



N. C. DAS & CO.

Chartered Accountants

Firm Regn. No. 305021E

S. C. Goswami Road

Goswami Building

Panbazar

Guwahati-781001

Dial : 0361-2545625 (O)

2471515 (R)

AUDITOR'S REPORT

**The Project Director,
Manipur State AIDS
Control Society,
Imphal,
Manipur.**

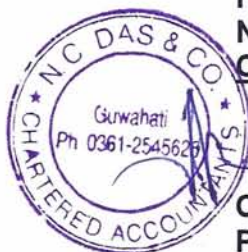
We have audited the accompanying financial statements of **MANIPUR STATE AIDS CONTROL SOCIETY** in respect of **GFATM-Round-VII** as at August 31, 2015 and Income & Expenditure Account and Receipts & Payments Account for the period ended on that date annexed thereto. Our responsibility is to express an opinion on these financial statements based on our audit.

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 mis-statement. 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.

In our opinion, the financial statements, read with observation in Annexure-I, give a true and fair view of the Sources and Application of Funds and the financial position of **GFATM Round-VII** of **MANIPUR STATE AIDS CONTROL SOCIETY, IMPHAL** for the period ended August, 31st 2015, in accordance with consistency applied accounting standards.

In addition, (a) with respect of IFRs, adequate supporting documentation have 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.

**DATED : GUWAHATI
The 7th August, 2015.**



**For and on behalf of
N. C. DAS & CO.
Chartered Accountants.**

**CA. N. C. DAS.
Partner
Membership No. 007207**



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ANNEXURE '1'

**OBSERVATIONS ON THE ACCOUNT OF GFATM ROUND -VII OF
MANIPUR STATE AIDS CONTROL SOCIETY, IMPHAL FOR
THE PERIOD FROM 1ST APRIL, 2014 TO 31ST MARCH, 2015.**

1. Constant follow up required to avoid accumulation of outstanding advances for a long period.
2. During the year no physical verification of stock was conducted by the management.
3. TDS & VAT should be deducted and deposited within the stipulated time in order to avoid penalty.
4. As per NACO guidelines all assets need to be adequately insured.
5. an amount of Rs. 39.55 Lacs was temporarily transferred from the state Govt. one time grant of Rs. 3.01 Crores..
6. The society has not yet filed any Income Tax return. Urgent steps to be taken to file the Income Tax return and to get exemption u/s 10 (46) or 12 (A) of the Income Tax Act. 1961.

7. CASH TRANSACTIONS :

Generally all the payments are made through cheques / electronic transfer as revealed from Bank statement.



Contd..2



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8. PROCUREMENT :

On our random checking we did not find any serious irregularities in procurement procedure.

Subject to the above we comment that :-

- a) All funds sent by GOI as grant-in-Aid have been used in accordance with the conditions laid down in the Project Implementation Plan and World Bank agreements.
- b) All funds have been used in accordance with the relevant financing agreements, with due attention to economy and efficiency, and only for the purposes for which they were provided.
- c) All expenditure, including procurement of goods and services have been carried out as per the procurement manual of the programme.
- d) All the goods procured and issued are supported by valid receipts and issue documents and are recorded in the stock/inventory registers and the closing balance worked out correctly.
- e) The expenditures reported as per the quarterly FMR also are in agreement with the audited expenditure/books of accounts.

For and on behalf of
N. C. DAS & CO.
Chartered Accountants.



CA. N. C. DAS.
Partner
Membership No 007207

Dated : Guwahati
The 7th August, 2015.



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MANAGEMENT LETTER

ON THE ACCOUNTS OF MANIPUR STATE AIDS CONTROL SOCIETY,
GFATM ROUND -VII IMPHAL FOR THE YEAR 2014-2015

In terms of Ministry of Health & Family Welfare guidelines we submit our management letter as follows :-

