



Mehta Sheth & Associates
Chartered Accountants



Ahmedabad
Education
Society



A. G. TEACHERS COLLEGE

Report on Internal Audit for Academic Year 2021-22





EXECUTIVE SUMMARY FINANCIAL AUDIT

AREA	EXTENT OF CHECKING	LEVEL OF CONTROL	PAGE NO.
Institute Fees	Fees Receivable Vs. Fees Received Reconciliation	Satisfactory	9-10
Other Income	<ul style="list-style-type: none">100% for Forms sold during the period under audit.100% for Other Incomes collected from students under various heads.	Satisfactory	11-12
Salary & Payroll	100% for April 2021 to February 2022	Satisfactory	13-14
Cash & Bank	<ul style="list-style-type: none">100% for April 2021 to February 2022 and Cash Verification on 02nd March, 2022.Bank Vouching for April 2021 to February 2022 & Reconciliation for month January and February, 2022.	Satisfactory	15-17
Grants		Needs Immediate Attention	18-19
TDS Deduction	For the period April 2021 to February 2022	Satisfactory	20-21
Fixed Assets		Satisfactory	22-23
Scholarship		Satisfactory	24-25
Annual Maintenance Contract		Satisfactory	26-27



SCOPE & EXTENT OF CHECKING

As per the Revised Internal Audit Programme finalized in consultation with Chief Accountant of Ahmedabad Education Society and Statutory Auditors M/s. Sorab S. Engineer & Co; Chartered Accountants following scope was adopted for Internal Audit..

FINANCIAL AUDIT

INSTITUTE FEES

- System Study of Fee Receipts Issuance Software and related controls.
- Fees Collection and Deposit procedure and Reconciliation of fees with roll call.

OTHER INCOME

- Reconciliation of Admission Forms Sold with Income Accounted in Ledger.
- Collection of Other Incomes from students under different heads.



SCOPE & EXTENT OF CHECKING FINANCIAL AUDIT

SALARY & PAYROLL

- Verification of System for Salary Computation and Payment.

CASH AND BANK BOOK

- Physical Cash Verification and Cash Vouching.
- Bank Vouching and Bank Reconciliation.

GRANTS

- Verification of claims of Maintenance Grants made during FY 2020-21.



SCOPE & EXTENT OF CHECKING

FINANCIAL AUDIT

TDS DEDUCTION

- Verification of all Expenses Head to check whether the college has deducted tax at source at appropriate rate from payments made to various parties.

FIXED ASSETS

- Verification of Invoices of Fixed Assets purchased during the period of audit.
- Verification of Fixed Asset Register.

SCHOLARSHIP

- Verification of Scholarships received by college on behalf of the students.

Annual Maintenance Contract

- Verification of AMCs issued with supporting documents

FINANCIAL AUDIT



financial statement audit





INSTITUTE FEES





AUDIT PROCESS AND OBSERVATIONS

AREA	VERIFICATION PROCESS	CONTROL DESCRIPTION
Institute Fees	Reconciliation of Student Fees Receivable	<ul style="list-style-type: none">➤ Complete Fee Reconciliation for Academic year 2021-22 is given in Annexure 1A & 1B. Total Amount of Fees as per the Roll Call tallied with the Accounting Ledger.➤ Currently the institute collects fees on manual basis.➤ College deposits daily collection of Cash Fees collected to its own Bank Account.



OTHER INCOME





AUDIT PROCESS AND OBSERVATIONS

AREA	VERIFICATION PROCESS	CONTROL DESCRIPTION
Other Income	<p>Verification of Admission Forms on hand and Selling of Forms.</p> <p>Verification of Other Miscellaneous Income collected from students.</p>	<ul style="list-style-type: none">➤ Details of admission forms on hand and selling of forms are given in Annexure -2 .➤ College collects T.C. Fees and other miscellaneous income from students and the same is credited to various ledger accounts totaling to Rs. 4,760/-.

SALARY





AUDIT PROCESS AND OBSERVATIONS

AREA	VERIFICATION PROCESS	CONTROL DESCRIPTION
Salary	<p>Salary paid to Fix Pay employees was checked based on the Appointment Letter issued by AES. The same were authorized by Deputy Secretary, Ahmedabad Education Society.</p> <p>Wages paid to Daily wage workers was verified with rate fixed mentioned on letter issued by AES, authorized by Director.</p> <p>Salary Payment data from April 2021 to February 2022 were verified with muster roll during audit.</p>	<ul style="list-style-type: none">➤ Salary is paid by Government & it is directly deposited in Employee's bank account.➤ Payment to fix pay employees and Daily wagers is in order.



