

Rajiv Udai & Associates

Chartered Accountants

Head Office:

A-36, 1st Floor, Guru Nanak Pura

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Branches:

33/34-B, Adarsh Nagar,
Rakab Ganj, Agra 282001
(U.P.)

AUDITORS REPORT

The Project Director,
Delhi State AIDS Control Society,
Dharamshala Block, Dr. B.S.A. Hospital, Sector -6
Rohini, New Delhi 110085

We have audited the attached Balance Sheet of four funds namely i) New DBS for NACPIV, ii) Global Fund RCC-II, iii) Global Fund RCC-IV and iv) TI Pool Fund of Delhi State AIDS Control Society as at 31st March, 2014 and the Statement of Income & Expenditures for the year ending on 31st March, 2014 annexed thereto and report that:

- a) We have obtained all the information and explanations which to the best of our knowledge and believe were necessary for the purpose of our audit.
- b) In our opinion proper Books of Accounts as required by law have been kept by the society so far as appears from our examination of such books *subject to the observations detailed in the annexure to this report.*
- c) The Balance Sheet and Income & Expenditure Account referred to in this report are in agreement with the Books of Account *subject to observations detailed in the annexure to this report.*
- d) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet and Income & Expenditure Account read together with the auditor's observations thereon, give the information required in the manner so required under regulatory laws and give a true and fair view:
 - I) In so far as it relates to the Balance Sheet of the State of Affairs of the above mentioned funds of Society as at 31st March, 2014 and,
 - II) In so far as it relates to the Statement of Income & Expenditure of the above mentioned funds of Society for the year ended on that date.
- e) The Society does not have any activities, which have any adverse effect on the functioning of the society subject to the auditor's observation annexed with this report.

Place: Delhi

Date: 11/09/2014

For Rajiv Udai & Associates
Chartered Accountants
Registration No. 018764N



Rajiv Jain
Rajiv Jain (Partner)
M. No. 99767



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Our observations are as follows:

1. Cash and Bank Balance:

Fund Name	Bank A/c No.	Balances as on 31.3.14
DBS		
Cash Balance (Imprest)		3010.00
Bank Balance	20070110018743	56,08,278.76
Global Fund RCC-II		
Cash Balance		Nil
Bank Balance	20070110007716	53,71,954.00
Global Fund RCC-IV		
Cash Balance		Nil
Bank Balance	520402050000051	21,89,783.52
Pool Fund		
Cash Balance		Nil
Bank Balance	20070110023693	27,04,204.00

Observations:

During the course of Audit of Cash & Bank A/c following discrepancies were observed:

Cash advances in excess of Rs.5000/-

- It has been observed during the audit that huge advances are being given in cash which is highly objectionable and it is not as per NACO guidelines.
- A list of such illustrative cases observed is attached as Annexure 1.

Suggestions:

It is suggested that cash payment may be reduced and no cash payment should be done for more than Rs. 20,000/- as per the Income Tax Act, 1961 and there should be no repetition of cash withdrawal for single purpose.



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2. Advances:

Observations:

- i. Advances given to NGOs, autonomous bodies, district hospitals, staff and others are pending for adjustment since 2007-08 onwards
- ii. It is suggested that the old advances where the chances of recovery are less should be reviewed /written off & the bifurcation of these advances should be properly shown in CPFMS according to their original date or the year to which they belong.
- iii. Mr. Birender Soni AD (VCTC) was given an advance of Rs. 296440.00 & Rs. 3750.00 from POOL Fund & Round II funds respectively for official visit to Chennai. He has reported to have left DSACS without settlement of advances drawn by him.

The DSACS has filed the recovery suit in the court of law & the matter is pending with the court.

- iv. As per CPFMS in the Advance Monitoring Sheet opening balance amount is merged with the advance given during the year. It is suggested a separate column for opening balance is needed.

Suggestion:

It is suggested that DSACS should review all such advances & should make every effort of recovering the same. Proper reminder letter and legal notice (If required) should be sent at regular interval for recovering the amount given to them.

3. Grants to NGO's:

Observations:

During the audit period it has been observed that NGOs submit the Audited Utilization Certificate (UC) & Statement of Expenditure (SOE) to DSACS, the grants are allotted to the NGOs on the basis of the budget and are adjusted initially on the basis of provisional UCs and SOEs in the balance sheet dated 31st March 2014 and final adjustment of shortfall or excess is done on the basis of such audited UCs & SOEs while releasing the next installment of GIA. However we have verified the method of releasing the funds to NGOs which is satisfactory.



