

TRANSFER ENTRIES.

Object of Transfer Entries -

4.1 Transfer entries are entries intended to transfer an item of receipt or expenditure from the head of account to another and are necessary :-

- a) in order to correct an error of classification in the original accounts ;
- b) in order to adjust by debit or credit to its proper head of account an item outstanding under a loans, advance, deposit or suspense head ;
- c) in order to adjust transactions which do not involve the receipt or payment of cash ;
- d) In order to allocate and classify items pertaining to more than one head of account which have, in the first instance, been booked under a single head of account for the sake of convenience; for example, expenditure of staff initially debited to the State Government grant and later allocated between the Khadi Commission and the State Government.

General Rules -

4.2 Transfer entries should be prepared in Form No. ACCOUNTS-15. On one side of every transfer entry, there should be only one major head to which there may be a debit by credit to Sundry Heads or vice versa. The same transfer entry should not contain independent correction to two or more major heads; for example, it may not debit 'A' by credit to 'B' and again 'C' by credit to 'D'.

4.3 In the transfer entry, all particulars explaining both the nature of the adjustment and, if it is