CASH & BANK





AUDIT PROCESS AND OBSERVATIONS

AREA	VERIFICATION PROCESS	CONTROL DESCRIPTION
Cash	<p>Vouching of cash expenses to ensure internal controls with respect to supporting documents and authorization and also to verify whether the Cash Expenses are within the limits prescribed under Section 40A(3) of Income Tax Act, 1961.</p> <p>Comparison of Physical Cash Balance on hand with the Balance in the Books of Accounts as on that date.</p>	<ul style="list-style-type: none"> ➤ Cash Vouchers for the period April 2021 to February, 2022 are properly authorized by the Principal of the College. No discrepancy was observed regarding Supporting Documents and authorization. No payments are made in cash in excess of limits specified u/s 40(A)(3) of the Income Tax Act, 1961. ➤ Physical Cash Balance on hand as on 02.03.2022 tallied with the authorized book balance. Details are given in Annexure 3.



AUDIT PROCESS AND OBSERVATIONS

AREA	VERIFICATION PROCESS	CONTROL DESCRIPTION
Bank	Vouching of Bank Payments Scrutiny of Bank Reconciliation Statement	<ul style="list-style-type: none">➤ Bank Vouching was carried out for the month of February, 2022 to ensure that proper authorization process is in place and no discrepancy was observed during the same.➤ Bank Reconciliation Statement of Bank of India Savings Bank Account No. 200910100039598 and other bank accounts as on 31st January, 2022 were properly drawn up. Account was properly reconciled and no old cheques was outstanding.➤ Bank Statements of State Bank of India Bank A/c No.31783016098. Bank was not available for verification. College has written letter to the bank for obtaining the bank statement.

