Bank Accounts Operation

OF

Center of Participatory Research and Development-CPRD

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Approved by

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12.1 General

Operation of bank account shall be determined by the prescribed guideline of CPRD constitution. Besides, the following management will be followed by CPRD Finance and Accounts department

12.2 Opening of Bank Accounts

The EC Committee of **CPRD** is empowered to authorize opening and closing of any bank account in the name of the Organization for its transactions.

Separate Bank Account will be opened for contributory fund (e.g. provident fund) as well.

An authorized person will be responsible to collect the bank statement or advice. Individual project accountant/organizational accountant is responsible for safety of Cheque books.

12.3 Mother Bank Account

Foreign grants / donation must be received through NGO Affairs Bureau approved bank account (Mother account).All other grants received from any source shall also be deposited into Organization's Mother Bank Account immediately.

12.4 Operation/Project Bank Account

The Organization, shall open operational bank accounts in any scheduled bank for day to day operation. The foreign grants received in above manner, shall be transferred to respective project accounts (operational bank account) for smooth and better functioning of projects/programmes/activities.

12.5 Bank Signatories

The CPRD Bank Signatories are:

12.5.1 Mother Bank Account

The Mother account will be jointly operated by the two signatories where the Chief Executive and Treasurer signature is mandatory.

12.5.2 Project Bank Account.

The Operational/Project Bank Account, Fixed deposits account will be jointly operated by the two signatories where the Chief Executive signature is mandatory and Treasurer or any other CPRD Employees. The signatories may be changed at the discretion of the CPRD, EC.

12.6 Bank Statement and Bank Certificate

Collection of monthly Bank Statements along with Bank Certificate confirming bank balances at month end basis and relevant advice from Bank shall be the responsibility of Finance and Accounts department

12.7 Bank Reconciliation Statement

After collecting the monthly bank statement, the bank balance shown in that statement as of last day of the month must be reconciled with the balance shown in the bank book on the same day by preparing a Bank Reconciliation Statement. The bank reconciliation statement will be prepared by the Accountant and submitted for approval of the Executive Director/ Head of Accounts.

The bank charge or interest found to be not entered earlier should be entered in the bank book by preparing a voucher for the purpose.

Any credit for deposit / interest and debit for cheque issue or transfer not record in the bank accounts or Bank Statement shall be reconciled with book balance by adding or deducting from the closing balance shown in the Bank Statement.

A reversal entry should be processed for canceling the cheque issue entry if the cheque is found not presented within its validity period.

Any difference between bank balance and bankbook balance should be thoroughly investigated.

12.8 Cheque Recording Register

A Bank Register/Cheque recording register shall be maintained to record all cheques issued for payments. All cheque numbers should be verified to ensure that these have been registered in the statement and that cancelled cheques if any have been appropriately marked and held for Verification. Blank cheque and bearer cheque should not be issued or signed. All cheques issued should be account payee.

12.9 Cheque Counterfoil

While issuing cheques, the counterfoil of cheque shall also be filled with necessary particulars, e.g date of issue, and name of payee, amount, purpose and initials of the signatories.

12.10 Cancellation of Cheques

Any cheque issued but not presented for collection by the payee within six months from the date of issue, the bank shall be intimated in writing to treat it as cancelled. Accordingly, the Accounts department shall give reversal entry in the Bank Book and keep a note in the Bank reconciliation statement. Any loss or theft of the cheque or cheque book must be intimated to the concerned bank management as early as possible.

12.11 Cancelled Cheques

The word “CANCELLED” shall be written in the counterfoil as well as on the face of the cheque when a cheque is required to be cancelled

12.12 Ordering of New Cheque Book

Respective Accounts Officer shall initiate the ordering of new cheque book through a requisition. While receiving new cheque book respective Accounts Officer shall count the cheque leaves and satisfy himself that the numbers of cheque leaves are found in order.

12.13 Safety of Cheque Books

Accounts Department shall be the custodian of cheque book and shall ensure that cheque books are preserved safety. All cheque books should be kept in a safe place under lock and key.

Cancelled cheques must be retained in the cheque book along with cheque counterfoil and marked **“Cancelled.**