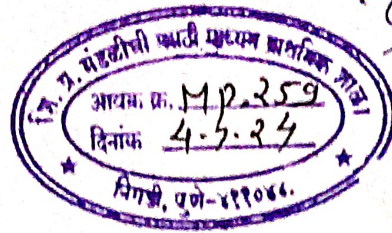


SPM MARATHI MEDIUM PRIMARY SCHOOL, NIGDI

REPORT INDEX – OVERALL INTERNAL AUDIT  
FOR THE PERIOD APRIL 2023 TO NOVEMBER 2023

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*Milind Sangoram*  
२१/५/२०२४

30<sup>th</sup> January, 2024

The Head Mistress,  
SPM Marathi Primary 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 1<sup>st</sup> December, 2023. The report has been discussed with the concerned department persons.

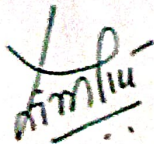
The area covered under reference to this report is:

Overall Internal Audit for the period April 2023 to November 2023 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)



**AUDIT SAMPLE:**

All transactions were verified for the period from April 2023 to November 2023 in the course of implementing audit action plan.

1	<b>Scope:</b>  Opening Balances as per latest Audited Financial Statements
1.1	<b>Observation:</b>  Latest audited financial statements of Financial Year 2022-2023 were kept on record and all the balances have been correctly recorded in Books of Accounts.

2	<b>Scope:</b>  Cash Book verification
2.1	<b>Observation:</b>  1) All cash vouchers were kept on record and found to be correctly recorded. No cash payments were exceeding Rs.10,000.  2) As per the regulations prescribed by the Shikshan Prasarak Mandali, daily closing cash balance must not exceed Rs.5,000. This has been followed by the Institute.  3) Physical cash verification was done on 3 <sup>rd</sup> January, 2024 and found to be correct as per Books of Accounts.

3	<b>Scope:</b>  Bank Book verification
3.1	<b>Observation:</b>  1) All the Bank Accounts have been incorporated in Books of Accounts and have been reconciled and found to be correct.  2) During the audit it was observed that few bank vouchers were not kept on record. The details of the same are mentioned in <u>Annexure No.1</u>

3.2	<b>Quantification:</b> 3 cases where bank vouchers were not kept on record.
3.3	<b>Recommendation:</b> Institute must keep all bank vouchers on record and provide them for auditors verification.

4	<b>Scope:</b> Preparation of Monthly Trial Balance
4.1	<b>Observation:</b> As per guidelines given by Head Office, Trial Balance must be sent to Head Office before 20 <sup>th</sup> of next month. This has been followed by the Institute in all the months under audit.

5	<b>Scope:</b> Fees Reconciliation
5.1	<b>Observation:</b> During the course of audit, we found that fees reconciliation was prepared for the period of April 2023 to November 2023. It was maintained properly and found to be correct.

6	<b>Scope:</b> Form Reconciliation
6.1	<b>Observation:</b> We have verified admission forms and bonafide forms. They were found to be correct and sequentially numbered. Form Reconciliation Statement was prepared and kept on the record.

7	<b>Scope:</b> Salary Payment Checking
7.1	<b>Observation:</b> Salary payable to employees were correctly calculated on the basis of number of days worked as per employees' attendance musters. Leaves were correctly recorded and carried forward to next month.

8	<b>Scope:</b> Tax Deducted at Source								
8.1	<b>Observation:</b> 1) TDS was correctly deducted and deposited with Government Authority (i.e. 7 <sup>th</sup> of next month) and returns have been filed before the due date for the Quarter 1 and Quarter 2 of Financial Year 2023-2024. 2) While checking Traces website, it was observed that, Institute has outstanding TDS demand. Details of the same are mentioned below: <table border="1" data-bbox="379 1227 1220 1317"><thead><tr><th>Financial Year</th><th>Quarter</th><th>Form Type</th><th>Demand (Rs.)</th></tr></thead><tbody><tr><td>2023-24</td><td>Q2</td><td>26Q</td><td>4,700.00</td></tr></tbody></table>	Financial Year	Quarter	Form Type	Demand (Rs.)	2023-24	Q2	26Q	4,700.00
Financial Year	Quarter	Form Type	Demand (Rs.)						
2023-24	Q2	26Q	4,700.00						
8.2	<b>Quantification:</b> 1 case found where TDS demand was outstanding.								
8.3	<b>Recommendation:</b> Action must be taken on outstanding demands on urgent basis to avoid increase in amount of interest any further.								

