocopy of such arrangement with themselves. CFC on receipt of such original documents should acknowledge receipt of the same to COC.

As far as possible oral arrangements/agreements should be avoided. However, if done because of the urgency the same should be reduced in writing on a post-facto basis immediately.

Changes/modifications in already agreed formal arrangements should be done through formal approvals between CORC'S and the vendors and it should be notified to CFC.

No assets should be purchased out of the activity funds without the sanction of the Office Bearers.

4.5 Bills Passing

All the chosen vendors should send the bills. directly to the CORC and the CORC should pass the bill and ensure following before forwarding it to Finance Committee for payment.

- a. The bills should be supported by challan with certification for quantity received.
- b. CORC should ensure that the bill is proper and meets price. quality and quantity requirements as per formal arrangements.
- c. CORC should specifically mention the amount for which bill has been sanctioned and sign the bill as a mark of approval. If the bill has been approved for an amount other than the invoice amount, specific mention of the same should be made by the CORC.

All CORC'S should forward the duly approved bills to CFC immediately and definitely not later than 30 days from the date of incurring expenses.

The cheques should be handed over to the vendors against official receipt only.

4.6 Procedure for Cash Payments

As far as possible cash payments should be avoided but for day to day expenses like conveyance etc for which reimbursements have to be made in cash.

The claimant of cash should enclose original bill/challan alongwith voucher and get it approved for cash payment by CORC before presenting it for payment to CFC.

CFC should make cash payment to the claimant based on such approved voucher .

However no cash payments for expenses of the value of Rs. 2,500/- or more can be made without formal approval by either COC or CFC.

4.7 Budget vs. Actual

All CORC'S are expected to live within their respective budgets. CORC's should ensure that expenses are within the budget.

In case of expenses any deviation of the actual over the budget especially on the higher side should be immediately brought to the notice of the CFC and COC.

Additions/Deletions of any item to the budget should be approved by COC and should be reported to CFC.

CFC should regularly review committee wise actual receipts payments with the respective budgeted projections and should immediately report to COC and CORC's in the event of any variations.

Major variations should be immediately reported to the Apex Committee/Conference Committee Chairman/National Treasurer by COC/CFC.

4.8 Refund of seed money, Transfer of surplus and closure of Bank Account

Seed Money should be refunded along with transfer of 60%(sixty percent) of the budgeted/estimated surplus to HQs within one month of completion of the event.

CFC should ensure the transfer of the balance surplus as per the audited accounts to HQs and should close the bank account within three months of the completion of the event.

Bank statements from opening of the bank account till its closure should be sent to HQs.

4.9 Submission of Audited Accounts & Original Books of Accounts

Events held at the Chapters shall be audited by the Auditors appointed by CFC in consultation with the Finance Manager/ Hon Treasurer,CSI.

Audited Accounts of the Convention should be submitted to the HQs within three months of holding the Convention along with the original books of accounts, receipts, vouchers etc.

All CORC's should ensure submission of their accounts to CFC in time to enable him to submit the audited accounts to HQs within three months of holding the activity.

If the activity is held towards the end of the financial year, CFC should ensure that accounts as of 31st March is submitted to HQ for incorporation in HQ accounts.

4.10 General

CORC's should ensure that duplicate purchase of the same item within the committee is avoided.

CORC's of the various committees should ensure co-ordination so as to avoid purchasing of the same item by two different committees.

CORC's should provide quantitative proofs for payments/reimbursements of various items as distribution of lunch coupons/kits, incurring of postage stamps etc.

As far as possible oral arrangements should be avoided and formal arrangements in writing only should be made.

Any commitments exceeding Rs. 25,000/- with respect to any single party should have approval of the COC and should be reported to Apex Committee/Conference Committee Chairman/Han Treasurer, CSI.

Finance Committee should collect specimen signatures of all CORC's and the CORC's should use the same specimen signature while approving the various expenses.