- | | | | |
|----|--|---|---|
| a) | Comments and observations on the accounting records, systems, and controls that were examined during the course of the audit; | : | The society is maintaining proper books & records as revealed from our test checking. |
| b) | Specific deficiencies and areas of weaknesses in system and controls and make recommendation for their improvement; | : | Constant follow up required to adjust the advances made to various authorities. |
| c) | Comment on the adequacy of segregation of duties in the SACS. | : | In spite of our repeated suggestion the society has not yet appointed store officer as per NACO guidelines to have better control on procurement and store. |
| d) | Report on the degree of compliance with the financial/internal control procedures as documented in the financial manual of the project, of each of the financial covenants on the financing agreement and give comments, if any, on internal and external matters affecting such compliance, | : | Subject to our observations in Annexure 'I' degree of compliance were found to be adequate. |
| e) | Report any procurement which has not been carried out as per the procurement manual issued by NACO. | : | No serious deviation observed in course of our test checking. |
| f) | Communicate matters that have come to attention during the audit which might have a significant impact on the implementation of the society, | : | On our random checking we did not find any serious irregularity. |
| g) | Bring to attention any other matters that the auditors considers pertinent. | : | Steps to be taken to get the irregularities rectified as pointed out by the Internal Auditors and NGO Auditors. |



For and on behalf of
N. C. DAS & CO.
Chartered Accountants.

CA. N. C. DAS.
Partner
Membership No. 007207

Dated : Guwahati
The 7th August, 2015.

Manipur SACS - GLOBAL FUND VII

R & D Wing Lamphelpat , Imphal - 795004

National AIDS Control Project - Phase III

Utilisation Certificate

Certified that an amount of Rs. 16,755,000.00 received as grants-in-aid received from Department of AIDS Control (NACO) during the Fin.Year 2014-15 vide letter No. given below and opening Cash/Bank Balance Rs. 2,381,208.00 (and Current Liabilities of Rs.0.00)and outstanding Advances for Rs. 2,737,525.00 on account of unspent balance brought forward from the previous financial year, and Bank Interest and Miscellaneous Receipts of Rs. 120,594.00. a sum of Rs. 25,853,483.00 has been utilized for the purpose for which it was sanctioned and the Cash/Bank balance of Rs. 81,594.00 (and Current Liabilities of Rs. 9,750.00)and outstanding advances of Rs.-3,931,000.00. 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
1.	T-18017/01A/2014-15-NACO(Fin) Recd dt. 20.05.2014	7000000.00
2.	T-18017/01/2014-15/NACO(F) dt. 23.09.2014	9755000.00
	Total	16,755,000.00

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

Co-signature

Gowahati
0361-2545625
(Chartered Accountant)

(Project Director)

Project Director
Manipur State AIDS Control Society
IMPHAL

Opening balance of Net Current Assets	Amount (Rs.)
Bank Rd-VII	2,381,208.00
Advance to NGOs	2,737,525.00
	<u>5,118,733.00</u>
Sources of funds	Amount (Rs.)
Grant from NACO to SACS	16,755,000.00
	<u>16,755,000.00</u>
Utilisation of funds	Amount (Rs.)
IEC	2,773,000.00
Consultants and Consultancy Services	14,750.00
Operational Expenses	268,673.00
Training	2,416,095.00
Salary	15,468,250.00
Equipment Maintenance	60,540.00
Building Maintenance	27,250.00
Travelling Expenses	3,510,000.00
Rent, Rates & Taxes	277,500.00
Telephone/Communication Expenses	169,987.00
Miscellaneous Expenses	90,490.00
Printing & Stationery	131,200.00
Monitoring & Evaluation (SIMS)	470,238.00
Water and Electricity Charges	32,965.00
Postage/Courier	16,545.00
Red Ribbon Clubs/Youth Friendly Clubs	63,000.00
PLHA Expenses	63,000.00
	<u>25,853,483.00</u>
Bank Interest & Miscellaneous Receipts	Amount (Rs.)
Interest from Bank	120,594.00
	<u>120,594.00</u>
Current Liabilities	Amount (Rs.)
TDS (Others)	9,750.00
	<u>9,750.00</u>
Closing balance of Net Current Assets	Amount (Rs.)
Bank Rd-VII	81,594.00
Advance to NGOs	24,000.00
Inter Unit Fund Transfer	-3,955,000.00
	<u>-3,849,406.00</u>