9	<b>Scope:</b> Head Office and Branch Account Balance						
9.1	<b>Observation:</b> Difference was observed in Head Office and Branch Account balance for the period April 2023 to November 2023. Details of the same are as follows: <table border="1" data-bbox="290 562 1273 701"> <thead> <tr> <th>Balance as per Books of Accounts (Rs.)</th> <th>Balance as per Head Office Books (Rs.)</th> <th>Difference (Rs.)</th> </tr> </thead> <tbody> <tr> <td>58,06,631.92</td> <td>58,06,741.92</td> <td>110.00</td> </tr> </tbody> </table>	Balance as per Books of Accounts (Rs.)	Balance as per Head Office Books (Rs.)	Difference (Rs.)	58,06,631.92	58,06,741.92	110.00
Balance as per Books of Accounts (Rs.)	Balance as per Head Office Books (Rs.)	Difference (Rs.)					
58,06,631.92	58,06,741.92	110.00					
9.2	<b>Recommendation:</b> Head Office and Branch Account balance must be reconciled on periodic basis.						

10	<b>Scope:</b> Grants
10.1	<b>Observation:</b> Based on the clarification given by the responsible person and verification of Bank Accounts, Institute has not received any grant during the period April 2023 to November 2023.

11	<b>Scope:</b> Incorrect Ledger Classification
11.1	<b>Observation:</b> During the scrutiny, it was observed that few accounting ledgers were incorrectly grouped. Details of the same are mentioned in <u>Annexure No.2</u>
11.2	<b>Quantification:</b> 6 cases where wrong ledgers classification was done.

11.3	<b><u>Recommendation:</u></b>  The ledgers must be regrouped under the correct head in tally.
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12	<b><u>Scope:</u></b>  Fixed Asset Register
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12.1	<b><u>Observation:</u></b>  During the course of audit, Fixed Asset Register was provided for verification and found to be correct.
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Annexure No. 1: Instances where bank vouchers were not kept on record

Sr. No.	Date	Particulars	Voucher No.	Amount (Rs.)
1	01/07/2023	Building Tax	10	380.00
2	01/07/2023	Building Tax	12	3,131.00
3	01/07/2023	Building Tax	13	423.00

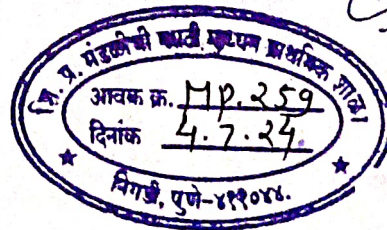
Annexure No.2: Instances where accounting ledgers were not correctly grouped

Sr. No.	Incorrect Group	Ledger Name	Correct Group
1	Liabilities	Staff Advance	Current Assets
2	Advances	Prepaid Insurance	Current Assets
3	Cash and Bank	Sundry Debtors	Current Assets
4	Indirect Income	Parents Teacher Association	Current Liability
5	Indirect Expenses	Scholarship Class Fee	Current Liability
6	Indirect Expenses	I-Card Fee	Current Liability

SPM MARATHI MEDIUM PRIMARY SCHOOL, NIGDI

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FOR THE PERIOD DECEMBER 2023 TO MARCH 2024

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*Milind Sangoram*  
यशवन्त

14<sup>th</sup> June, 2024

The Head Mistress,  
SPM Marathi Primary 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 1<sup>st</sup> December, 2023. The report has been discussed with the concerned department persons.

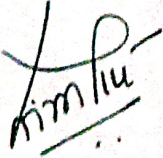
The area covered under reference to this report is:

**Overall Internal Audit for the period December 2023 to March 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)**

**AUDIT SAMPLE:**

All transactions were verified for the period from December 2023 to March 2024 in the course of implementing audit action plan.