Section- 5

Mobilising Funds For Procuring Land And Building by the Chapters

1. Proposals for the acquisition of Chapter premises should be submitted by the Management Committee of the Chapter to the ExecCom for consideration with full details about the property such as draft deed, legal clearance, the total funds needed and funds available with the concerned Chapter.
2. Chapter may borrow funds from the National Body for the procurement of office premises. The amount of loan required from the CSI Head Quarters as a matching contribution will not exceed 50% of the total amount.
3. The Chapter proposing the premises should have enough reserve and capability for returning the loan. if sanctioned for this purpose from Head Quarters, within a period of 5 years.
4. Repayment Schedule i.e the detail of how the Chapter proposes to repay the loan, including the number of installments should be forwarded to ExecCom along with the proposal.
5. On approval of the proposal by the ExecCom for the acquisition of the Building, the premises will be bought in the name of 'Computer Society of India' and one of the Office Bearers of CSI (Hon Treasurer or Hon Secretary) will be one of the signatories alongwith the Chapter representatives. Payment will be done only by cheques.
6. Original documents should be sent to CSI HQs for safe custody.
7. CSI ExecCom shall sanction the amount of loan to be released by the HQs for the purchase of Chapter premises and the terms & conditions for repayment of loan by the Chapter .
8. Based on the approval of the ExecCom, Chapters may approach CSI HQs for release of funds required for payment towards the purchase of premises giving the name of the builders/party, amount of payment, mode of payment and dates on which payments are to be made. Based on these details/ advice from the Chapter Chairman, Chq/DD shall be released by the HQs in the name of the builder/party involved which would be forwarded through the Chapter.
9. Office Building acquired by the Chapters will be capitalised in the books of the head office only. The funds borrowed from the Head office by the Chapters for the acquisition of the office premises should be shown as a loan from H Q in the Chapter accounts.

Following entries will be passed in the Chapter books:

- i) On payment of Installments to the builder
 - Advance for Office premises *Nc*Dr.
 - To Loan from HQ for office premisesCr.
 - (with the amount contributed by
Head Quarters & the chq is in the
name of the Builder)
- ii) On acquisition of Office premises
 - Office Premises *A/c* Dr.
 - To Advance for Office premises *A/c*Cr.
 - (with the total cost of
premises acquired)

CHAPTER ACCOUNTING MANUAL

iii) For transferring the cost of the Premises to H.Q.

Head Quarters *Nc* Dr.

To Office Premises *Nc* Cr.
(with the total cost of
premises acquired)

10. As far as possible, this asset will be purchased in such a place where there is good appreciation in value. In exceptional cases, instead of buying, if leasing is involved, it should be a very long term lease (20 years or more).
11. No encumbrance certificate and other legal documents should be thoroughly scrutinised by our own legal experts/ professionals hired for the specific purpose. The Legal Advisor should certify that this property is not entangled in any legal case and CSI will have no problems in having a clear title to the property.
12. Chapter Premises will not be disposed off or mortgaged for loans without specific sanction of the ExecCom.

Section- 6

Guidelines for Chapters with Ex-package

1. EX-package should be installed according to the instructions given in the Reference Manual of EX-package.
2. After successfully creating Chapter on the EX software, Chapters must log-in/set up the ledger account heads, as defined in the Section 3 of this manual, using the 'Set Up Accounts' option from the 'Accounts' menu card.
3. After entering the ledger accounts, these accounts should be grouped under heads as per the groupings of Income & Expenditure/Balance Sheet enclosed as Annexure 3.
4. In case of Chapters using the EX-package for the first time, Chapters should enter the opening balances of the various accounts for the financial year and enter all the backdated vouchers for the year.
5. Chapters must enter daily transaction and vouchers like cash/bank receipts and payments on regular basis.
6. Journal entries should also be made on regular basis to keep the accounts up to date as the posting of ledger accounts is automatic in EX-package.
7. Regular printouts of the cash/bank book, journal and ledger accounts should be taken by the Chapter for knowing the account balances and scrutinising the accounts and the books.
8. Chapters must ensure to take regular backup of the data. Chapters should also take a backup at the end of every month and preserve the floppies for the full financial year.
9. Printouts of the Income & Expenditure Account and the Balance Sheet should be taken as on 30th September and at the close of the financial year as on March 31 after completing all transactions.
10. EX-package should be handed over by outgoing Managing Committee to the New Managing Committee as of June 30 along with a set of backup floppies & the operating/reference manual.

