

SPM MARATHI MEDIUM SECONDARY SCHOOL, NIGDI

REPORT INDEX – OVERALL INTERNAL AUDIT
FOR THE PERIOD APRIL 2024 TO DECEMBER 2024

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SPM MARATHI MEDIUM SECONDARY SCHOOL, NIGDI

20th May, 2025

The Head Mistress,
SPM Marathi Medium Secondary School,
Yamuna Nagar,
Nigdi

Dear Sir/Madam,

We have completed the internal audit in respect of the areas mentioned below and report on matters that came to our attention during the course of our work. The audit has been conducted so as to cover all the scope specified by the management in their letter dated 31st January, 2025. The report has been discussed with the concerned department persons.

The area covered under reference to this report is:

Overall Internal Audit for the period April 2024 to December 2024 as per scope specified by the management.

We would like to take this opportunity to express our appreciation for the co-operation and assistance extended to us by all staff and the officials.

Yours faithfully,

**For Milind Sangoram and Company
Chartered Accountants**

**CA Prajakta Sangoram
Proprietor
(Membership No. 151555)
(Firm Registration No. 0114781W)
UDIN: 25151555BMLJCL5964**

SPM MARATHI MEDIUM SECONDARY SCHOOL, NIGDI

AUDIT SAMPLE:

All transactions were verified for the period from April 2024 to December 2024 in the course of implementing audit action plan.

1	Scope: Opening Balances as per latest Audited Financial Statements
1.1	Observation: Latest audited Financial Statements of Financial Year 2023-2024 were kept on record and all the balances have been correctly recorded in Books of Accounts.

2	Scope: Cash Book verification
2.1	Observation: 1) During the course of audit, it was observed that, all the cash vouchers were kept on record and were found to be correct. 2) The guideline established by Shikshan Prasarak Mandali, which specifies that the daily closing cash balance should not exceed Rs. 5,000, was followed in all cases. 3) Physical cash verification was done on 28 th February, 2025 and found to be correct.

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3	Scope: Bank Book verification
3.1	Observation: 1) As per the explanation given by the Management, all the Bank Accounts have been incorporated in Books of Accounts. During the course of audit, Bank Reconciliations were verified and found to be correct. 2) During the audit it was observed that few bank vouchers were not kept on record. The details for the same are mentioned in <u>Annexure No.1</u>
3.2	Quantification: 2 cases where bank vouchers were not kept on record.
3.3	Recommendation: Institute must keep all bank vouchers on record.

4	Scope: Provident Fund and Administration Charges
4.1	Observation: As per the instructions given by Shikshan Prasarak Mandali, Provident Fund along with the Administration Charges must be transferred to Head Office within 5 days of next month. This has been followed in timely manner.

5	Scope: Fees Reconciliation
5.1	Observation: During the course of audit, we found that fee reconciliation was prepared for the period of April 2024 to December 2024. It was maintained properly and found to be correct.

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6	Scope: Form Reconciliation
6.1	Observation: During the course of audit, we found that form reconciliation was prepared for the period of April 2024 to December 2024. It was maintained properly and found to be correct.

7	Scope: Tax Deducted at Source
7.1	Observation: It was observed that, TDS was correctly deducted and deposited with government authority within prescribed time period (i.e. 7 th of next month) and returns have been filed within due date for Q1, Q2 and Q3 for Financial Year 2024-25.

8	Scope: Fixed Asset Register
8.1	Observation: During the course of our audit, it was observed that an asset related to the CCTV installation, associated with the labour charges amounting to Rs. 30,281.00, was appropriately recorded in Books in Accounts. However, the asset was not recorded in the Fixed Asset Register.
8.2	Quantification: 1 case where asset was not recorded in Fixed Asset Register.
8.3	Recommendation: It is recommended that the asset related to the CCTV installation, along with the associated labour charges must be immediately recorded in the Fixed Asset Register.

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9	Scope: Head Office and Branch Account Balance
9.1	Observation: Head Office and Branch Account balance was reconciled for the period April 2024 to December 2024. The same has been confirmed and found to be correct.

