

SHIRISH K. INAMDAR
CHARTERED ACCOUNTANT

20/21, SHREEYASH SOCIETY,
PATWARDHAN BAUG, ERANDAWANE,
PUNE - 411 004.
PHONE - 020- 29800677.

Ref No:- ST/Audit/ 34

DATE: -

To,
The Chairman,
Progressive Education Society,
Shivaji Nagar,
Pune – 411 005.

Sub.:- Statutory Audit Report of **P.E.Society's Modern High School (English Medium), Nigdi, Pune- 411 044** for the year ended 31.3.2023.

Ref.:- Your letter No. PES/1127/2022-2023 dated 10.02.2023.

Dear Sir,

We have completed the Statutory Audit of **P.E. Society's Modern High School (English Medium), Nigdi, Pune – 411 044** for the year ending on 31st March, 2023 as per the books of accounts maintained & Relevant records kept by the School & as per the information & explanations Given to us from time to time during the course of our audit.

Thanking you and assuring you our best professional services at all times.

DATE:-
PLACE: - PUNE

SHIRISH K. INAMDAR
CHARTERED ACCOUNTANT
M.NO : 038833

SHIRISH K. INAMDAR
CHARTERED ACCOUNTANT

20/21, SHREEYASH SOCIETY,
PATWARDHAN BAUG, ERANDAWANE,
PUNE - 411 004.
PHONE - 020- 29800677.

AUDIT REPORT

I have audited the attached Balance Sheet of **P.E.Society's Modern High School (English Medium), Nigdi, Pune – 411 044**, as on 31.03.2023 and Income and Expenditure Account for period from 01.04.2022 to 31.03.2023 annexed there to and report that:

(1) I have obtained all the information and explanations, which to the best of my knowledge and belief were necessary for the purpose of Audit.

(2) In my opinion, proper books of accounts as required by the Bye-Laws have been kept by the school as far as it appears from the examination of the books of accounts subject to our remarks on of this report.

(3) The Balance Sheet and Income & Expenditure Account dealt with by this report and are in agreement with the books of accounts.

(4) In my opinion and the best of my knowledge and according to the explanations given to me, the accounts read with the notes thereon give the true and fair view,

(a) In case of Balance Sheet of the state of affairs of the Modern High School (English Medium) as on 31.03.2023.

(b) In case of Income & Expenditure Account of the Surplus for the year ended as on that date.

DATE: -
PLACE: - PUNE

SHIRISH K. INAMDAR
CHARTERED ACCOUNTANT
M.NO : 038833

SHIRISH K. INAMDAR
CHARTERED ACCOUNTANT
20/21, SHREEYASH SOCIETY,
PATWARDHAN BAUG, ERANDAWANE,
PUNE - 411 004.
PHONE – 020 - 29800677.

REF NO.- ST/Audit/34

Date: -

To,
The Chairman,
Progressive Education Society,
Shivaji Nagar,
Pune – 411 005.

Sub.:- Statutory Audit Report of P.E.Society's Modern High School
(English Medium), Nigdi, Pune – 411 044 for the year ended
31.3.2023.

Dear Sir,

We have completed the Statutory Audit of **P.E.Society's Modern High School (English Medium), Nigdi, Pune – 411 044** for the year ending on 31st March, 2023 as per the books of accounts maintained & relevant records kept by the High School & as per the information & explanations given to us from time to time during the course of our audit.

Our observations regarding the said audit were as follows:-

1. INTERNAL AUDIT:-

Internal Audit of the unit is conducted by CA A. N. Pathak & Associates. His report is on the record. We have gone through the said report and tried to rectify or regularize the remarks. We suggest that all the pending remarks should be rectified or ratified at an earliest.

2. FINANCIAL POSITION:-

The financial position of the High School as on 31.03.2023 is as follows as compared to earlier year:

<u>Particulars</u>	<u>31.03.2023</u> <u>Amount Rs.</u>	<u>31.03.2022</u> <u>Amount Rs.</u>
<u>Assets</u>		
Fixed assets	9,03,516.21	9,20,179.09
Investments	1,52,14,634.00	1,28,61,473.00
<u>Current assets:-</u>		
Electricity deposit	3,470.00	3,470.00
Modern Highschool PTA	45693.00	0.00
Cash	0.00	0.00
Vishveshwar bank	76,117.38	8,39,839.08
The Thane Janata Sah. Bk.	49,877.01	4,46,031.01
Bank Of Maharashtra	29,309.00	0.00
High school receivable	1,530.40	1,530.40
Total: -	<u>1,63,24,147.00</u>	<u>1,50,72,522.58</u>
<u>Liabilities</u>		
Income & expenditure	1,63,19,771.00	1,48,37,226.58
<u>Amt payable:-</u>		
Modern college of Phar moshi	(2,274.00)	(2,274.00)
Modern Pre Primary Eng med	3,175.00	3,175.00
Modern primary eng med	15,650.00	15,650.00
Prof tax payable	(12,175.00)	(11,975.00)
Salary payable	0.00	2,16,406.00
Provident fund payable	0.00	14,314.00
Total: -	<u>1,63,24,147.00</u>	<u>1,50,72,522.58</u>

From the above figures in the table it can be seen that the financial position of the High School has changed much in the year under audit as compared to the financial position as on 31.03.2022.

3. BALANCE SHEET ANALYSIS

The Balance Sheet analysis as on 31.03.2023 is as follows:

3-A) LIABILITIES:-

3-A-1) INCOME & EXPENDITURE A/C: 1,63,19,771.00

The opening balance as on 01.04.2022 was Rs. 1,48,37,226.58/-and there is a of surplus of Rs. 14,82,544.42/- credited to this account. Hence the closing balance of Rs.1,63,19,771 /- is reflected in the Balance Sheet as on 31.03.2023.

3-A-2) AMOUNT PAYABLE:-Rs. 16,551.00

During the year under audit the unit has following amount payable & receivable to respective units:-

- a) Modern Pre Primary English Medium:- Rs. 3,175/-
- b) Modern Primary English Medium :-Rs.15,650.00/-
- c)Modern College of Pharmacy Moshi :-Rs.(2,274.00)

It is recommended to write off the balances if the same are not payable/recoverable any further and/or pay/recover the amount to/from concerned person.

3-A-3) PROFESSIONAL TAX PAYABLE: - Rs. (12,175/-)

The opening balance of this account was Rs. 11,925.00.(Dr) During the year under audit, the school has collected Profession Tax amounting to Rs. 31,500.00 and paid Rs. 31,700.00. Due reconciliation of Profession Tax deducted and paid should be done and proper entries should be incorporated in the books of accounts.

3-B) ASSETS:-

3-B-1) FIXED ASSETS: - Rs.9,03,516.21 /-

The opening balance of this account as on 01.04.2022 was Rs. 9,20,179.09. There is addition to Fixed asset of Rs. 1,18,938.00 during the year. After charging depreciation of Rs. 1,35,600.88, the closing balance of Rs. 9,03,516.21 is reflected in the balance sheet as on 31.03.2023.

3-B-2) INVESTMENTS: - Rs. 1,52,14,634/-

The opening balance of this account as on 01.04.2022 was Rs. 1,28,61,473. During the year under audit, FDs amounting Rs. 1,28,61,473/- were matured and FDs worth Rs. 1,52,14,634.00 were newly made. Hence, closing balance of Rs. 1,52,14,634/- is reflected in the balance sheet as on 31.03.2023. It is suggested that FDs should be renewed on the date of maturity only.

It has been observed that, the unit is recording interest received on FD on receipt basis. It is strongly suggested that the unit should account for accrued interest on Fixed deposits.

3-B-3) HIGH SCHOOL RECEIVABLE: - Rs. 1,530.40

This balance is receivable from past many years of which no record/explanation is available. It is recommended that to write off the same by appropriate authority after resolution.

3-B-4) ELECTRICITY DEPOSIT:-Rs. 3,470.00

This figure stands continued like last year.

3-B-5)MODERN HIGHSCHOOL PTA: Rs. 45,693.00

The fees received on behalf of English Medium school is transferred to this account.

3-B-6) CASH AND BANK BALANCES: - Rs. 1,55,303.39

The Cash and Bank balances shown in the balance sheet as on 31.3.2023 were as follows: -

CASH	:	0.00
VISHWESHWAR BANK-3651	:	Rs. 76,117.38
THANE JANATA SAHA. BANK	:	Rs. 49,877.01
BANK OF MAHARASHTRA	:	Rs.29,309.00

Cash as on 31.03.2023 as per the cash book was correct. The above bank balances found correct.

