

Ref No. HSACS/ACCTS/2018 /1902

Dated 7/8/18

From

The Project Director
Haryana State AIDS Control Society
O/o DGHS, Swasthya Bhawan
Sec - 6, Panchkula

To

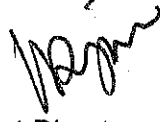
The Director - Finance
Ministry of Health and Family Welfare,
Deptt. of AIDS Control,
National AIDS Control Organization,
6th Floor, Chandralok Building,
36, Janpath, New Delhi - 110001

Subject: Submission of Balance sheet for the year 2017-18 Under ICTC

Dear Sir,

Please find enclosed herewith the Receipt and Payment Accounts, Income & Expenditure Accounts, Balance Sheet and Utilization Certificate duly stamped along with Auditors Reports & Management Letter for the Finance Year 2017-18 for favour of further necessary action at your end.

Enclosure: As above


Project Director
Haryana State AIDS Control Society
Panchkula

GANDHI MINOCHA & CO
CHARTERED ACCOUNTANTS

1-A, Tribune Colony,
Jagadhari Road, Ambala Cantt -133001
Telephones: 2652642, 2652643, 2652747(O)
E-MAIL: gandhica@yahoo.com

The Project Director,
HARYANA AIDS CONTROL SOCIETY,
PANCHKULA.

Respected Madam,

SUB: MANAGEMENT LETTER: FUND WISE – ROUND II

1. The accounting records systems and control Examined during the course of the audit were found to be well placed and well maintained.
2. The audit report of the peripheral units/ NGOs was not provided for verification.
3. The financial & administrative powers have been duly documented.
4. The society is reasonably cautious in compliance of financial and internal control as documented in the financial manual. The financial manual is required to be updated with current provision.
5. The society is quite regular in following the procurement manual issued by NACO except for the minor deviations.

PLACE: PANCHKULA
DATE:

FOR GANDHI MINOCHA & CO.,
CHARTERED ACCOUNTANTS



(GAURAV GANDHI)
PARTNER
M.NO. 501510

Audit Report for GLOBAL FUND RCC-II

Auditor's report to:

The Project Director,
HARYANA AIDS Control Society,
PANCHKULA.

Introductory Paragraph

We have audited the accompanying Utilization certificate of the National AIDS Control Project - Phase III (financed under World bank credit No 3242 -IN/IDA) as of 31st March, 2018. Our responsibility is to express our opinion on these financial statements based on our audit.

Scope Paragraph

We conducted our audit in accordance with Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts, review of internal controls and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Opinion Paragraph

In our opinion, the financial statements, read with observations given in Annexure-I, listing of ineligible claims comments in management letter give a true and fair view of the Application of Funds and the financial position of Haryana State Aids Control Society for the year ended March 31st, 2018. in accordance with consistency applied accounting standards.

In addition subject to our observations in Annexure-I, listing of ineligible claims (Annexure-II) & comments in management letter (a) with respect to IFRs, adequate supporting documentation has been maintained to support the IFRs; (b) which Expenditures are eligible for financing under the Credit/Grant Agreement (c) procurement of goods and services has been carried out as per the procurement manual issued by NACO, GOI and NGO/CBO guidelines.

PLACE: PANCHKULA
DATE:

FOR GANDHI MINOCHA & CO.,
CHARTERED ACCOUNTANTS.



(GAURAV GANDHI)
PARTNER
M.NO. 501510

ANNEXURE I (ROUND II)

1. **Monthly BRS not prepared:** As per the guidelines prescribed by the NACO, the society has to prepare a monthly Bank Reconciliation Statement. However, during the course of audit, it was observed that BRS was not prepared by the society for the month of October, November and January. As reported by the society, BRS could not be prepared due to non-availability of bank statements from the bank citing some technical issues. Manual BRS for the same has been prepared & produced for verification.
2. **Long Pending Advances:** On scrutiny of ledger accounts, it was observed that there certain advances which are standing since long in the books of accounts. It is advised to clear their positions and to write off these advances in the manner prescribed by NACO.