GRANTS



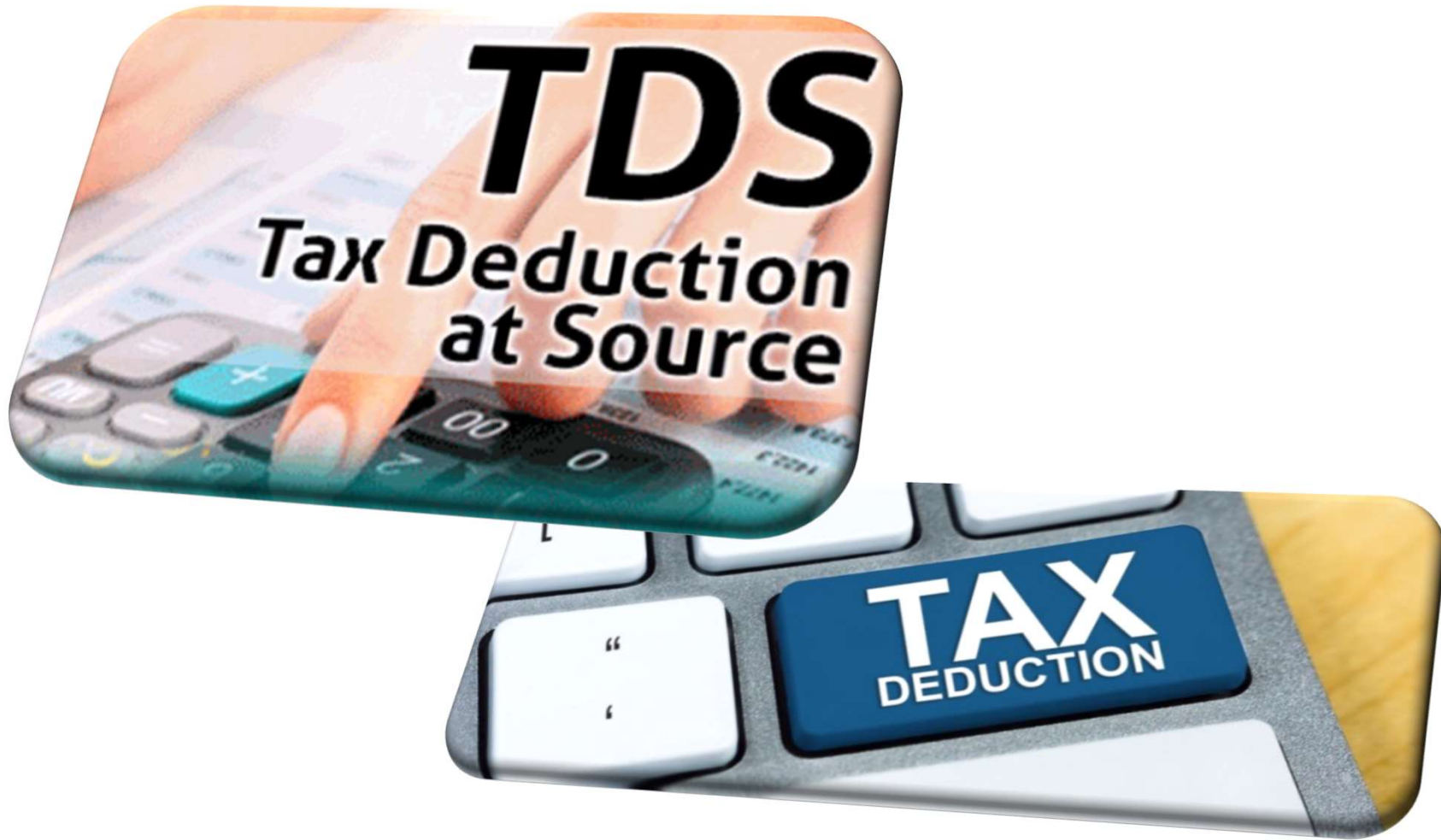


AUDIT PROCESS AND OBSERVATIONS

AREA	VERIFICATION PROCESS	CONTROL DESCRIPTION
Grants	<p>We vouched the Grant received during the period under audit.</p> <p>Outstanding Grants were also verified by us.</p>	<p>➤ Out of the total grant claim of Rs. 5.24 Lakhs for the period from FY 2010-11 to 2020-21, college has received grant to the tune of Rs. 5.19 Lakhs. Balance outstanding grant is Rs. 0.05 Lakhs as on 31st March, 2022.</p>



TDS DEDUCTION





AUDIT PROCESS AND OBSERVATIONS

AREA	VERIFICATION PROCESS	CONTROL DESCRIPTION
TDS Deduction	<p>Applicability and deduction of TDS and its verification with accounting records.</p> <p>Verification of timely deposit of TDS with AES.</p>	<ul style="list-style-type: none">➤ We have verified all the expense heads with respect to applicability of TDS Provisions under various sections of Income Tax Act, 1961 and found that College has deducted tax at source at appropriate rate from payments made to various parties.➤ College deposits the tax deducted amount with the Ahmedabad Education Society Office and payment to Government Treasury is made by the Society Office.



FIXED ASSETS



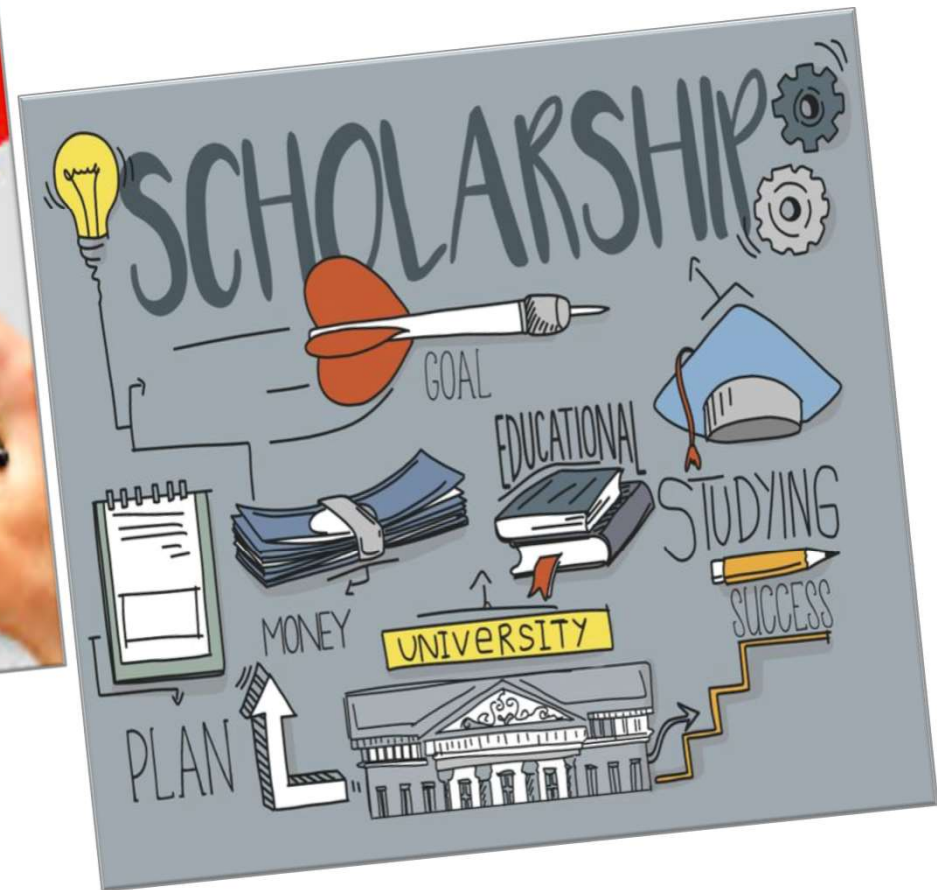


AUDIT PROCESS AND OBSERVATIONS

AREA	VERIFICATION PROCESS	CONTROL DESCRIPTION
Fixed Assets	Maintenance of Fixed Asset Register with sufficient details.	<p>➤ We observed that the College maintains Fixed Asset Register on yearly basis; which is updated up to date. However; location details of each fixed asset are not noted in the Fixed Asset Register. We repeat our suggestion that Fixed Asset Register should be maintained in sufficient detail to enable us as well as institute staff to physically verify the assets.</p>