Annexure '1'

RELEVANT EXTRACTS OF THE CHAPTER BYELAWS

Section 2

2.4

Dues and Fees

There shall be no Chapter dues. The expenses of the Chapter shall be met from the funds made available as stated in the Byelaws of the CSI. However, the Chapter may collect voluntary contributions from its membership to meet emergency or extraordinary expenses. The Chapter may also serve non-members or groups wishing to receive meeting announcements and Chapter publications and collect amounts to meet the expenses. The Chapter may also charge for tutorials, seminars and professional development courses that it may arrange.

Section 4

4.2.5

No member of the MC shall be interested directly or indirectly in any contract relating to the operations, furnishing or supplies to the Chapter.

4.2.6

The MC shall approve a scheduled bank to deposit the funds received by the Chapter. It shall also designate the Officer(s) authorised to operate thereon.

Investment of surplus funds available with the Chapter must be made in accordance with directions given by the CSI. The Chapters shall not take any loans, overdrafts without prior authorisation of the ExecCom.

4.3.2 (d)

The Treasurer shall conduct the fiscal affairs of the Chapter and maintain records thereof. He shall draw funds as authorised by the MC. Chapter funds shall only be used for the normal operations of the Chapter, except where specifically authorised otherwise by the ExecCom.

In the event of absence or incapacity or resignation of both the Chairman and the Vice Chairman, the MC shall elect from among themselves an interim Chairman for the period not longer than the unexpired term of the Chairman. The interim Chairman shall perform all the duties of the Chairman and Vice Chairman during that period.

4.4.3

Finance Committee

It shall consist of the Treasurer as the Chairman and Officers of the Chapter as members. It shall prepare proposals seeking financial assistance and annual and periodic financial statements. It shall suggest measures to improve the fiscal health of the Chapter and shall monitor the progress of income and expenditure during the year. It shall formulate the budget and recommend the allocations to reserves.

4.4.6

All Committees shall submit periodic and annual reports in advance of the MC meetings. Partial reimbursement in the performance for the Committee work may be authorised by the MC.

All Committee Chairmen shall however submit a budget to the MC not later than July 31.

4.5 Budget and Finance

4.5.1

The fiscal year of the Chapter shall be the same as that of the CSI.

4.5.2

The Treasurer shall compile the budget from the requirements of the various Committees receiving assistance from the Chapter, received by him not later than July 31. He shall present the budget to the MC for its approval at its first regular meeting and the approved budget shall be communicated to the membership not later than September 30.

4.5.3

The approved budget shall be submitted to the CSI along with a statement of all activities proposed in that year, not later than August 31.

4.5.4

The MC shall however consider request from various groups for funds for specific activities not included in the budget and vote, if feasible, the necessary funds.

4.5.5

The allowance voted to a Chapter by the CSI shall be subject to a maximum of one-third of the dues collected from members of all grades, except the Student grade, who have elected to affiliate with the Chapter, as at the end of the previous year.

4.5.6

The Chapter may, however, in very special cases, seek additional fiscal support from the CSI, for specific activities.

4.5.7

The Chapter MC shall appoint auditors as directed by the CSI. The Chapter shall submit to the CSI, audited statement of accounts, not later than May 31. The audited accounts should be approved by the Chapter AGM, not later than June 30.

4.5.8

The Chapter shall ensure the incorporation of all monetary transactions relating to the affiliated Student Branches in the Chapter accounts.

4.5.9

The Chapter shall adhere to the fiscal discipline in accordance with the Byelaws and directions of the CSI.

4.8

Revocation

4.8.c

The Chapter should submit the audited accounts with other documents as specified in the Byelaws.