Advance Categories	Year	Total Advance Outstanding Amount (Rs.)
3202 Advance to Others	2012	19189.00
	2014	106566.00
	2017	482500.00
3208 Advance to District Authorities	2011	43301.00
	2012	49907.00
	2013	103274.00
	2014	157461.00
	2015	152860.82
	2016	360281.00
	2017	1489879.65



Audit Report for GLOBAL FUND RCC-II

ANNEXURE 1I

S.No.	Activity	Particulars	Y	N	Remarks
1	Payments and Receipts	• Are the payments for expenditures in line with the approved annual work plan	✓		
		• Are the payments properly approved in line with the financial delegation	✓		
		• Are the supporting documents filed properly and easily accessible	✓		
		• Is there a serial control over payment ,receipt and journal vouchers	✓		
		• Are the expenditure/payments charged to the correct account code and head of expenditure	✓		
		• Is the system generated voucher used as basis for approval of payments	✓		
		• Comment on a process flow improvements that can be made			All payments are in line
2	NGOs	• Is there a TSU to support NGO/CBO activities and does it have a finance staff	Not applicable		
		• Has the financial management capacity of the NGO been assessed by the TSU and the process documented during the selection process.			
		• Are there any critical FM capacity issues identified during selection process and how are these planned to be addressed			
		• Does the contract with the NGO contain the Financial Management aspects			
		• Are the tranches releases to NGOs in compliance with the contractual obligations and in adherence to the NGO/CBO guidelines?			
		• Are funds released without settlement of previous advance or without receipt of quarterly financial report?			
		• Is the NGO/CBO timely in submitting financial report to the SACS/PSU? If not what actions are being taken to address this issue.			



		<ul style="list-style-type: none"> Is the financial review of NGOs by the TSU adequate in terms of quality and frequency 			
		<ul style="list-style-type: none"> Are on-site visits to the NGOs made by the finance staff of the TSU? 			
		<ul style="list-style-type: none"> Have the annual audited financial statements received from the NGOs 	✓		
		<ul style="list-style-type: none"> Carry out on site (where covered under the scope of the audit) audit of NGOs/CBOs as per TOR provided in the NGO/CBO guidelines and attach a separate report of the NGO/CBO covered. Where this is carried out by independent auditors comment on the adequacy of the actions taken by SACS to address the observations of the auditors. 			
3	Peripheral Units	<ul style="list-style-type: none"> Has a sanction letter been issued for the proposed activity by the peripheral unit 	✓		
		<ul style="list-style-type: none"> Are the financial management ,financial reporting and the date of settlement of advance indicated in the sanction letter 	✓		
		<ul style="list-style-type: none"> Is the settlement done on time and is supported by a proper utilization certificate 	✓		
		<ul style="list-style-type: none"> Comment on the quality adequacy of the financial records maintained by the peripheral units (for the sample covered during the course of quarterly internal audit)-attach a separate sheet where necessary . 			NIL
		<ul style="list-style-type: none"> Are subsequent tranches released without settlement of first advance 		✓	
4.	Overall monitoring of advances	<ul style="list-style-type: none"> Is the system for monitoring and control of advances adequate 	✓		
		<ul style="list-style-type: none"> Are there a large number of advances overdue 	✓		Refer Para No.2
5	Operation of bank account	<ul style="list-style-type: none"> Is an ageing report generated for the review by the project director on a periodic basis? 	✓		
		<ul style="list-style-type: none"> Is the bank reconciliation carried out on a monthly basis 		✓	Refer Para No.1
		<ul style="list-style-type: none"> Are there any un-reconciled or un-accounted for balances 		✓	
		<ul style="list-style-type: none"> Are payments made by the crossed cheques/draft? 	✓		
	Fixed Assets	<ul style="list-style-type: none"> Is there adequate physical control over cash, receipt book and blank cheque books 	✓		
		<ul style="list-style-type: none"> Have the procurement procedures prescribed in the procurement Manual followed by the SACS for procurement of assets purchased by the SACS. 	✓		
		<ul style="list-style-type: none"> Are these supported by adequate and valid supporting documents. 	✓		



