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AUDITORS'I TOTT

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THE PROJECT DIRECTOR, ORISSA STATE AIDS CONTROL SOCIETY, ORISSA, BHUBANESWAR.

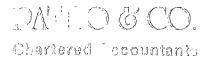
- A. We have audited the accompanying financial statements of POOL FUND OF ORISSA STATE AIDS CONTROL SOCIETY, ORISSA, BHUBANESWAR as at 31<sup>st</sup> March, 2008 for the year then ended. Our responsibility is to express an opinion on these financial statements based on our audit.
- B. We have conducted the audit in accordance with Accounting Standards issued by the Institute of Character 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 and disclosures in the financial statements. An audit also includes assessing the accounting principles used and india indicates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- C. Non-provision for depreciation on Fixed Assets in the accounts which is not in consonance with Accounting Standard AS 6 on "Depreciation Accounting" issued by the Institute of C / Accountants of India, the of which on the accounts is not ascertainable. (Refer Para 4 of Significant Accounting Policy)
- D. Accounting for fixed Assets acquired by NGOs, Blood Banks, Communication Centres etc. as revenue expenditure in the accounts is not in consonance with Accounting Standard AS-10 on "Accounting for Fixed Assets" issued by the Institute of Chartered Accountants of India, the matter of which on the accounts is not ascertainable. (Refer Para 6 of Notes on Accounts)
- E. Non inclusion of the value of fixed assets transferred from Department of Orissa State Health and Family Welfare Society, Govt. of Orissa in the financial year is not in consonance with the Accounting Standard (AS-10) in "Accounting for fixed assets" issued by the Institute of Chartered Accountants of India, the effect of which in the accounts is not ascertainable. (Refer Para 1 of Notes on Accounts)
- F. Non adjustment of old advances given to various district authorities, staff and suppliers is not in consonance with the generally accepted accounting principles resulting in understatement of expenditure and over statement of advances to that extent. (Refer Para 3 of Notes on Accounts)
- G. Further to our comments in Paras C,D,E & F above, in our opinion, the financial statements together with notes thereon give a true and fair view of the Sources and Applications of Funds and Income & Expenditure Account of National AIDS Control Project, Phase III carried out by "ORISSA STATE AIDS CONTROL SOCIETY" for the year ended 31<sup>st</sup> March, 2008 and the Balance Sheet as at that date are drawn up in accordance to the Accounting Standards issued by the Institute of Chartered Accountants of India. In addition, with respect to SOEs, adequate supporting documentation has been maintained to support claims to the World Bank for reimbursement of expenditure incurred and these expenditures are eligible for financing under the Loan/Credit agreement (Ln/Cr. No. 3242 IN).

for PATRO & CO., Chartered Accountants

(Amit Ku. Agarwalla)

M.No.063572

Bhubaneswar, Date: 12/09/2008



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ORL A STATE AIDS CONTROL SOCIET Wob: http://www.pairoandco.com BHUBANES WAR POOL FUND, NATIONAL AIDS CONTROL PROJECT-PHASE III

## U. H. AMON CHAMMATE

Certified that out of Amount of Rs. 6,70,43,000/- (Rupees six crores seventy lakhs forty three thousand on!) as Grant-in Aid received during the Year 2007-2008, it includes Rs 2,92,83,000 cheque in transit, from the Ministry of Health and Family Welfare ( Lumal AIDS Control Organisation) vide Letters mentioned here under and Rs.3,72,60,294/- (Rupees three crores seventy two lakhs sixty thousand two hundred and ninety four only) on account of unspent balance brought forward from the previous financial Year 2006-2007, and other receipt amounting to Rs 28,15,408.89 and a sum of Rs.6,91,66,654/- (Rupees six crores ninety one lakh sixty six thousand six hundred fifty four only) has been utilised for the purpose for which it was sanctioned and Rs 11,26,400/- has been refunded to NACO and the balance of Rs.3,63,25,648.89 (Rupees three crores sixty eight lakhs twenty five thousand six hundred forty eight and paisa eighty nine only) remained unutilised at the end of Financial Year and the amount 'NIL' is surrendered to Government will be adjusted towards the Grant- in -Aid payable during the pext year 2008-2009.

SI. No.	Sanction Letter No. and date.	Amount (. )
01	T-11017/* 007-NACO(PFMU) DATED 04.00.2005	3,77,60,000/-
02	T-11017/26/2007-NACO(PFMU) DATED 11.04.2008	2,92,83,000/-
	TOTAL	6.70,43,000/-
-1 C.C.	losing Believes Of 12.3 64,25,675	

Certified that I have satisfied my solf that the conditions may on which the Grant-in-Aid was sanctioned has been duly fulfilled / are being fulfil and I have exercised the following checks to see that the money was actually utilised for the purpose for which it was sanctioned.

