CASH BOOK – Important Points (PWD)

I. Opening Balance

(i) Items to be Included:

- Legal notes and coins
- Soiled & mutilated notes
- Deposit at Call Receipt (D.A.C.)
- Revenue stamps
- Self cheque / Cheque / DD
- Postal Orders
- Imprest, Temporary Advance, Hand Receipt of subordinates
- Undisbursed salary of Work-charged establishment

(ii) Items Not to be Included:

- Counterfeited coins
- Forged notes
- Fixed Deposit Receipt (F.D.R.)
- Postage stamps

- Cheques in favour of contractor/supplier
- Govt. securities, debentures, bonds, promissory notes, bank guarantee
- Private cash
- Undisbursed salary of *regular staff*

II. Contra Entries

(Entries appearing on both Receipt & Payment sides simultaneously)

Examples:

1. Payment of contractor's bill – recoveries of "creditable to other Work/ head" (Col. 8(b))
2. Salary bills – recoveries except:
    - Over-payment recovery
    - Advance of Pay/TA recovery
3. Issue of self-cheque to replenish cash-chest
4. Cheques/DAC receipts deposited in treasury on same day
5. Pre-deposited challan submitted by official or contractor
6. Dishonoured cheque previously deposited → **Minus Contra Entry**

III. Redundant/ No Entries

(Transactions NOT to be entered in Cash Book)

- Purchase of revenue stamps in cash
- Delivery/ Hand over of old cheque to contractor
- Value of material received from another division
- Refund/Recovery of pay, allowances, advances of regular staff
- Undisbursed pay, allowances, advances of regular staff
- Encashment of previous month's self-cheque included in opening balance

IV. Minus Entries

1. Cheque/Draft dishonoured after treasury deposit → **Minus Contra Entry** (both sides)
2. Cheque/Draft dishonoured on same day → **Minus Entry** on **Receipt side only.**
3. Cancellation of issued cheque earlier.

V. Red Entries

(written in Red Ink)

Red Ink Entries on Receipt Side:

1. **Temporary Advance Rendered & Closed:**
   When a subordinate renders the temporary advance and the account is settled.

2. **Imprest Withdrawn/Closed:**
   When the imprest (permanent advance) is withdrawn or closed.

3. **Decrease in Imprest Amount:**
   If the imprest amount is reduced (e.g., ₹10,000 reduced to ₹7,000).

Red Ink Entries on Payment Side:

1. **Temporary Advance Issued (Self/Subordinate):**
   When a temporary advance is granted to self or subordinate.

2. **Imprest Issued to Subordinate:**
   When the imprest is sanctioned or issued to a subordinate officer/official.

3. **Increase in Imprest Amount:**
   When the imprest is increased (e.g., from ₹7,000 to ₹10,000).

4. **Fresh Cheque Issued In lieu of Old Cheque:**
   When a cheque is issued for the same amount in lieu of old cheque.

5. **Revalidation or Renewal of Old Cheque:**
   When an old cheque is revalidated or renewed (extended for payment).