Section 6

6.5

The surplus funds from such conferences shall be taken into account by the CSI in providing funds to the Chapter for its activities.

9.

Law:

Anything not provided for in these Byelaws shall be in accordance with the Indian Law on the subject.

Annexure '2'

RELEVANT EXTRACTS OF THE CSI CONSTITUTION & BYELAWS

Section 3

3.3.3 Finances

- a. The Chapter shall submit its adopted budget for the current year to the ExecCom not later than August 31. The ExecCom shall vote an allowance, guided by the Chapter Budget. However, actual payment shall take into account the allowance voted in the previous year that remained surplus due to shortfall in the activities.
- b. The allowance voted to meet the ordinary expenses shall however be subject to a maximum of one-third of the dues collected from members of all grades, except the Student grade, who have elected to affiliate with the Chapter, as at the end of the previous year.
- c. There shall be no Chapter dues. However, the Chapter may collect voluntary contributions from its membership to meet emergency or extraordinary expenses.
- d. The Chapter may also serve non-members or groups wishing to receive meeting announcements and Chapter publications and collect amounts to meet the expenses.

3.3.4 Reports

Chapters shall submit the annual activities report and audited statement of accounts for incorporation in the CSI annual activities report and the CSI accounts, not later than May 31.

3.5.3 Finances

- a. The Branch shall levy an assessment on its members to meet the expenses of the Branch, as specified in its Byelaws.
- b. An amount of Rs. 500/- as initial payment at the time of formation of the Student Branch shall be paid to the Branch by the CSI Headquarters through the nearest Chapter.

ANNEXURE '3'
IMPORTANT DATES

Obligations	Dates
A. Previous Financial Year	
1. Statement of Accounts to be submitted to CSI HQs by	May 31
2. Audited Statement of Accounts to be approved by Chapter AGM by	June 30
3. Chapter AGM to be held by	June 30
4. Audited Financial Statements duly adopted by the Chapter AGM to be submitted to CSI HQs by	July 15
B. Current Financial Year	
1. Budget to be submitted to CSI HQ	August 31
2. Half yearly accounts to be submitted to CSI HQ	October 31
C. Activities	
International/National/Regional/Divisional	
1. Seed Money Refund to CSI HQ	Immediate on completion of Activity
2. Remission of 60% of Activity Surplus to CSI HQ	Within one month of the Activity
3. Regional/Divisional/International Audited Activity Accounts to CSI HQ	Within three months of the Activity
4. Annual Convention Audited Accounts to CSI HQ	Within six months of the Activity

ANNEXURE '4'

Computer Society of India,..... Chapter
BALANCE SHEET AS AT 31st MARCH, 19.....

Previous Year (As.)	ASSETS	Current Year(Rs)
	Fixed Assets	
	Net Block Schedule 'A' (Written down value as on 31st March)	
	Investment in Fixed Deposits with Public Sector Companies	
	Current Assets, Loans & Advances	
	A. Current Assets	
	(i) Interest accrued on Fixed deposits	
	(ii) Sundry Debtors - unsecured considered Good For Advertisements For Others	
	(iii) Cash and cheques in hand	
	(iv) Balances with scheduled Banks In Current Account In Savings Account In Fixed Deposits (Schedule 'B')	
	B. Loans & Advances- Unsecured considered good	
	(i) Other deposit	
	(ii) Advances for expenses	
	(iii) Advances for seminar/events	
	(iv) Prepaid expenses	
_____		_____
_____		_____

Sd/-
Treasurer

Sd/-
Secretary

Sd/-
Chairman

Place :
Date:

Sd/-
Auditors

Computer Society of India,..... Chapter

BALANCE SHEET AS AT 31st MARCH, 19.....