4. Statutory Dues:

Sr No	Nature of Liability	Remarks
1	TDS	<p>In general, the school has paid TDS and filed the returns within the due date as prescribed by the law.</p> <p>During the period under Audit, it was noticed that, the school has not deducted TDS on payments made to Setoo Securities amounting to Rs. 61,782,00.</p> <p>The school should meticulously follow provisions deduction and payment of TDS within the time prescribed by the law to avoid penal consequences.</p>
2	Provident Fund	<p>Generally, the school has paid Provident fund deducted from the salary within the due date as prescribed by the law.</p> <p>There were some late payments of Provident fund during the year under consideration.</p> <p>During the year under Audit, it was observed that the unit has not deducted PF on Honorarium paid to Vaishnavi Nalawade.</p> <p>It is recommended that, due care should be taken in this regard and</p>

		PF should be deposited to the government treasury within the due date as prescribed by the law.
3	Professional Tax	<p>The college has deducted PT and paid the same within the due date as prescribed by the law.</p> <p>During the year under Audit, it was observed that the unit has not deducted Profession Tax on Honorarium paid to Vaishnavi Nalawade.</p> <p>Profession Tax should be deducted as per the limits prescribed by the law and it should be paid within the due date to avoid the penal consequences.</p>

4) SPECIAL REMARKS:

4-1) It has been observed that the unit has made cash payments in excess of Rs. 10,000/-. Following are the details.

Date	Amount	Particulars
29.10.2022	17,580.00	Diwali Gift Purchased

It is strongly suggested that cash payments above Rs. 10,000/- should be avoided.

4-2) It has been observed that, the school has not made the requisite provision of Gratuity as directed by the management of the Society. The unit has also not transferred the requisite amount to the account opened for the purpose of Gratuity accumulation. There is a shortfall of Rs. 4,08,923/- in the amount transferred to Bank account.

4-3) The books of accounts should also specify the account opened for the purpose of provision for Gratuity.

4-4) Fees received and Tuition fees received from various donors through Modern High school, Warje is wrongly clubbed under the head "Education fund" instead of crediting it in "fees".

4-5) Fee reconciliation should be prepared and kept on record so as to have a proper control over the outstanding fees.

4-6) SSC exam fee (Receipt) of Rs. 396.00 is wrongly credited to SSC Exam (Expenses) account. Due care should be taken while doing the accounts writing.

4-7) It was observed that, Provident Fund of the school is paid by PES Primary English Medium School. For the payment, requisite amount of PF is transferred by Pre-Primary School to their account. But while going through the financials, it was noticed that both the schools are showing different amounts of receivables & payables to each other. Therefore, it is directed that due reconciliation of Provident Fund should be done so as to arrive at correct figures of receivable/payable.

5) GENERAL SUGGESTIONS:

5-1) Physical verification & counting of Dead Stock, Furniture & Fixtures, Equipments, Library Books, etc. should be done at least at the end of the year. As far as possible the item-wise numbering in respect of above items should be done at an early date.

5-2) Items of Printing & Stationery which are frequently required should be brought in large quantity so as to get cash discount & quantity discount.

5-3) Balance confirmation letters regarding various advances payable & receivable at end of the year should be obtained from the concerned units and same should be reconciled with our accounts i.e. School Accounts.

5-4) Receiver's signature should be taken on cash payment vouchers.

5-5) Long outstanding balances should be written off/paid off after proper resolutions and discussion.

5-6) Vouchers should be properly numbered and entry to be done in tally according to these numbers.

5-7) Fixed Deposit Ledgers should be opened with Account numbers instead of receipt numbers.

5-8) It has been observed that, the school is not using Licensed copy of Tally software for accounts writing. This may increase the risk of Data loss. We strongly suggest that licensed software should be used.

5-9) Provident Fund and Profession Tax are statutory liabilities and must be paid on time correctly. Also these accounts should tally at all times. The deductions made from employees and amounts paid to government should match every month. There are some errors in current year as well as some mismatch in the opening balances. The said accounts should be checked,

reconciled and necessary action should be taken after passing due resolutions.

We are thankful to the Chairman of the School Committee, Head Mistress & staff members of the **P.E.Society's Modern High School -English Medium, Nigdi, Pune – 411 044** for their kind co-operation extended to us during the course of our audit.

DATE: -

PLACE: - PUNE

SHIRISH K. INAMDAR
CHARTERED ACCOUNTANT
M.NO : 038833