

M. P. CHITALE & CO.
Chartered Accountants
417/1, Narayan Peth, Pune- 411 030
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E-mail: nitin@mpchitale.org

July 12, 2016

To
Secretary,
Shikshan Prasarak Mandali
S.P. College Campus
Pune - 411 030



Sub: Internal Audit of SPM's English Medium Secondary School, Pune for the F.Y. 2015-16.

Madam,

Kindly refer to your letter no. 1009 / dt. 01-12-2015 appointing us as internal auditor for the F.Y. 2015-16.

Accordingly we have completed the Internal Audit of SPM's English Medium Secondary School for the F.Y. 2015-16 and our report in terms of the scope defined in the appointment letter is attached herewith for your perusal.

For M. P. Chitale & Co.
Chartered Accountants

Nitin



Niteenchandra Limaye
Partner
M. No. 042353
Place: Pune
Date: July 12, 2016

CC: Principal, SPM's English Medium Secondary School,

D. R. Barve & Co.

M. P. Chitale & Co.
Chartered Accountants
SPM's English Medium Secondary School
F.Y. 2015-16

Sr. No.	Particulars	Remarks																																
1	Whether all receipts and Payments are verified?	We have verified the receipts, payments and journal vouchers as tabulated here under:																																
		<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2" style="width: 25%;">Particulars</th> <th colspan="2" style="width: 50%;">Cash and Bank</th> <th rowspan="2" style="width: 25%;">Journal</th> </tr> <tr> <th style="width: 25%;">Receipts*</th> <th style="width: 25%;">Payments</th> </tr> </thead> <tbody> <tr> <td>Total no. of Vouchers</td> <td style="text-align: center;">159</td> <td style="text-align: center;">765</td> <td style="text-align: center;">12</td> </tr> <tr> <td>Verified Vouchers</td> <td style="text-align: center;">159</td> <td style="text-align: center;">765</td> <td style="text-align: center;">12</td> </tr> <tr> <td>% of Vouchers Verified</td> <td style="text-align: center;">100%</td> <td style="text-align: center;">100%</td> <td style="text-align: center;">100%</td> </tr> </tbody> </table> <p>*excludes fees deposited into bank by fee challans.</p>	Particulars	Cash and Bank		Journal	Receipts*	Payments	Total no. of Vouchers	159	765	12	Verified Vouchers	159	765	12	% of Vouchers Verified	100%	100%	100%														
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2	Whether cash book and bank book has been maintained in Tally on a day to day basis?	Yes																																
2.1	Whether authentication from the head of the institution for the cash/bank book is obtained on a daily basis?	For operative bank accounts, authentication is obtained on a daily basis, but for non-operative bank accounts authentication is obtained at the year end as no transactions are carried out in these accounts.																																
3	Whether monthly Trial Balance is sent to the office of SPM before the 20th of the following month?	Yes																																
4	Whether Bank Reconciliation is prepared at the end of each month?	Yes, however, the same is prepared annually. It is suggested that the reconciliation be prepared in Tally.																																
4.1	Whether appropriate actions are taken wherever required?	Yes																																
4.2	Whether any serious irregularities are noticed?	No																																
5	Whether Fee Reconciliation for the year is prepared?	Yes																																
5.1	Whether entire fee due for the year is received as at March 31, 2015 or not?	Yes																																
5.2	Fees due for the year outstanding as at March 31, 2015	Rs. 29,700/-																																
5.3	Fees outstanding as at March 31, 2015 received upto / amount	Received upto: 26/05/2016 Amount received: Rs. 29,700/-																																
6	Whether reconciliation of receipt books printed during the year is available?	Yes																																
6.1	Whether blank receipts are cancelled?	Blank receipts are not cancelled as they are used in continuation.																																
6.2	Status of receipt books used and available at the institute	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 10%;">Book No.</th> <th style="width: 60%;">Particulars</th> <th style="width: 15%;">Front</th> <th style="width: 15%;">To</th> </tr> </thead> <tbody> <tr> <td>5</td> <td>Used in FY 2015-16 (CDF)</td> <td style="text-align: center;">498</td> <td style="text-align: center;">500</td> </tr> <tr> <td>6</td> <td>Used in FY 2015-16 (Other)</td> <td style="text-align: center;">584</td> <td style="text-align: center;">600</td> </tr> <tr> <td>7</td> <td>Used in FY 2015-16 (Other)</td> <td style="text-align: center;">601</td> <td style="text-align: center;">613</td> </tr> <tr> <td>8</td> <td>Used in FY 2015-16 (CDF)</td> <td style="text-align: center;">701</td> <td style="text-align: center;">705</td> </tr> <tr> <td>9 to 15</td> <td>Unused</td> <td style="text-align: center;">800</td> <td style="text-align: center;">1500</td> </tr> <tr> <td>7</td> <td>Unused</td> <td style="text-align: center;">911</td> <td style="text-align: center;">700</td> </tr> <tr> <td>8</td> <td>Unused</td> <td style="text-align: center;">706</td> <td style="text-align: center;">800</td> </tr> </tbody> </table> <p>It is suggested that the receipt books for all the institutions running within SPM be centrally printed by SPM with a facility to stamp the particular institution's name on the receipts. SPM may then distribute receipt books to each institution according to its requirement and call back the unused receipts at the end of each year. Receipt books register should be maintained for recording the movement of receipt books.</p>	Book No.	Particulars	Front	To	5	Used in FY 2015-16 (CDF)	498	500	6	Used in FY 2015-16 (Other)	584	600	7	Used in FY 2015-16 (Other)	601	613	8	Used in FY 2015-16 (CDF)	701	705	9 to 15	Unused	800	1500	7	Unused	911	700	8	Unused	706	800
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7	Whether Reconciliation of printed forms at the beginning of the year and those printed during the year is available?	Yes																																
7.1	Whether any charges are recoverable towards the forms?	Yes																																
7.2	Whether amounts recovered reconciled with the forms consumed?	Yes																																