6		<ul style="list-style-type: none"> Are the assets procured documented in the fixed assets register giving its location etc? 	✓		
		<ul style="list-style-type: none"> Carry out a sample verification of fixed assets both in SACS and peripheral units/NGOs. 	✓		
		<ul style="list-style-type: none"> Are assets received in kind also recorded in the fixed assets register giving the date of receipt ,location etc 	✓		
		<ul style="list-style-type: none"> Is a material been purchased for the activity? 	✓		
7	Purchase of goods and services by SACS	<ul style="list-style-type: none"> Has the purchased material been entered in the stock register? Is it upto date and physical stock in agreement with the book balances? 	✓		
		<ul style="list-style-type: none"> Have the procurement procedures prescribed in the procurement Manual followed by the SACS for procurement of goods and services purchased by the SACS. 	✓		
		<ul style="list-style-type: none"> Are these supported by adequate and valid supporting documents? 	✓		
		<ul style="list-style-type: none"> Where goods including drugs are procured are these correctly recorded in the inventory register? 	✓		
		<ul style="list-style-type: none"> Carry out a sample verification of inventory of consumables, drugs supplied to the NGO's peripheral units. 	✓		
		<ul style="list-style-type: none"> Are goods (ART drugs, test kits etc.) received in kind also recorded in the inventory register? Does the physical balance agree with the book balance? Comment on the variance if any 	✓		
8	Accounting	<ul style="list-style-type: none"> Is the CFMS operational & up-to-date 	✓		
		<ul style="list-style-type: none"> Are there any constraints in using the system 		✓	
9	Other Issues	<ul style="list-style-type: none"> Have the financial reports for the previous quarter generated from the CFMS send to the NACO in timely manner. 	✓		
		<ul style="list-style-type: none"> Any other issues that the firm may like to address. 			NIL

Thanking you.

FOR GANDHI MINOCHA & CO.
CHARTERED ACCOUNTANTS

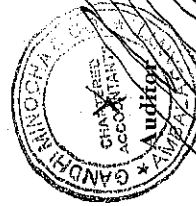
(SAURAV GANDHI)
PARTNER



Balance Sheet

For The Period From : 01-Apr-2017 To :31-Mar-2018

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.)
10,679,051.28	GENERAL FUND	01	3,394,029.64	1,972,311.00	FIXED ASSETS	02	2,000,311.00
1,972,311.00	FIXED ASSET FUND		2,000,311.00		CURRENT ASSETS, LOANS AND ADVANCES	0401	2,346,234.47
				2,293,387.11	LOANS AND ADVANCES	301	1,047,795.17
12,651,362.28			5,394,340.64	12,651,362.28			5,394,340.64



Signature
FC/EM/FO

Signature
Project Director

General Fund

Schedule 01

Figures in Rupees	
Particulars	As at 31-Mar-18 (Rs.)
Opening grant in aid	13,166,774.92
Add: Received during the year	
Grant from NACO to SACS	42,709,000.00
Recovery/Deduction of Grants	16,283,000.00
Less: Utilised during the year	
Grants utilised to the extent of revenue expenditure	61,164,865.64
Grants utilised to the extent of fixed asset expenditure	314,858.00
Closing grant in aid	10,679,051.28

Fixed Asset

Fixed Asset		Schedule 02		
		Figures in Rupees		
Particulars	Opening Balance	Addition	Deletion	Closing Balance
Office Equipment (2206)	1,972,311.00	28,000.00	0.00	2,000,311.00
Grand Total	1,972,311.00	28,000.00	0.00	2,000,311.00



Funds from Other Sources

Schedule 03

Figures in Rupees

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



LOANS AND ADVANCES

Schedule 0401

Figures in Rupees

Particulars	As at 31-Mar-18 (Rs.)	As at 31-Mar-17 (Rs.)
Advance to Others	125,755.00	125,755.00
Advance to District Authorities	2,220,479.47	2,167,632.11
Total	2,346,234.47	2,293,387.11

Schedule 301

Figures in Rupees

Particulars	As at 31-Mar-18 (Rs.)	As at 31-Mar-17 (Rs.)
Bank2 PNB-4916000100001671	1,047,795.17	8,385,664.17
Total	1,047,795.17	8,385,664.17