Balance Sheet

For The Period From : 01-Apr-2014 To :31-Mar-2015

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.)
5,118,733.00	GENERAL FUND	01	(3,859,156.00)	1,217,115.00	FIXED ASSETS	02	1,217,115.00
	CURRENT LIABILITIES AND PROVISIONS				CURRENT ASSETS, LOANS AND ADVANCES		
0.00	CURRENT LIABILITIES	0501	9,750.00	2,381,208.00	CURRENT ASSETS	0301	81,594.00
1,217,115.00	FIXED ASSET FUND		1,217,115.00	2,737,525.00	LOANS AND ADVANCES	0401	-3,931,000.00
<u>6,335,848.00</u>			<u>(2,632,291.00)</u>	<u>6,335,848.00</u>			<u>(2,632,291.00)</u>



Auditor

FC/FM/FO

Finance Officer
Manipur State AIDS Control Society
IMPHAL

Project Director

Project Director
Manipur State AIDS Control Society
IMPHAL

Grand Total	1'312'112'00	0'00	0'00	1'312'112'00
Furniture, Fixtures & Supplies (2503)	410'502'00	0'00	0'00	410'502'00
Equipment (Other) (2504)	800'820'00	0'00	0'00	800'820'00
Particulars	Opening Balance	Addition	Deletion	Closing Balance

Figures in Rubles

Fixed Asset

Schedule 05

Closing grant in aid	3'820'120'00	2'118'233'00
Grants utilised to the extent of revenue expenditure	32'233'880'00	32'233'880'00
Less: Utilised during the year		
Grant from NVCO to SVCS	10'222'000'00	31'142'000'00
Adq: Received during the year		
Opening grant in aid	2'118'233'00	1'312'255'00
Particulars	(Rs) 31-Mar-12 Vs 31	(Rs) 31-Mar-14 Vs 31

Figures in Rubles

General Fund

Schedule 01



Funds from Other Sources

Schedule 03

Figures in Rupees

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



Figures in Rupees		
Particulars	As at 31-Mar-15 (Rs.)	As at 31-Mar-14 (Rs.)
Bank Rd-VII	81,594.00	2,381,208.00
Total	81,594.00	2,381,208.00

LOANS AND ADVANCES

Schedule 0401

Figures in Rupees

Particulars	As at 31-Mar-15 (Rs.)	As at 31-Mar-14 (Rs.)
Advance to NGOs	24,000.00	2,737,525.00
Inter Unit Fund Transfer	-3,955,000.00	0.00
Total	-3,931,000.00	2,737,525.00

CURRENT LIABILITIES

Schedule 0501

Figures in Rupees

Particulars	As at 31-Mar-15 (Rs.)	As at 31-Mar-14 (Rs.)
TDS (Others)	9,750.00	0.00
Total	9,750.00	0.00



NACO

Manipur SACS - GLOBAL FUND VII

[Draft]

R & D Wing Lamphelpat , Imphal - 795004

National AIDS Control Project - Phase III

Income And Expenditure Account For The Period From : 01-Apr-2014 To :31-Mar-2015

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.)
3,302,000.00	IEC		2,773,000.00	375,314.00	Other Income	28	120,594.00
0.00	Consultants and Consultancy Services		14,750.00	27,243,989.00	Grants utilised to the extent of revenue expenditure		25,732,889.00
490,762.00	Monitoring & Evaluation (SIMS)		470,238.00				
1,577,222.00	Training and Workshops	08	2,479,095.00				
16,216,250.00	Salary (Pay and Allowances)	13	15,468,250.00				
109,460.00	Maintenance Costs	14	87,790.00				
5,923,609.00	Operational Expenses	15	4,560,360.00				
<u>27,619,303.00</u>			<u>25,853,483.00</u>	<u>27,619,303.00</u>			<u>25,853,483.00</u>



Other Income

Schedule 28

Particulars	As at 31-Mar-15 (Rs.)	As at 31-Mar-14 (Rs.)
Interest from Bank	120,594.00	375,314.00
Total	120,594.00	375,314.00

Training and Workshops

Schedule 08

Particulars	As at 31-Mar-15 (Rs.)	As at 31-Mar-14 (Rs.)
Training	2,416,095.00	1,498,472.00
Red Ribbon Clubs/Youth Friendly Clubs	63,000.00	78,750.00
Total	2,479,095.00	1,577,222.00