20	Whether dead stock register has been maintained up to date?	Dead stock register is found to have been maintained recording particulars of additions made to fixed assets during the year. However, fixed assets register showing gross value, depreciation charged and net value in respect of fixed assets is not maintained.															
21	Whether expenditure incurred during the year is in accordance with the budget for the year?	Yes															
21.1	Comment on comparison of Budget vs Actual	<table border="1"> <thead> <tr> <th>Sr.No.</th> <th>Particulars</th> <th>Budget</th> <th>Actual</th> <th>Remarks</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Income</td> <td>18,752,200</td> <td>19,134,198</td> <td>Favourable variance of Rs.3,13,160 is due to increase in FD interest as more portion of the fees was parked in FDs. Fees were also increased during the year.</td> </tr> <tr> <td>2</td> <td>Expense</td> <td>18,233,604</td> <td>16,338,220</td> <td>Favourable variance of Rs.11,79,690 is because dearness allowance did not increase as anticipated.</td> </tr> </tbody> </table>	Sr.No.	Particulars	Budget	Actual	Remarks	1	Income	18,752,200	19,134,198	Favourable variance of Rs.3,13,160 is due to increase in FD interest as more portion of the fees was parked in FDs. Fees were also increased during the year.	2	Expense	18,233,604	16,338,220	Favourable variance of Rs.11,79,690 is because dearness allowance did not increase as anticipated.
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22	Whether confirmation has been obtained from SPM for amounts receivable / payable at the end of the year?	Yes															
22.1	Whether balance of SPM as per the institution's books is in agreement with the confirmation obtained from SPM?	Yes for Rs.47,69,240.18.															
23	Are there any other matters which need to be brought to the attention of the management?	<p>Campus Development Fund (CDF) - During the year, aggregate amounts of Rs. 1,76,000/- were received towards CDF and have been recognized as Sundry Income forming part of Income from other sources. In our opinion, these amounts ought to have been recognized as Contribution in Estimated funds under liabilities. Expenditure of Rs. 62,387/- on repairs and maintenance and acquisition of capital assets of the value of Rs. 25,000 has not been adjusted against the fund collected, herein above mentioned. As against balance of Rs. 6,71,699/- (FD Rs. 6,00,000/- + SB Rs. 71,699/-) representing CDF investments, there is no Estimated fund titled as Campus Development Fund in the books.</p> <p>It is seen that wherever external evidences like cash memo/invoice/challans/pay-in-slip available, the same is treated as a voucher. It is suggested that even in such cases the said external evidence should be attached to the internally generated voucher containing the full particulars.</p> <p>Donation received in kind should be recorded at nominal value.</p>															

For M. P. Chitale & Co.
Chartered Accountants
F. R. No. 101851W


Niteshchandra Limbaje
Partner
M. No. 612053
July 12, 2016



8	Whether Income tax has been deducted at source(TDS) from salaries, honorariums, payments to professionals and contractors?	Yes
8.1	Whether TDS made has been deposited with the Government before the due date?	Yes
8.2	Whether Quarterly TDS returns have been filed in time?	Yes
9	Whether Provident Fund @ 12% has been deducted from the eligible amount of salaries (Maximum Rs. 15,000/-) of the employees?	Yes
9.1	Whether Provident Fund deducted as above has been communicated to SPM by the 5th of every month?	Yes
10	Whether 2% eligible salary is remitted to SPM towards administrative expenses?	Yes
11	Whether employment prizes instituted by SPM have been distributed to the eligible students and claimed from SPM?	Yes
11.1	What is the amount of prizes distributed in violation of the conditions set by SPM?	Rs. Nil/-
12	Whether the institution is eligible for Teaching / Non Teaching Grants from the Government?	No
12.1	No. of vacant posts in Graded Teaching / Non Teaching staff	Not applicable
12.2	Total emoluments paid to temporary staff employed to fill the above vacancies	Rs. Nil/-
13	Whether sanction of the School Committee / Local Managing Council has been accorded to the new appointments at the institution made during the year?	Yes
14	Whether sanction of the School Committee / Local Managing Council has been accorded to the increments in salary granted at the institution during the year?	Yes
15	Whether sanction of the School Committee / Local Managing Council has been accorded to the remuneration paid to staff appointed on ad-hoc salary basis or salary / honorarium paid to staff appointed on clock hour basis or temporary staff at the institution during the year?	Yes
16	Whether advances given to staff, contractor, JIOD or others have been recovered in time?	Yes
16.1	Whether list of advances recoverable / payable has been prepared?	No advances are recoverable or payable at the end of the year.
16.2	Amount of advances receivable / payable at the end of the year	Rs. Nil/-
17	Amount outstanding for more than one year together with list	Rs. Nil/-
18	Balance of inter institutional advances other than those with SPM as at the end of the year?	Name of the Institution: Not applicable Rs. Nil/-
19	Amount receivable towards grant from the Government / any other assistance receivable from other institutions?	Name of the Institution: Not applicable Type of Grant: Not applicable Rs. Nil/-

