


## PATRICIAN COLLEGE OF ARTS AND SCIENCE

### Audit Report – 2021-22:

### Suggestions and Implementation:

<b>2. SCOPE OF INTERNAL AUDIT</b>	
To verify the Accounting Transactions with required documents To Verify the Internal Control Mechanism of the College To suggest changes if any required To ensure that the Relevant rules and laws are being complied with.	
<b>3. BOOKS &amp; DOCUMENTS VERIFIED FROM 01.01.22 TO 31.03.22</b>	
Books and records Verified 100%:	Cash & Bank Books Bank Statements Daily fees Registers Soft copy of Ledger account Bills & Vouchers Fees Remittance challans & Advices
<b>4. REPORTING &amp; SUGGESTIONS</b>	
Documents attached	:Receipts and Payment for audited accounts for the period from 01.04.2021 to 31.03.2022 Fees Reconciliation statements as on 31.03.2022 Bank Reconciliation Statements as on 31.03.2022.
<b>OBSERVATIONS</b> <b>RECEIPTS &amp; INCOME</b> <b>FEES INCOME</b> Total fees for the year 2021-22 was Rs.17,81,90,150/- Whereas Rs.17,95,71,561/- received up to 31.03.2022 An excess of Rs.13,81,411/- received to be reconciled.  Online and collection are being monitored and reconciled regularly. However a considerable portion of online receipts could not be linked to students for want of payment links. CFees received through NEFT were reconciled.	<b>SUGGESTIONS</b> The fees received in excess to be verified with reference to the due for earlier years or for future period.  Fees can be accounted year wise to know the exact position of yearly fees.
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<b><u>ACCOUNTING</u></b> Though the major accounts are upto date, departmental accounts were delayed by the persons maintaining them leadig to the delay in submission of this report.	The accounting of transactions to be up to date and the books must be ready for verification on every day end. Cash to be closed daily and denomination of cash balance to be maintained. <b><u>Due date for the Internal Audit Report to be submitted 30 Days from the end of the quarter for which it belongs</u></b>
<b><u>TRASFERS WITHIN THE ACCOUNTS</u></b> Reconciliation of inter account transfers were being done quarterly.	The inter account transfer entries to be made simultaneously to avoid reconciliation.
<b><u>CONTRIBUTION FROM OTHER INSTITUTIONS</u></b> Contribution from St.Michael's Academy Rs.14.40 Lakhs up to 31.03.2022.	A declaration letter from the contributing institution may be obtained regarding the purpose for which the contribution is made.  Every transfer / Contribution with communication regarding purpose to be preserved.
<b><u>TREASURY MANAGEMENTS</u></b> <b><u>CASH ACCOUNT</u></b> Vouchers are arranged but not numbered as per the transactions in Books. However Cash transactions are not accounted on daily basis and Denomination Register not maintained for daily closure of cash balances. Cash in hand Rs.95,532.25-in College Gen A/c, and Rs.31,443/- in departmental accounts as at 31.03.2022.	Cash book to be balanced every day and printed on daily basis with tallying cash balance with Denomination of actual cash on hand.  In case the balances are not tallied daily the facility in tally can be used. Tally has the facility to show daily balances the same to be viewed and ensure no negative balance on any day.



<p><b>BUDGET</b></p> <p>The college handles heavy funds the college is not having monthly/quarterly Budget to handle the cash / funds.</p>	<p>It is suggested to have Monthly cash &amp; funds budget at macro and micro levels and the same may be compared with actuals to see and control the funds.</p>
<p><b>BANK ACCOUNT</b></p> <p>The College Maintains 26[ Twenty Seven ] Accounts.</p> <p>The balance maintained as at 31.03.2022 at HDFC Chennai Rs.7.78 Lakhs &amp; at Union Bank of India Rs.10.76 Lakhs. The Balance maintained at Departmental accounts as at 31.03.2022 was Rs.11.78/- lakhs.</p>	<p>The Number of accounts may be reduced to 4 from 26 and all the department account may be handled from one account in HDFC and One account from UBI same way all college account can be handled one from UBI and one from HDFC. All other accounts may be merged in operating accounts.</p>
<p><b>ADVANCES</b></p> <p>1.Advances for assets and major expenses given and pending up to the quarter ending 31.03.2022 are.</p> <p>a.Amly Tour and Travels Rs.5,26,617/-</p> <p>b.Shri shelter Rs.1,15,000/-</p> <p>c. Sri Shelter Rs.39,25,521/-</p> <p>d.Other advances for supply of goods &amp; services Rs.5,91,043/-</p> <p>2.Salary Loan given pending as on 31.03.2022 was Rs.1,95,559/- individual break up not available.</p>	<p><b>SUGGESTIONS</b></p> <p><u>Weekly review of pending advances with the contractor may help clearing the advances at the earliest.</u></p> <p>Outstanding advance of Rs.5.27 Lakhs given to Amly tours to be recovered back because the tours were cancelled due to Covid 19 lockdown. The pending is more than a year.</p> <p>Employee wise account can be created in tally and maintained, which may be helpful in knowing the position at any point of time provided accounts are maintained upto date</p>



<b><u>FIXED ASSETS</u></b> Assets purchased up to the Quarter ending 30.03.2022 in college main a/c Rs.345.65 Lakhs.( Excluding Ravulapalam A/c.)	A certification may be obtained from the Architech for the running bill submitted by M/s Designers P Ltd and a major portion may be transferred to Capital work in progress instead of keeping it under Advance.
<b><u>TDS &amp; it's Payments to Government .</u></b> The practice of depositing the Tax Deducted at source at the beginning of the subsequent quarter is changed and the TDS are paid in the subsequent months. Intimation sent by the Traces[ IT TDS Department] were not monitored till date.	<b><u>SUGGESTIONS</u></b> A separate Register for recoveries ( either Hard or Soft Copy maintained to be and Monitored for Payment in due dates. Traces website to be verified at frequent intervals.

Major Expenses and Income of the college Gen A/c upto 31.03.2022

Major expenses of the Quarter i College account alone)

	(Rs.in Lacs)
Employee Expenses	809.58
Repairs and Renovations	63.22
Interest Expenses	1.08
University Affiliation & Others	72.59
NAAC Expenses	0.21
Electricity& Electrical maint	12.18
Certificate course	14.18
Functions & celebrations	11.50
Other Expenses	67.87
Contributions	39.48
Assets Purchased	345.65
Loan Repaid	111.86
<b>Total</b>	<b>1549.40</b>
<b>INCOME</b>	
Fees Received	1803.60
Contributions from others	14.40
F D Interest	25.85
	<b>1,843.80</b>

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**5.INTERNAL CONTROL**

Though proper internal control system exists in the College, documented daily reporting system to the Director may strengthening the internal control and help in follow up of pending matters.

Vouchers for Online payments to be approved by Authorised Signatories before being paid and other payments at the time of payments to add value to the existing system, because the cheque payments are made by the authorised signatories whereas the online payments are not directly done by authorised Signatories.

**6.LAWS AND REGULATIONS FOLLOWED BY THE COLLEGE**

**TDS On Salary**

No proportionate TDS deduction is made from Salary Payment during the quarter. In respect of others. TDS on salary were made at the year end.

Thanks & Regards

For ARAVAZHI & ASSOCIATES

  
R. Aravazhi  
Proprietor