Haryana SACS - ICTC

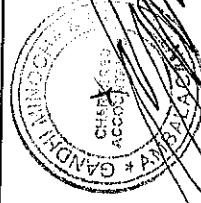
SCO-10, Sector-10, Panchkula -

National AIDS Control Project - Phase IV

Income And Expenditure Account

For The Period From : 01-Apr-2017 To :31-Mar-2018

Figures for the previous Period (Rs.)	EXPENDITURE	Schedule Reference	Figures for the current Period (Rs.)	Figures for the previous Period (Rs.)	INCOME	Schedule Reference	Figures for the current Period (Rs.)
40,778.00	Training and Workshops	08	230,028.00	629,654.80	Other Income	28	459,521.00
58,691,126.00	Salary (Pay and Allowances)	13	47,531,749.00	61,164,865.64	Grants utilised to the extent of revenue expenditure		49,601,021.64
2,826,014.44	Maintenance Costs	14	2,072,208.64				
236,602.00	Operational Expenses	15	226,557.00				
<u>61,794,520.44</u>			<u>50,060,542.64</u>	<u>61,794,520.44</u>			<u>50,060,542.64</u>



Schedule 28

Other Income

Particulars	As at 31-Mar-18 (Rs.)	As at 31-Mar-17 (Rs.)
Interest from Bank	459,521.00	629,654.80
Total	459,521.00	629,654.80

Schedule 08

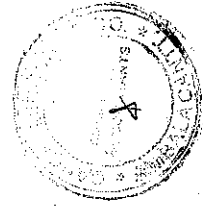
Training and Workshops

Particulars	As at 31-Mar-18 (Rs.)	As at 31-Mar-17 (Rs.)
Training	230,028.00	40,778.00
Total	230,028.00	40,778.00

Schedule 13

Salary (Pay and Allowances)

Particulars	As at 31-Mar-18 (Rs.)	As at 31-Mar-17 (Rs.)
Salary	45,591,771.00	54,463,547.00
Employer's Contribution to CPF	1,939,978.00	4,227,579.00
Total	47,531,749.00	58,691,126.00



Maintenance Costs

Schedule 14

Particulars	As at 31-Mar-18 (Rs.)	As at 31-Mar-17 (Rs.)
Expenses on ICTC centre set up and maintenance	2,072,208.64	2,826,014.44
Total	2,072,208.64	2,826,014.44

Operational Expenses

Schedule 15

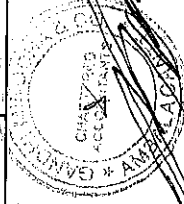
Particulars	As at 31-Mar-18 (Rs.)	As at 31-Mar-17 (Rs.)
Travelling Expenses	19,198.00	0.00
Bank Charges	427.00	6,996.00
Other Administration Cost	206,932.00	229,606.00
Total	226,557.00	236,602.00



Receipt And Payment Account

For The Period From : 01-Apr-2017 To :31-Mar-2018

Figures for the previous Period (Rs.)	RECEIPTS	Schedule Reference	Figures for the current Period (Rs.)	Figures for the previous Period (Rs.)	PAYMENTS	Schedule Reference	Figures for the current Period (Rs.)
0.00	Opening Balance:			50,027,110.00	LOANS AND ADVANCES	17	49,891,387.00
	Cash in hand		0.00	2,238.00	Training and Workshops	20	122,024.00
3,276,763.67	Balance with Bank	30	8,385,664.17	0.00	Salary (Pay and Allowances)	25	13,000.00
54,661,892.00	GENERAL FUND	29	42,389,296.00	6,996.00	Operational Expenses	27	19,625.00
483,352.50	Other Income	56	318,871.00		Closing Balance:		
<u>58,422,008.17</u>			<u>51,093,831.17</u>	0.00	Cash in hand		0.00
				8,385,664.17	Balance with Bank	31	1,047,795.17
				<u>58,422,008.17</u>			<u>51,093,831.17</u>



GENERAL FUND

Schedule 29

Particulars	As at 31-Mar-18 (Rs.)	As at 31-Mar-17 (Rs.)
Grant from NACO to SACS	42,344,000.00	42,709,000.00
Recovery/Deduction of Grants	45,296.00	11,952,892.00
Total	42,389,296.00	54,661,892.00

