

**STANDARD OPERATING PROCEDURE (SOP) FOR MAINTENANCE OF BRANCH FUNDS BY THE  
IAA HEAD OFFICE IN CENTRALISED ACCOUNTING SYSTEM**

(Approved in Online EC meeting of 17.07.2025 as Agenda Item No. 2)

1. All funds of the Association, including those of the branches, shall be credited into a single Head Office bank account. All expenses, whether pertaining to the Head Office or branches, shall be paid exclusively from this central account.
2. On Balance sheet date, the above bank balance will be shown in the asset side of the Head Office Balance Sheet (with a schedule showing branch-wise balances) and the liability to each Branch shall be shown in the liability side under the head "Branch Funds" (with a schedule showing branch-wise balances).
3. Share of Membership Fee payable to a Branch for enrolment of new member, shall be transferred to the above bank account by the Head Office.  
Accounting Entries by the HO for the branch's share shall be-
  - (i) Life Membership Fee- Dr.  
X Branch Fund Account – Cr.
  - (ii) Indian Accounting Association- Branch Funds (Bank Account) - Dr.  
Head Office Bank Account- Cr.
4. Approx. 80% of the Branch Funds may be invested in Fixed Deposits. Interest Accrued from the Branch Funds shall be apportioned to the Branches on the basis of fund balance of each branch at the beginning of the year. Head Office shall bear the taxes on such interest. 20% of the branch funds will be kept for liquidity management.
5. Each Branch shall send the names of three persons among the Office-bearers of the Branch (preferably, Chairman, Secretary and Treasurer) authorizing them to make financial transaction with Head Office. Their names shall be approved through a General Body Meeting of the Branch and the hard copy of the Resolution of the General Body Meeting with the names of the Authorized Persons, and their signatures shall be sent to the Treasurer, IAA.
6. If a branch plans to organize any event and wants to collect participation fees or delegate fees etc., it shall inform the details to the General Secretary, Indian Accounting Association for creation of link for collection of fees etc. at least 15 days before the start date of collection of fees. The concerned branch will adhere to that collection system and shall not collect any amount directly in the name of IAA and/or the IAA Branch. Each Branch Should keep Memorandum Account of Receipts & Payments of each event and reconcile the Account with that kept by the Head Office.

7. The expenses by a branch for an amount exceeding Rs. 10,000, which is payable to a single party, shall preferably be paid by the Head Office directly to the supplier concerned (subject to TDS) for which original bill is to be sent to the Treasurer IAA. For other expenditures, the branch shall seek reimbursement of expenditure after providing head-wise details and original vouchers and the bank details of the person (out of the three persons as authorized by the concerned Branch in accordance with para 5 above) in whose favour reimbursement is to be made. Reimbursement/payments for a particular Branch will be subject to availability of funds in the concerned Branch Account. Normally, it may be expected that within two weeks, such payments or reimbursements will be made. All collections (subject to collection charges and GST) and withdrawals of a branch will be adjusted in the concerned Branch Fund Account.
8. Advance from branch funds shall not be given to any branch. After incurring expenditure, at the time of actual reimbursement from Head Office, original vouchers must be submitted to the Head Office.
9. A branch shall not purchase any Fixed Asset.
10. IAA Head Office shall provide each Branch the detailed Branch Fund Account of the preceding financial year showing receipts, payments and closing balance of the branch funds by 30<sup>th</sup> September of the next financial year after completion of audit. It is obligatory for each branch to endorse the Accounts as sent by the Head Office (through signatures of Chairman, Secretary & Treasurer) and get it passed in the Annual General Meeting of the Branch.
11. If any Branch in future creates an Association of Persons (AOP) as per the guidelines of the IAA Head Office, and obtains PAN and opens bank account(s) on the basis of this PAN, the funds lying with the Head Office shall be transferred to the bank account of that branch after getting the conversion approved through Office-bearers of IAA.
12. In case of de-affiliation of a Branch by the Head Office, the Branch Funds shall be retained by the Head Office.

**NOTE-** The Above Standard Operating Procedure shall not be applicable to those branches which open bank account by using the branch's own PAN, after forming an Association of Persons (AOP) as per the guidelines of the IAA Head Office. However, they are required to submit Audited Annual Accounts of the AOP within 31<sup>st</sup> July of the next financial year.