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4. Fixed Assets and Other Assets:

Observations:

- i. The fixed assets register maintained by DSACS is insufficient to provide all the records such as value of assets, details of all the assets existing at the peripheral units & other units of DSACS. DSACS has started maintaining a new Fixed assets register from F.Y. 2012-13 but it lacks details of most of the assets which were present in the previous register, further it does not reflect any of the brought forward assets at its book value.
- ii. No insurance has been taken for fixed assets held by DSACS.
- iii. As per Operational guideline of NACO, proper codification of the Asset should be done. The management of the State Society has not done proper codification.
- iv. DSACS also give advances money to NGO's for the purchase/procurement of Fixed Assets. Such Assets belong to DSACS, however this record is not organized & under maintenance by DSACS.

Suggestions:

It is suggested that DSACS should maintain proper records of Fixed Assets from the beginning & should also maintain the register of fixed assets receivable from NGOs & it should be bifurcated NGO - Wise so as to keep a proper track of Fixed Assets Receivable.

5. Balances to be recovered from NGOs:

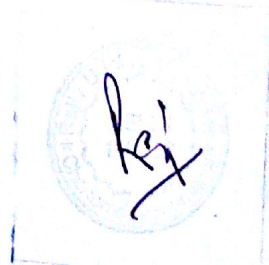
Observations:

It was observed that as on 31st March 2014, 11 NGO's have been closed since a long time. The balance from such NGO's is still to be recovered by the DSACS.

The details of which are given as per the Annexure 2 attached.

Suggestion:

It is suggested that DSACS should review all such advances & should make every effort of recovering the same.



Utilisation Certificate

Certified that an amount of Rs. 39,676,000.00 received as grants-in-aid received from Department of AIDS Control (NACO) during the Fin.Year 2013-14 vide letter No. given below and opening Cash/Bank Balance Rs. 2,588,574.00 (and Current Liabilities of Rs.23,153.00)and outstanding Advances for Rs. 862,973.00 on account of unspent balance brought forward from the previous financial year, and Bank Interest and Miscellaneous Receipts of Rs. 591,882.00. a sum of Rs. 36,999,355.00 has been utilized for the purpose for which it was sanctioned and the Cash/Bank balance of Rs. 5,371,954.00 (and Current Liabilities of Rs. 28,153.00)and outstanding advances of Rs.1,353,120.00. remaining unutilized at the end of the year will be adjusted towards the grants-in-aid payable during the next year .

Sl. No.	Sanction letter Number and Date	Amount
01	M-18017/3/2013-NACO (RCC-II) Dt. 03/07/13	194,07,000/-
02	M-18017/3/2013-NACO (RCC-II) Dt. 30/09/13	2,02,69,000/-
	Total	39,676,000.00

2. Certified that I have satisfied myself that the conditions on which the grants-in-aid was sanctioned have been duly fulfilled/are being fulfilled and that I have exercised the following checks to see that the money was actually utilized for the purpose for which it was sanctioned.

Kinds of checks exercised

1. Statement of Expenditures
2. Annual Financial Statements

For RAJIV UDAI & ASSOCIATES

Countersigned

Partner

(Chartered Accountant)



(Project Director)
Dr. MRINALINI DARSWAL, IAS
Project Director
Delhi State AIDS Control Society
Dharamshala Block, Dr.B.S.A Hospital
Sector of Delhi, Sec-6, Rohini, Delhi-110085

Opening balance of Net Current Assets	Amount (Rs.)
Bank2	2,588,574.00
Advance to Others	146,064.00
Advance to Staff	140,715.00
Advance to Autonomous Bodies	226.00
Advance to District Hospitals	575,968.00
	<u>3,451,547.00</u>
Opening balance of Net Current Liabilities	Amount (Rs.)
Creditors Payable	23,153.00
	<u>23,153.00</u>
Sources of funds	Amount (Rs.)
Grant from NACO to SACS	39,676,000.00
	<u>39,676,000.00</u>
Utilisation of funds	Amount (Rs.)
Workshops	31,986.00
Training	405,673.00
Salary	33,668,448.00
Vehicle Maintenance	466,547.00
Travelling Expenses	361,285.00
Bank Charges	153.00
Expenses on ICTC centre set up and maintenance	1,994,828.00
Review Meeting and Supervision of Councillors	70,435.00
	<u>36,999,355.00</u>
Bank Interest & Miscellaneous Receipts	Amount (Rs.)
Interest from Bank	591,882.00
	<u>591,882.00</u>
Current Liabilities	Amount (Rs.)
Creditors Payable	28,153.00
	<u>28,153.00</u>
Closing balance of Net Current Assets	Amount (Rs.)
Bank2	5,371,954.00
Advance to Others	291,564.00
Advance to Staff	411,542.00
Advance to Autonomous Bodies	226.00
Advance to District Hospitals	649,788.00
	<u>6,725,074.00</u>