Balance with Bank

Schedule 30

Particulars	As at 31-Mar-17 (Rs.)	As at 31-Mar-16 (Rs.)
Bank2 PNB-4916000100001671	8,385,664.17	3,276,763.67
Total	8,385,664.17	3,276,763.67

Other Income

Schedule 56

Particulars	As at 31-Mar-18 (Rs.)	As at 31-Mar-17 (Rs.)
Interest from Bank	318,871.00	483,352.50
Total	318,871.00	483,352.50



LOANS AND ADVANCES

Schedule 17

Particulars	As at 31-Mar-18 (Rs.)	As at 31-Mar-17 (Rs.)
Advance to Others	4,626,888.00	792,706.00
Advance to District Authorities	45,264,499.00	49,234,404.00
Total	49,891,387.00	50,027,110.00

Training and Workshops

Schedule 20

Particulars	As at 31-Mar-18 (Rs.)	As at 31-Mar-17 (Rs.)
Training	122,024.00	2,238.00
Total	122,024.00	2,238.00

Salary (Pay and Allowances)

Schedule 25

Particulars	As at 31-Mar-18 (Rs.)	As at 31-Mar-17 (Rs.)
Salary	13,000.00	0.00
Total	13,000.00	0.00



Operational Expenses

Schedule 27

Particulars	As at 31-Mar-18 (Rs.)	As at 31-Mar-17 (Rs.)
Travelling Expenses	19,198.00	0.00
Bank Charges	427.00	6,996.00
Total	19,625.00	6,996.00

Balance with Bank

Schedule 31

Particulars	As at 31-Mar-18 (Rs.)	As at 31-Mar-17 (Rs.)
Bank2 PNB-4916000100001671	1,047,795.17	8,385,664.17
Total	1,047,795.17	8,385,664.17



Utilisation Certificate

Certified that an amount of Rs.42,344,000.00 received as grants-in-aid received from Department of AIDS Control (NACO) during the Fin.Year 2017-18 vide letter No. given below and opening Cash/Bank Balance Rs. 8,385,664.17 (and Current Liabilities of Rs.0.00)and outstanding Advances for Rs. 2,293,387.11 on account of unspent balance brought forward from the previous financial year, and Bank Interest and Miscellaneous Receipts of Rs. 459,521.00. a sum of Rs. 50,088,542.64 has been utilized for the purpose for which it was sanctioned and the Cash/Bank balance of Rs. 1,047,795.17 (and Current Liabilities of Rs. 0.00)and outstanding advances of Rs.2,346,234.47. 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
1.	T-11017/03/2017-18 - NACO (FIN) 15 th May 2017	1,43,48,000.00
2.	T-11017/03/2017-18 NACO (FIN) 27 th July 2017	1,43,48,000.00
3.	T-11017/03/2017-18 NACO (FIN) 7 th Sept 2017	71,72,000.00
4.	T-11017/03/2017-18 NACO (FIN) 5 th Jan 2018	64,88,000.00
	Total	42,344,000.00

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

Counter signed

(Chartered Accountant)

(Project Director)

Opening balance of Net Current Assets	Amount (Rs.)
Bank2 PNB-4916000100001671	8,385,664.17
Advance to Others	125,755.00
Advance to District Authorities	2,167,632.11
	<u>10,679,051.28</u>
Sources of funds	Amount (Rs.)
Grant from NACO to SACS	42,344,000.00
	<u>42,344,000.00</u>
Utilisation of funds	Amount (Rs.)
Training	230,028.00
Salary	45,591,771.00
Travelling Expenses	19,198.00
Bank Charges	427.00
Employer's Contribution to CPF	1,939,978.00
Expenses on ICTC centre set up and maintenance	2,072,208.64
Other Administration Cost	206,932.00
Office Equipment	28,000.00
	<u>50,088,542.64</u>
Bank Interest & Miscellaneous Receipts	Amount (Rs.)
Interest from Bank	459,521.00
	<u>459,521.00</u>
Closing balance of Net Current Assets	Amount (Rs.)
Bank2 PNB-4916000100001671	1,047,795.17
Advance to Others	125,755.00
Advance to District Authorities	2,220,479.47
	<u>3,394,029.64</u>