10	Scope: Salary Payment Checking
10.1	Observation: 1) Salary Payable to employees was correctly calculated on the basis of number of days worked as per employee's attendance muster. 2) Leaves were correctly recorded and carried forward to the next month.

11	Scope: Other Points
11.1	Observations: 1) The provision for Professional Fees, amounting to Rs. 8,325.00 which was made in the previous year, needs to be reversed in the current year. 2) The provision for PTA Payable, amounting to Rs. 12,969.00 created in the previous year, was reversed in the current year as it was no longer necessary. However, the reversal was incorrectly recorded in the wrong ledger.
11.2	Quantification: 1) 1 case where Provision from previous year not reversed in current year. 2) 1 case where reversal of provision recorded in the wrong ledger.

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11.3	<u>Recommendation:</u> 1) The provision for Professional Fees must be reversed in the current year. 2) Reversal of PTA Payable must be recorded in the correct ledger.
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12	<u>Scope:</u> Advance to employees										
12.1	<u>Observation:</u> Delay was observed in the settlement/recovery of advances given to the employees against expense during the year. The said advances must be settled/recovered within a period of 8 days. Details of the same are mentioned below: <table border="1" data-bbox="327 884 1348 1052"><thead><tr><th>Name of Employee</th><th>Amount (Rs.)</th><th>Advance date</th><th>Date on which advance received</th><th>Delay (In days)</th></tr></thead><tbody><tr><td>Sunil Sawant</td><td>1,000.00</td><td>22/07/2024</td><td>02/08/2024</td><td>3</td></tr></tbody></table>	Name of Employee	Amount (Rs.)	Advance date	Date on which advance received	Delay (In days)	Sunil Sawant	1,000.00	22/07/2024	02/08/2024	3
Name of Employee	Amount (Rs.)	Advance date	Date on which advance received	Delay (In days)							
Sunil Sawant	1,000.00	22/07/2024	02/08/2024	3							
12.2	<u>Quantification:</u> 1 case where delay in recovery of advance was observed.										
12.3	<u>Recommendation:</u> All the advances given to the employees must be settled in time as specified by Head Office. The employees must be asked to submit expenses claim immediately. Staff advances must be recovered within the period of 8 days.										

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Annexure No.1: Instances where bank vouchers were not kept on record

Sr. No.	Date	Voucher No.	Amount (Rs.)
1	27/07/2024	BOM -15	5,060.00
2	09/09/2024	BOM -27	4040.00

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FOR THE PERIOD JANUARY 2025 TO MARCH 2025

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23rd June, 2025

The Principal,
SPM Marathi Secondary School,
Yamuna Nagar, Nigdi,
Pune

Dear Sir/Madam,

We have completed the internal audit in respect of the areas mentioned below and report on matters that came to our attention during the course of our work. The audit has been conducted so as to cover all the scope specified by the management in their letter dated 31st January, 2025. The report has been discussed with the concerned department persons.

The area covered under reference to this report is:

Overall Internal Audit for the period January 2025 to March 2025 as per scope specified by the management.

We would like to take this opportunity to express our appreciation for the co-operation and assistance extended to us by all staff and the officials.

Yours faithfully,

**For Milind Sangoram and Company
Chartered Accountants**

**CA Prajakta Sangoram
Proprietor
(Membership No. 151555)
(Firm Registration No.0114781W)
UDIN: 25151555BMLJFB1521**

AUDIT SAMPLE:

All transactions were verified for the period from January 2025 to March 2025 in the course of implementing Audit action plan.

1	Scope: Financial Statements for the year
1.1	Observation: Financial Statements i.e. Receipt and Payment account, Income and Expenditure account for the year ended 31 st March, 2025 as per format prescribed by Bombay Public Trust Act, 1950 were not prepared and provided during the course of the audit. Hence we are not in a position to comment on the same.