Salary (Pay and Allowances)

Schedule 13

Particulars	As at 31-Mar-15 (Rs.)	As at 31-Mar-14 (Rs.)
Salary	15,468,250.00	16,216,250.00
Total	15,468,250.00	16,216,250.00



Maintenance Costs

Schedule 14

Particulars	As at 31-Mar-15 (Rs.)	As at 31-Mar-14 (Rs.)
Equipment Maintenance	60,540.00	72,960.00
Building Maintenance	27,250.00	36,500.00
Total	87,790.00	109,460.00

Operational Expenses

Schedule 15

Particulars	As at 31-Mar-15 (Rs.)	As at 31-Mar-14 (Rs.)
Operational Expenses	268,673.00	334,051.00
Travelling Expenses	3,510,000.00	4,530,000.00
Rent, Rates & Taxes	277,500.00	390,000.00
Telephone/Communication Expenses	169,987.00	228,163.00
Miscellaneous Expenses	90,490.00	118,000.00
Printing & Stationery	131,200.00	179,290.00
Water and Electricity Charges	32,965.00	43,535.00
Postage/Courier	16,545.00	21,820.00
PLHA Expenses	63,000.00	78,750.00
Total	4,560,360.00	5,923,609.00



Receipt And Payment Account

For The Period From : 01-Apr-2014 To :31-Mar-2015

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.)
	Opening Balance:			30,133,298.00	LOANS AND ADVANCES	17	22,651,145.00
1,108,854.00	Balance with Bank	30	2,381,208.00	0.00	Training and Workshops	20	15,345.00
0.00	LOANS AND ADVANCES	17	3,955,000.00	0.00	Salary (Pay and Allowances)	25	72,000.00
31,147,000.00	GENERAL FUND	29	16,755,000.00	0.00	Maintenance Costs	26	750.00
375,314.00	Other Income	56	120,594.00	0.00	Operational Expenses	27	31,250.00
<u>32,631,168.00</u>			<u>23,211,802.00</u>	116,662.00	Monitoring & Evaluation (SIMS)		359,718.00
					Closing Balance:		
				2,381,208.00	Balance with Bank	31	81,594.00
				<u>32,631,168.00</u>			<u>23,211,802.00</u>



LOANS AND ADVANCES

Schedule 17

Particulars	As at 31-Mar-15 (Rs.)	As at 31-Mar-14 (Rs.)
Inter Unit Fund Transfer	3,955,000.00	0.00
Total	3,955,000.00	0.00

GENERAL FUND

Schedule 29

Particulars	As at 31-Mar-15 (Rs.)	As at 31-Mar-14 (Rs.)
Grant from NACO to SACS	16,755,000.00	31,147,000.00
Total	16,755,000.00	31,147,000.00

Balance with Bank

Schedule 30

Particulars	As at 31-Mar-14 (Rs.)	As at 31-Mar-13 (Rs.)
Bank Rd-VII	2,381,208.00	1,108,854.00
Total	2,381,208.00	1,108,854.00



Other Income

Schedule 56

Particulars	As at 31-Mar-15 (Rs.)	As at 31-Mar-14 (Rs.)
Interest from Bank	120,594.00	375,314.00
Total	120,594.00	375,314.00

LOANS AND ADVANCES

Schedule 17

Particulars	As at 31-Mar-15 (Rs.)	As at 31-Mar-14 (Rs.)
Advance to NGOs	22,607,625.00	30,124,198.00
Advance to Staff	43,520.00	9,100.00
Total	22,651,145.00	30,133,298.00

Training and Workshops

Schedule 20

Particulars	As at 31-Mar-15 (Rs.)	As at 31-Mar-14 (Rs.)
Training	15,345.00	0.00
Total	15,345.00	0.00



Salary (Pay and Allowances)

Schedule 25

Particulars	As at 31-Mar-15 (Rs.)	As at 31-Mar-14 (Rs.)
Salary	72,000.00	0.00
Total	72,000.00	0.00

