

Palawi



a touch of life

Residential Project for  children

Prabha Hira Pratishthan Finance Policy

Effective Date: [1/-4/2024]

Review Date: [31/04/2025]

Prabha Hira Pratishthan (Palawi Project) follows a structured finance policy designed to ensure financial transparency, accountability, and effective utilization of resources to support its mission and vision.

Finance Policy Overview

1. Objective:

The finance policy aims to establish clear guidelines and procedures for managing, utilizing, and accounting for financial resources within the organization. It ensures that funds are used responsibly, transparently, and effectively to achieve the organization's goals and objectives.

2. Governance & Accountability:

- The policy is overseen by the Board of Trustees and the Secretary, with designated roles for financial management.
- Financial operations are managed by the Accounts Head, with support from the Accounts Assistant and oversight from the administration team.

3. Budgeting:

- Annual budgets are prepared in consultation with department heads and project leads.
- Budget proposals are reviewed and approved by the Board of Trustees.
- Revisions to the budget are made in response to project requirements, funding changes, or organizational priorities.

4. Financial Management & Control:

- Proper bookkeeping and accounting practices are maintained for all financial transactions.
- A computerized accounting system (such as Tally or a similar software) is used for maintaining financial records.
- Monthly and quarterly financial reports are generated and reviewed by the finance team and the Board of Trustees.

5. Funding & Donations:

- The organization accepts donations in cash, kind, or through other modes like bank transfers.
- All donations are properly recorded, acknowledged, and utilized as per the donor's intent, if specified.
- Restricted and unrestricted funds are clearly categorized and used accordingly.

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6. Expenditure Management:

- Expenditures are made in accordance with approved budgets and are subject to approval as per defined authority levels.
- Proper documentation, such as invoices, receipts, and vouchers, is maintained for all expenses.
- Payment methods include cheques, bank transfers, and cash payments (for minor expenses).

7. Internal Control & Audit:

- Internal control procedures are in place to prevent misuse or misappropriation of funds.
- Regular internal and external audits are conducted to ensure compliance with financial policies and statutory requirements.
- Audit findings and recommendations are addressed promptly.

8. Compliance:

- The organization complies with all statutory and regulatory requirements, including filing returns, maintaining tax records, and adhering to legal norms for NGOs.
- Proper documentation and reporting ensure compliance with donor requirements, government regulations, and financial standards.

9. Financial Reporting:

- Financial statements, including income and expenditure reports, balance sheets, and cash flow statements, are prepared annually.
- These reports are shared with stakeholders, including donors, board members, and regulatory authorities.

10. Asset Management:

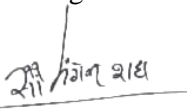
- An asset register is maintained to record all fixed and movable assets.
- Regular verification and valuation of assets are conducted to ensure accurate records.

11. Risk Management:

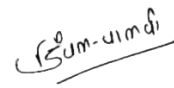
- Financial risks are identified, assessed, and managed proactively.
- The finance team ensures that there is adequate financial planning and risk mitigation in place to address potential financial uncertainties.

12. Transparency & Ethics:

- The organization is committed to the highest standards of transparency and ethical practices in all financial dealings.
- Any conflicts of interest, financial mismanagement, or unethical behaviour are addressed through established grievance mechanisms.


Mangal Shah
President




Dimple Ghadge
Secretary

Prabha Hira Pratishthan, Pandharpur.