

M. Khaitan & Co.

CHARTERED ACCOUNTANTS

112, Netaji Subhash Road

P. O. & Dist. Malda

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Name : GOUR MAHAVIDYALAYA

Address : P. O. MANGALBARI,

DIST. MALDA (W. B.)

Year Ending : 31st March, 2021.

Assessment Year : _____

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INTERNAL AUDIT REPORT

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INTERNAL AUDITOR'S REPORT

We have examined the attached Balance Sheet of GOUR MAHAVIDYALAYA, P. O. MANGALBARI, DIST. MALDA (W. B.) as at 31st March, 2021 and the annexed Receipts & Payments Account and Income & Expenditure Account for the year ended on that date with the books of account, vouchers, records and other papers as produced before us and give below our observations on the same :-

(1) **Old outstanding balance in Advance Account :**

In Advance Account of Schedule-5 of Balance Sheet relating to Loans & Advances, there is opening balance of Rs. 21,92,588.00, Rs. 2,84,169.00 has been paid during the year, Rs. 11,51,350.00 has been recovered during the year and closing balance is Rs. 13,25,407.00. It includes many old balances, which is outstanding since many years. So, it can not be confirmed whether entire advance will be recovered or not.

Suggestions - Steps should be taken to recover/adjust these advances as early as possible.

(2) **Old outstanding balance in Festival/Salary Advance Account :**

In Festival/Salary Advance Account of Schedule-5 of Balance Sheet relating to Loans & Advances, there is opening balance of Rs. 4,67,720.00, Rs. 8,70,000.00 has been paid during the year, Rs. 3,24,000.00 has been recovered during the year and closing balance is Rs. 10,13,720.00. It includes many old balances, which is outstanding since many years. So, it can not be confirmed whether entire advance will be recovered or not.

Suggestions - Steps should be taken to recover/adjust these advances as early as possible.

(3) **Non-compliance with 'As - 12' Accounting for Government Grants :**

The requisite provisions of AS - 12 have not been complied with while accounting for Government Grants received by the college. Due to this the Income & Expenditure Account do not reflect the true picture of actual profits.

Effect of Non-compliance with 'As - 12' :

Provisions of accounting standard 12 "Government Grants" not followed by the college authorities while preparation of Books of accounts. Due to non-compliance of the standard the Income & Expenditure Account do not show a true picture of actual profit. Due to this, depreciation has been charged on the entire value of assets without taking into account the amount received for such assets in the form of Grants from Government. As a results of this excess depreciation is charged every year.



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- (4) No distinction between Grants of Capital and Revenue nature :
Grants received by the college comprise of both Revenue and Capital nature Grants. Revenue Grants should have been routed through Income and Expenditure account. However this has not been followed by the college authorities while compiling their accounts though they have prepared separate schedule for the same.

Suggestions - Revenue grants should be routed through Income & Expenditure Account. Only Capital Grants should be reflected in the Schedule.

- (5) Fixed Assets Register :

There is no Register maintained in respect of fixed assets shown in the books. The physical verification of fixed asset is also not conducted by the college authorities

Suggestions - Physical verification of fixed assets should be conducted on a yearly basis and a report shall be prepared accordingly pointing out discrepancies, if any and should be kept in the file.

Subject to the above observations we further report that :-

- (i) The Balance Sheet gives a true and fair view of the state of affairs of the College as at 31st March, 2021

AND

- (ii) The Income & Expenditure Account shows true and fair view of excess of income over expenditure of the College for the year ended on 31st March, 2021.

For M. KHAITAN & CO.
CHARTERED ACCOUNTANTS

(M. K. KHETAN)
PROPRIETOR

Membership No. of ICAI - 052814
UDIN - 21052814AAAAPL3671

Place - Malda

Date - 29th October, 2021.