Previous Year (Rs.)	LIABILITIES	Current Year(Rs)
	<p>1. Funds</p> <p>(i) General Fund/Income & Expenditure A/c Opening Balance <i>Add:</i> Surplus being excess of Income over Exp <i>Less:</i> Deficit being excess of Expenditure over Income</p> <p>(ii) Building Fund</p> <p>(iii) Library Fund</p> <p>(iv) Other Funds (if any please specify)</p> <p>2. Loans & Advances</p> <p>(i) Loan from HQ tor acquiring Building Premises</p> <p>(ii) Any other loan from HQ</p> <p>(iii) Membership subscription and life membership payable to HQ</p> <p>(iv) Other loans</p> <p>3. Current Liabilities & Provisions</p> <p>(D Sundry Creditors For expenses (Audit Fees etc.) For Others (e.g. capital goods etc)</p> <p>(i,i) Provision for expenses</p> <p>(iii) Provision for other Liabilities</p> <p>(iv) Security/Other Deposits Received</p> <p>(v) Lecture/Course Fees received in advance</p> <p>(vi) Library Deposits (caution money)</p>	
_____		_____
_____		_____

Sd/-
Treasurer

Sd/-
Secretary

Sd/-
Chairman

Place :
Date :

Sd/-
Auditors

Computer Society of India,..... Chapter

**INCOME & EXPENDITURE ACCOUNT FOR THE YEAR
ENDED ON 31ST MARCH, 19.....,**

Previous Year (Rs.)	INCOME	Current Year (Rs)
	<p>Courses in Advance Technical Areas</p> <p>(i) Courses</p> <p>(ii) Examinations</p> <p>(iii) Competitions</p> <p>Conferences concerned with Development of Technology & Education</p> <p>(i) Technical Seminars/Events/Activities</p> <p>(ii) Technical Lectures</p> <p>(iii) Exhibitions & Others</p> <p>Membership share from Head Office (Chapter share)</p> <p>Advertisement Communications/Presentation fees</p> <p>Bank Interest</p> <p>(i) On Fixed Deposits with banks</p> <p>(ii) On Saving Account with banks</p> <p>Income from Investment- Gross (i.e. interest on deposits with Public Sector Companies)</p> <p>Grimts/Sponsorships</p> <p>Profit on sale of Fixed Assets</p> <p>Misc. Income (please specify the source)</p> <p>Deficit being excess of expenditure over Income transferred to Balance Sheet</p>	
_____		_____
_____		_____

Sd/-
Treasurer

Sd/-
Secretary

Sd/-
Chairman

Place:
Date:

Sd/-
Auditors

Computer Society of India,..... Chapter-

**INCOME & EXPENDITURE ACCOUNT FOR THE YEAR
ENDED ON 31ST MARCH, 19.....**

Previous Year (Rs.)	EXPENDITURE	Current Year (Rs)
	<p>Courses/Examination in Advance Technical Areas</p> <p>(i) Courses</p> <p>(ii) Examinations</p> <p>(iii) Competitions</p> <p>Conferences concerned with Development of Technology & Education</p> <p>(i) Technical Seminars/Events/Activities</p> <p>(ii) Technical Lectures</p> <p>(iii) Exhibitions & Others</p> <p>(iv) Student Activities</p> <p>Book Publications (Newsletter expenses)</p> <p>Establishment (details as per schedule 'C')</p> <p>Administration (details as per schedule 'D')</p> <p>Bad debts written off</p> <p>Loss on sale of Fixed Assets</p> <p>Depreciation on Fixed Assets (e.g. on office equipment, furniture and fixture etc.)</p> <p>Surplus being Excess of Income over Expenditure transferred to Balance Sheet</p>	
_____		_____
_____		_____

Sd/-
Treasurer

Sd/-
Secretary

Sd/-
Chairman

Place:
Date:

Sd/-
Auditors

SCHEDULE 'C'
ESTABLISHMENT EXPENSES

Previous Year (Rs.)	Particulars	Current Year (Rs.)
	Salaries & Wages Conveyance Reimbursement Entertainment Allowance Leave Travel Allowance Medical Reimbursement Gratuity Provident Fund (Chapter's contribution)	

Note : This schedule is applicable to the CSI staff members only. Any payments to Lecturers etc have to be shown as the part of the Lecture/Course/Exam expenses only.