2	Scope: Cash Book verification
2.1	Observation: 1) During the course of Audit, it was observed that all cash vouchers were kept on record and found to be correctly recorded. 2) As per the guidelines framed by Shikshan Prasarak Mandali, the daily closing cash balance must not exceed Rs. 5,000. This has been followed properly by the Institute. 3) Physical cash verification was done on 09 th May, 2025 and found to be correct. <i>O.K. noted.</i>

3	Scope: Bank Book Verification
3.1	Observation: 1) All the Bank Accounts have been incorporated in Books of Accounts and have been reconciled and found to be correct. 2) During the course of audit, Bank vouchers were verified and found to be in agreement with Books of Accounts.

4	Scope: Fees Reconciliation
4.1	Observation: Fees Reconciliation was prepared for the period January 2025 to March 2025 and was provided for auditor's verification. This was found to be correct.

5	Scope: Form Reconciliation
5.1	Observation: During the course of audit, we found that form reconciliation was prepared for the period of January 2025 to March 2025. It was maintained properly and found to be correct.

6	Scope: Tax Deducted at Source
6.1	Observation: As on the date of audit TDS returns for Quarter 4 were not filled so we are not in a position to comment on the correctness of the same.

Handwritten notes: TDS returns for Quarter 4 were not filled. Filing on 11/04/2025.

7	Scope: Salary Payment Checking
7.1	Observation: 1) Salary Payable to employees was correctly calculated on the basis of number of days worked as per employee's attendance muster. 2) Leaves were correctly recorded and carried forward to the next month.

8	Scope: Head Office and Branch Account Balance
8.1	Observation: Head Office and Branch Account balances were reconciled for the period January 2025 to March 2025. The same has been confirmed and found to be correct.

9	Scope: Accrual System
9.1	Observation: As per the Rules and Regulations framed by Shikshan Prasarak Mandali, Books of Accounts must be maintained on Accrual Basis. The same was followed correctly in the books of accounts.

10	Scope: Provident Fund and Administration Charges
10.1	Observation: As per the instructions given by Shikshan Prasarak Mandali, Provident Fund along with the Administration Charges must be transferred to Head Office within 5 days of next month. This has been followed in timely manner.

11	<p>Scope:</p> <p>Fixed Asset Register</p>								
11.1	<p>Observation:</p> <p>1) During the course of audit it was observed that, fixed assets have been classified and recorded correctly except in one case where one of the fixed asset were not updated in fixed asset register.</p> <table border="1" data-bbox="453 544 1334 663"> <thead> <tr> <th>Asset</th> <th>Date of Invoice</th> <th>Particulars</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>Furniture & Fixtures</td> <td>07/03/2025</td> <td>Irshad Musicals</td> <td>5,200.00</td> </tr> </tbody> </table> <p>2) Depreciation on fixed assets is correctly calculated and charged, except in some cases where incorrect depreciation was charged. Details of the same are mentioned in <u>Annexure No.1</u></p>	Asset	Date of Invoice	Particulars	Amount	Furniture & Fixtures	07/03/2025	Irshad Musicals	5,200.00
Asset	Date of Invoice	Particulars	Amount						
Furniture & Fixtures	07/03/2025	Irshad Musicals	5,200.00						
11.2	<p>Quantification:</p> <p>1) 1 case where fixed asset was not updated in fixed asset register.</p> <p>2) 3 case where Depreciation was incorrectly charged on fixed asset.</p>								
11.3	<p>Recommendation:</p> <p>1) All assets should be included in the fixed asset register.</p> <p>2) Depreciation must be correctly charged as per Income Tax Act 1962.</p>								

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Annexure No.1: Instances where depreciation was incorrectly calculated.

Sr. No	Description	Depreciation as per Books of accounts(Rs.)	Depreciation as per Income Tax Act (Rs.)	Difference (Rs.)
1	Furniture & Fixture	2,40,913.00	1,96,996.55	43,916.45
2	Library Books	1,618.00	1,842.58	(224.58)
3	C.C.T.V.	1,17,404.00	62,829.73	54,574.27

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