

C I R C U L A R No. 97

Subject :- Submission of Accounts by Public Trusts conducting different institution- Whether accounts in consolidated forms should be insisted upon

Cases have been reported to the Charity Commissioner where the Regional Officers have insisted on the submission of accounting returns of public trusts and of their branches or units in consolidated forms and have refused to accept Schedules submitted under the Bombay Public Trusts Rules, 1951 for each branch separately. The following instructions are issued for the guidance of the Regional Officers.

2. Ordinarily, it is necessary to consolidate the income and expenditure and assets and liabilities of all the branches working under the unitary control and supervision of a public trust and where they are not so consolidated, to insist upon the submission of the accounting returns of the trust in consolidated forms. In cases, however, where the accounts of branches, subsidiary units or institutions run by the trust are maintained independently of the accounts of the head office or the main trust, it would be sufficient if the auditors submit the accounting returns of the principal public trust and of their branches, subsidiary units or institutions run by the trust separately at one time. Educational Societies conducting schools and colleges and other societies formed for religious and or charitable purposes running various institutions like

Remand and Rescue Homes, Dharmashalas or Sanatoria, Dispensaries at different places etc. are typical instances of this type.

3. In cases of the type referred to above, where the auditors submit separate accounting returns and where the trust income is not exclusively exempt under rule 32 (I) of the Bombay Public Trusts Rules, 1951, demand notices should be issued for the entire amount of contribution assessable on the total gross income of the principal trust and its constituent units, although the accounting returns are submitted separately.

D. R. Pradhan
Charity Commissioner, Bombay.

Dated 11th September 1956.