SCHEDULE 'D'
ADMINISTRATION EXPENSES

Previous Year (Rs.)	Particulars	Current Year (Rs.)
	Printing & Stationery Postage & Telegram Telephone, Telex/Fax Rent, Rates and Taxes Electricity Travelling Conveyance Staff welfare (canteen/refreshments etc) Meeting expenses Election expenses Committee Expenses Library (Honorarium to Librarian) Repairs & Maintenance - Building - Office Equipment, furniture and fixtures Newspaper & Periodicals Reference Books Celebrations/Functions (e.g Computer Day, AGM etc.) Office Maintenance Expenses (e.g. conservancy etc) Professional & Consultancy Fees Bank Charges Insurance Other Miscellaneous expenses Auditors Remuneration - Audit Fees - For expenses	

Note: Expenses on Lectures/Seminar/Workshop meetings should be shown under the respective headings in Income and Expenditure Account as a part of respective activity expenditures.

ANNEXURE'S' FIXED ASSETS REGISTER

Purchase Details											Sales Details						
Vr. Date	Vr. No.	Particulars (Description of Asset)	Classi- fication (Asset Head)	Location of Asset	Quantity (No. of units)	Original Cost	Date of Purchase	Rate of Depre- ciation	Opening Written down value	Depree- iation for the year	Closing Written down value	Date of Sale	Vr.No.	Qty. & Parti- culars	Sale Price	Profit / Loss on Sale	

ANNEXURE '6'
INVESTMENT REGISTER

Date	Name of Bank / Public Sector Co. with Address	FD No.	Date of Deposit	Date of Maturity	Rate of Interest	Amount of Deposit	Maturity Value	Interest Earned	Date of Encashment	Date of Renewal	FD Renewal No.	Renewal Amount
1.4.95	Balance Blfd					6,50,000	7,30,000					
	<i>Add: Fresh FDs taken (If any)</i>											
1.4.95	SBI, B. D. Road, Mumbai	54332	1.4.95	30.9.97	14%	1,00,000	1,28,000					
20.5.95	CBI, Peddar Road, Mumbai	65432	20.5.95	20.11.95	12%	50,000	53,000	3,000	—	20.11.95	65234	53,000
1.8.95	Standard Chartered Bank, Worli, Mumbai	87654	1.8.95	30.11.95	12%	1,00,000	4,000	4,000	30.11.95	—	—	
	<i>Less : FDs encashed/ Renewed</i>											
21.11.95	CBI, Peddar Road, Mumbai	65432				(-)50,000						
	<i>Add : FDs Renewed</i>											
21.11.95	CBI, Peddar Road, Mumbai	65234	20.11.95	20.5.96	12%	53,000	59,360					
	<i>Less : FDs encashed</i>											
30.11.95	Standard Chartered Bank, Worli, Mumbai	87654				(-) 1,00,000						
			Total	deposits as on 31.3.96		8,03,000						

ANNEXURE '7'

CASH BOOK

Dr.

Cr.

Date	Particulars	L.F. No.	Cash Rs.	Bank Rs.	Date	Particulars	L.F. No.	Cash Rs.	Bank Rs.
1.4.96	To Balance B/d.								
					30.4.96	To Balance B/d.			
1.5.96	To Balance B/d.								

ANNEXURE '8'

JOURNAL

Date	Voucher No.	Particulars	L.F. No.	Debit Rs.	Credit Rs.
		Name of the Account Debited Dr.			
		Name of the Account Credited..... Cr.			



ANNEXURE '9'

Date

To,
Computer Society of India
CSI.....Chapter

Dear Sir,

Enclosed please find cheque No..... dt.....for
Rs..... in favour of "Computer Society of India" towards the Research Activities of
Computer Society of India as approved by DSIR u/s 35 (1)(ii).

Contributions so made may please be taken towards the Corpus Fund of the Society.

Thanking you,

Yours sincerely,