Delhi SACS - GLOBAL FUND RCC-II

Delhi State AIDS Control Society Dharamshala Block Dr. Baba Saheb Ambedkar Hospital Sector - 6, Rohini, Delhi - 110085

National AIDS Control Project - Phase III

Balance Sheet

For The Period From : 01-Apr-2013 To :31-Mar-2014

Figures for the previous Period (Rs.)	LIABILITIES	Schedule Reference	Figures for the current Period (Rs.)	Figures for the previous Period (Rs.)	ASSETS	Schedule Reference	Figures for the current Period (Rs.)
3,428,394.00	GENERAL FUND	01	6,696,921.00	5,897,182.00	FIXED ASSETS	02	5,897,182.00
23,153.00	CURRENT LIABILITIES AND PROVISIONS		28,153.00	2,588,574.00	CURRENT ASSETS, LOANS AND ADVANCES		5,371,954.00
5,897,182.00	CURRENT LIABILITIES	0501	5,897,182.00	862,973.00	CURRENT ASSETS	0301	1,353,120.00
	FIXED ASSET FUND				LOANS AND ADVANCES	0401	
9,348,729.00			12,622,256.00	9,348,729.00			12,622,256.00

for RAJIV UDAI & ASSOCIATES

Rajiv Jain
Partner
Auditor 11/08/2014

V SRINIVASA RAO
FC/FM/FO
Delhi State AIDS Control Society
Dharamshala Block, Dr. B.S.A. Hospital
Sector-6, Rohini, Delhi-110085

Project Director:
Dr. MRINALINI DARSWAL, IAS
Project Director
Delhi State AIDS Control Society
Dharamshala Block, Dr. B.S.A. Hospital
Sector-6, Rohini, Delhi-85

Schedule 01

General Fund

Figures in Rupees

Particulars	As at 31-Mar-14 (Rs.)	As at 31-Mar-13 (Rs.)
Opening grant in aid	3,428,394.00	6,663,971.00
Add: Received during the year		
Grant from NACO to SACS	39,676,000.00	36,281,000.00
Less: Utilised during the year		
Grants utilised to the extent of revenue expenditure	36,407,473.00	38,387,535.00
Grants utilised to the extent of fixed asset expenditure	0.00	1,129,042.00
Closing grant in aid	6,696,921.00	3,428,394.00

Schedule 02

Fixed Asset

Figures in Rupees

Particulars	Opening Balance	Addition	Deletion	Closing Balance
Office Equipment (2206)	4,277,932.00	0.00	0.00	4,277,932.00
Vehicles (2205)	1,619,250.00	0.00	0.00	1,619,250.00
Grand Total	5,897,182.00	0.00	0.00	5,897,182.00

Schedule 03

Funds from Other Sources

Figures in Rupees

Particulars	Opening Balance	Grant Recieved	Grant Utilised/ Refunded	Closing Balance
Grand Total				



CURRENT ASSETS

Schedule 0301

Figures in Rupees

Particulars	As at 31-Mar-14 (Rs.)	As at 31-Mar-13 (Rs.)
Bank2	5,371,954.00	2,588,574.00
Total	5,371,954.00	2,588,574.00

LOANS AND ADVANCES

Schedule 0401

Figures in Rupees

Particulars	As at 31-Mar-14 (Rs.)	As at 31-Mar-13 (Rs.)
Advance to Others	291,564.00	146,064.00
Advance to Staff	411,542.00	140,715.00
Advance to Autonomous Bodies	226.00	226.00
Advance to District Hospitals	649,788.00	575,968.00
Total	1,353,120.00	862,973.00

CURRENT LIABILITIES

Schedule 0501

Figures in Rupees

Particulars	As at 31-Mar-14 (Rs.)	As at 31-Mar-13 (Rs.)
Creditors Payable	28,153.00	23,153.00
Total	28,153.00	23,153.00