SCHOLARSHIP





AUDIT PROCESS AND OBSERVATIONS

AREA	VERIFICATION PROCESS	CONTROL DESCRIPTION
Scholarship	Verification of Scholarships received by the College from the Government on behalf of the students.	➤ As informed to us, Scholarship has been made available online by the Government. Scholarship is directly paid in to students' own bank account. As a result, college has no role to play in application/disbursement of Government Scholarship and hence, data of the students who opted for Scholarship was not available with the college.



ANNUAL MAINTAINANCE CONTRACT





AUDIT PROCESS AND OBSERVATIONS

AREA	VERIFICATION PROCESS	CONTROL DESCRIPTION
Annual Maintenance Contract	Verification of AMC Authorisation	➤ There were no Annual Maintenance Contracts during the period April-2021 to February-2022 as informed to us by the Accountant.



ACKNOWLEDGEMENT

We sincerely thank all staff members of Accounts and Administration Department of the college and of Head Office of The Ahmedabad Education Society for their co operation during conduct of our audit, without which, a constructive and fruitful audit would not have been possible.



REPORT SIGN OFF

**Report approved On behalf of
Mehta Sheth & Associates**

(FRN: 106238W)

by CA. Salil Sheth

(Membership No. 110500)

vide UDIN:22110500AHBQZS9320

On 14/04/2022.

Digitally Signed by:



Mehta Sheth & Associates
Chartered Accountants



**Ahmedabad
Education
Society**



THANK YOU

Annexure 1A

Complete Fee Receipt Reconciliation for First Term of 2021-22 of A.G. Teachers College

Term	Particular	No. of Student	Tution Fees	Stationery/ Material / Activity Fees	Library Fees	University culture fees	University Sports fees	EPC Fees	Total
Semester 1	Fee Structure		1,250	500	250	-	-	750	2,750
	Boys	16	20,000	8,000	4,000	-	-	12,000	44,000
	Girls	36	-	18,000	9,000	-	-	27,000	54,000
	Grand Total	52	20,000	26,000	13,000	-	-	39,000	98,000
	Fees as per Ledger		20,000	26,000	13,000	-	-	39,000	98,000
	Difference		-	-	-			-	-
Semester 2	Fee Structure		1,250	500	250	250	250	750	3,250
	Boys	15	18,750	7,500	3,750	3,750	3,750	11,250	48,750
	Girls	34	-	17,000	8,500	8,500	8,500	25,500	68,000
	Grand Total	49	18,750	24,500	12,250	12,250	12,250	36,750	116,750
	Fees as per Ledger		18,750	24,500	12,250	12,250	12,250	36,750	116,750
	Pending fees		-	-	-	-	-	-	-
	Difference		-	-	-			-	-

Annexure- 2

A.G. Teachers College

Particular	Opening		Addition		Forms Sold			Closing Stock	
	Sr. Nos	Qty	Sr. Nos	Qty	Sr. Nos	Qty	Amount	Sr. Nos	Qty
Old Forms	187-250	64	-	-	187-245	59	2,950	246-250	5
		-	-	-	-	-	-	-	-
New Forms	-	-	-	-	-	-	-	-	-
Offline	-	-	-	-	-	-	-	-	-
Total							2,950		
Form Selling Income as per Ledger							2,950		
Difference							-		

Annexure 3

A.G. Teachers College

Cash Balance Statement as on 02.03.2022

Denomination	No. of Notes	Total
Notes:		
500	7	3,500.00
200	1	200.00
50	2	100.00
10	1	10.00
		3,810.00
Coins:		-
5	1	5.00
2	1	2.00
1	1	1.00
		8.00
Total Cash on Hand		3,818.00
Total Balance as per Books		3,818.00
Difference		-

A.G. Teachers College

Statement of Outsanding Government Grant

Year	Grant Claimed
2010-11	53,749
2011-12	45,049
2012-13	46,409
2013-14	45,229
2014-15	74,914
2015-16	29,289
2016-17	44,539
2017-18	43,412
2018-19	46,069
2019-20	48,279
2020-21	47,089
Total	524,028
Total Grant Received from 2010-11 till 2021-22	519,271
Balance	4,757