Maintenance Costs

Schedule 26

Particulars	As at 31-Mar-15 (Rs.)	As at 31-Mar-14 (Rs.)
Equipment Maintenance	500.00	0.00
Building Maintenance	250.00	0.00
Total	750.00	0.00



Operational Expenses

Schedule 27

Particulars	As at 31-Mar-15 (Rs.)	As at 31-Mar-14 (Rs.)
Operational Expenses	500.00	0.00
Travelling Expenses	22,000.00	0.00
Rent, Rates & Taxes	5,000.00	0.00
Telephone/Communication Expenses	1,800.00	0.00
Miscellaneous Expenses	500.00	0.00
Printing & Stationery	1,000.00	0.00
Water and Electricity Charges	300.00	0.00
Postage/Courier	150.00	0.00
Total	31,250.00	0.00

Balance with Bank

Schedule 31

Particulars	As at 31-Mar-15 (Rs.)	As at 31-Mar-14 (Rs.)
Bank Rd-VII	81,594.00	2,381,208.00
Total	81,594.00	2,381,208.00





Manipur SACS - GLOBAL FUND VII

National AIDS Control Project - Phase III

Bank Reconciliation Statement

Bank Code Bank Rd-VII (3113)

As on 31-Mar-2015

Particulars	Amount (Rs.)	Amount (Rs.)
Closing Balance as per Bank Book		81,594.00
ADD		
Cheques issued but not presented for payment	13,822,875.00	
Directly Credited by Bank	0.00	
		13,822,875.00
LESS		
Cheques deposited but not cleared	3,006,230.00	
Directly Debited by Bank	0.00	
		3,006,230.00
Closing Balance as per Bank Statement		10,898,239.00



Cheques deposited but not cleared

Voucher Number	Voucher Date	GL Head	Particulars	Instrument Number	Instrument Date	Amount (Rs.)
BRV/0	31-Mar-2015	Advance to Staff (3205)	Being amount recovered against the unspent balance for 9 nos. LWS Project Evaluation.	114543	31-Mar-2015	6,230.00
BRV/0	31-Mar-2015	Inter Unit Fund Transfer (4402)	Being amount recovered from GFATM Rd. VII as IUFT.	RTGS	31-Mar-2015	3,000,000.00
						<u>3,006,230.00</u>

Cheques issued but not presented for payment

Voucher Number	Voucher Date	GL Head	Particulars	Instrument Number	Instrument Date	Amount (Rs.)
BPV/0	31-Mar-2015	Advance to NGOs (3203)	Being amount paid as advance for LWS for the period from September to March, 2015.	RTGS	31-Mar-2015	1,535,875.00
BPV/0	31-Mar-2015	Advance to NGOs (3203)	Being amount paid as advance for LWS for the period from September to March, 2015.	RTGS	31-Mar-2015	1,535,875.00
BPV/0	31-Mar-2015	Advance to NGOs (3203)	Being amount paid as advance for LWS for the period from September to March, 2015.	RTGS	31-Mar-2015	1,535,875.00
BPV/0	31-Mar-2015	Advance to NGOs (3203)	Being amount paid as advance for LWS for the period from September to March, 2015.	RTGS	31-Mar-2015	1,535,875.00
BPV/0	31-Mar-2015	Advance to NGOs (3203)	Being amount paid as advance for LWS for the period from September to March, 2015.	RTGS	31-Mar-2015	1,535,875.00
BPV/0	31-Mar-2015	Advance to NGOs (3203)	Being amount paid as advance for LWS for the period from September to March, 2015.	RTGS	31-Mar-2015	1,535,875.00
BPV/0	31-Mar-2015	Advance to NGOs (3203)	Being amount paid as advance for LWS for the period from September to March, 2015.	RTGS	31-Mar-2015	1,535,875.00
BPV/0	31-Mar-2015	Advance to NGOs (3203)	Being amount paid as advance for LWS for the period from September to March, 2015.	RTGS	31-Mar-2015	1,535,875.00
BPV/0	31-Mar-2015	Advance to NGOs (3203)	Being amount paid as advance for LWS for the period from September to March, 2015.	RTGS	31-Mar-2015	1,535,875.00
						<u>13,822,875.00</u>

