

Finance Manual

1. Introduction

The purpose of this manual is to define financial management practices, establish internal controls, and outline procedures for budgeting, expenditure, accounting, and auditing for Swarga Foundation.

2. Objectives

- Ensure sound financial management and accountability
- Maintain compliance with statutory and donor requirements
- Establish internal controls to prevent misuse of funds
- Enable timely and accurate financial reporting

3. Roles & Responsibilities

Role	Responsibility
Managing Trustee	Final financial approval, oversight of policy compliance
Finance Trustee / CA	Financial planning, statutory compliance, audits
Accounts Officer	Bookkeeping, expense tracking, payroll, bank reconciliation
Program Heads	Budget adherence, project-specific fund utilization
Admin Coordinator	Documentation of vouchers, procurement, petty cash management

4. Budgeting Process

- Annual budgeting conducted in April each year
- Department-wise allocation based on project plans and donor agreements
- Final budget approved by Board of Trustees

5. Bank Accounts & Operations

- All funds received are deposited into the designated Swarga Foundation bank accounts
- Online transactions require OTP sharing and documented approval
- Bank reconciliation completed monthly

6. Income Management

- All receipts to be acknowledged with pre-numbered receipts
- Donations over ₹2,000 are encouraged to be made through bank transfer or cheque
- Issuance of 80G tax exemption receipts for eligible donations

7. Expense Management

- All expenses must be pre-approved and supported with bills/invoices
- Payments above ₹10,000 are encouraged to be made via cheque or bank transfer.
- Petty cash limit set at ₹20,000; replenished monthly with reconciled vouchers

- Staff reimbursements submitted with supporting documentation within 15 days of expense

8. Procurement Policy

- Local purchases (e.g., therapy consumables) handled by authorized staff
- Asset register maintained for capital items (e.g., equipment, furniture)

9. Payroll Management

- Salary processed by the 7th of each month
- TDS deducted where applicable
- Attendance and leave records verified before payroll processing
- Salary structure reviewed annually based on performance and fund availability

10. Financial Documentation & Recordkeeping

- All vouchers, bills, receipts, and bank statements to be stored for a minimum of **8 years**
- Electronic backup of Tally files and scanned documents maintained monthly
- Files to be indexed by project/year and stored securely

11. Reporting & Audits

- Quarterly: Budget vs Actual report to donors (as applicable)
- Annually:
 - Statutory audit by Chartered Accountant
 - Filing of Income Tax Return, 12A, 80G compliance.

12. Internal Controls

- Segregation of duties in cash handling, bank operation, and recordkeeping
- Surprise cash and ledger audits by Trustees or CA

13. Policy for Misuse or Misappropriation

- Any misuse of funds or assets is a disciplinary offense
- Immediate internal inquiry to be conducted
- If proven, appropriate legal and disciplinary actions will be taken