1	<b>Scope:</b> Opening Balances as per latest Audited Financial Statements
1.1	<b>Observation:</b> Financial Statements i.e. Receipt and Payment account, Income and Expenditure account for the year ended 31 <sup>st</sup> March, 2024 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	<b>Scope:</b> Cash Book verification
2.1	<b>Observation:</b> 1) All cash vouchers were kept on record and found to be correctly recorded. None of the cash payments were exceeding Rs.10,000. 2) As per the regulations prescribed by the Shikshan Prasarak Mandali, daily closing cash balance must not exceed Rs.5,000. This has been followed by the Institute. 3) Physical cash verification was done on 21 <sup>st</sup> May, 2024 and found to be correct as per books of accounts.

3	<b>Scope:</b>  <b>Bank Book Verification</b>
3.1	<b>Observation:</b>  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	<b>Scope:</b>  <b>Preparation of Monthly Trial Balance and Payment Account</b>
4.1	<b>Observation:</b>  As per guidelines given by Head Office, Trial Balance must be sent to Head Office before 20 <sup>th</sup> of next month. This has been followed by the Institute in all the months under audit.

5	<b>Scope:</b>  <b>Fees Reconciliation</b>
5.1	<b>Observation:</b>  During the course of audit, we found that fees reconciliation was prepared for the period of December 2023 to March 2024. It was maintained properly and found to be correct.

6	<p><b><u>Scope:</u></b></p> <p>Form Reconciliation</p>
6.1	<p><b><u>Observation:</u></b></p> <p>We have verified admission forms and bonafide forms. They were found to be correct and sequentially numbered. Form Reconciliation Statement was prepared and kept on the record.</p>

7	<p><b><u>Scope:</u></b></p> <p>Salary payment checking</p>
7.1	<p><b><u>Observation:</u></b></p> <p>Salary Payable to employees was correctly calculated on the basis of number of days worked as per employee's attendance muster. Leaves were correctly recorded and carried forward to next month.</p>

8	<p><b><u>Scope:</u></b></p> <p>Tax Deducted at Source</p>										
8.1	<p><b><u>Observation:</u></b></p> <p>Discrepancy was found in TDS deducted as per books of accounts and TDS reported in the TDS returns for Quarter 3 under audit. The details of the same have been mentioned below:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Form</th> <th>Quarter</th> <th>TDS as per Books of Accounts (Rs.)</th> <th>TDS as per Acknowledgements (Rs.)</th> <th>Difference (Rs.)</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">26Q</td> <td style="text-align: center;">Q3</td> <td style="text-align: center;">9,601.00</td> <td style="text-align: center;">5,135.00</td> <td style="text-align: center;">4,466.00</td> </tr> </tbody> </table>	Form	Quarter	TDS as per Books of Accounts (Rs.)	TDS as per Acknowledgements (Rs.)	Difference (Rs.)	26Q	Q3	9,601.00	5,135.00	4,466.00
Form	Quarter	TDS as per Books of Accounts (Rs.)	TDS as per Acknowledgements (Rs.)	Difference (Rs.)							
26Q	Q3	9,601.00	5,135.00	4,466.00							

SPM Marathi Medium Primary School, Nigdi

8.2	<b>Quantification:</b> 1 case where the incorrect TDS Return was filed.
8.3	<b>Recommendation:</b> TDS deducted as per books must be matched with TDS reported in TDS returns. Return must be revised to reflect the correct TDS details for Quarter3

9	<b>Scope:</b> HO and Branch Account Balances
9.1	<b>Observation:</b> Head Office and Branch account balances were reconciled for the period December 2023 to March 2024. The same has been confirmed and found to be correct.

10	<b>Scope:</b> Grants
10.1	<b>Observation:</b> Based on the clarification given by the responsible person and verification of Bank Accounts, Institute has not received any grant during the period December 2023 to March 2024.

11	<b>Scope:</b> Fixed Asset Register
11.1	<b>Observations:</b> Fixed Asset Register was provided for verification and found to be correct. Asset have been duly classified and recorded. Depreciation on fixed assets is also correctly calculated and charged.