Kind of checks exercise:

1) Verification of Cash Book and Vouchers.

2) Verification of Schedule of Expenditure.

PROJECT-DIRECTOR

The aforesaid statement is true and correct.

for PATRO & CO.,

Chartered Accountants.

(Amit Ku. Agarwalla)

Partner

M.No. 063572

Bhubaneswar,
Date: 12.00 2000

# ORISSA STATE Min- CONTROL SHELTY (POOL FUND)

#### BALANCE SHEET AS ON 31ST MARCH, 2008

THE PROPERTY AND INSTITUTE OF STREET OF STREET STREET, AND A STREET STREET, AND A STRE	marer monet of a management personal pe	AMOUNTS(Rs'	A SETS	ra armado el 2004 e por a administra e el colo de la co	AMOUNTS(Rs)
JEME (A) L FUND			El 10, 1±1.		
Opening Balance	30,700,888 00		Furniture & Fixture	1,606,015 00	
\rdd: Excess of Income over Expenditure during	163 800 00	30,947,688.00	Add Purchase	5,400 00	1,611,415 00
the year	100,000 00	30,947,000.00	Blood Safety Equipment	715,477 00	
·			Add Purchase	119,960 00	835,437.00
State of the South of the Southof of the South of the South of the South of the South of the Sou			Computers	216,925 00	
			Add Purchase	38,440 00	255,365.00
Loan from SMU Fund	1,000,000 00	10 000 000 00			
.ea.ı from GFTAM Fund	15,000,000 00	16,000,000 00	Office Equipment Add. Purchase	296,312 00	296,312.00
Earnest Money Deposits		290,754.00	Add. Purchase	0 00	290,312.00
Justient Crant		36,825,648 89	CUTRRENT ASSET 1 1 10 1 10 1	1	
			Security Deposit with Telecom Department		70,000 00
			Advances to Institution and others		
			Opening Balance	39,922,214 00	
			Add Civen During the year	53,068,443.00	
				92,990,657 00	10 711 517 60
			Less Adjusted/Refunded	43,249,109 11	49,741,547 89
			Cheque in Transit		29,283 000 00
			Recoverable from Capacity Building Fund		1,000.00
			Recoverable from GFATM Fund		1,374,551 00
			$\underline{\mathbf{c}}_{e_1},\underline{\mathbf{t}}_{e_2},\underline{\mathbf{e}}_{e_3},\underline{\mathbf{e}}_{e_4},\dots,\underline{\mathbf{e}}_{e_{n-1}},\underline{\mathbf{e}}_{e_{n-1}},\dots,\underline{\mathbf{e}}_{e_{n-1}},$		
			State Bank of India	289,009 00	
			UCO Bank	306,454 00	595,463 00
		84,064,090.89			84,064,090.89

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS - SCHEDULE - 1

for ORISSA STATE AIDS CONTROL SOCIETY

Date 12 09 2008 Place: Bhubaneswar

DEPUTY DIRECTOR (FINANCE)

PROJECT DIRECTOR

As per report of even date attached for PATRO & CO

for PATRO & CO
Chartered Accountants

(Amit Kumar Agarwalla) Partner

M. No 063572

#### URISSA STATE HI! CON HOLSOF

## (POOL FUND)

## RECEIPT & PAYMENT ACCOUNT FOR THE PERIOD FROM 01.04.2007 TO 31.03.2008

ENCEPT	THE STATE OF THE S	I-	**************************************	'	· I
OPENING : ALANCES Allahabad Bank Indian Overseas Bank - 1437 Indian Overseas Bank - 1408	14,768,187 00 49,024 00 2,988,316 00		I. PREVENT NEW INFECTION  1 TARGETED INTERVENTIONS  Amongst HRG  Amongst Bridge Population	391,747 00 279,540 00	5,780,720 00
Indian Overseas Bank - 1720 OSCB Ltd State Bank of India	6,262,128 00 1,994 00 176,187 00		PSU Expenses 2 IEC & AWARENESS	5 109,433 00	3,760,720 09
UCO Bank SB - 8368 Limited Bank of India-CA-390	306,454 00 286,487 00	24,838,777 00	IEC & Awareness		2,321,616 10
		,,	3 STD SERVICES		4,485,892 00
Grant-in-Aid		37,760,000 00	4 CONDOM PROMOTION		2,809 00
Interest on Bank Deposits		1,101,840 00	5 BLOOD SAFETY District Blood Bank		2,100,035 00
E./ID Received		139,391 00	H. CAR [1917] of [1917].  Drop-in-Centres		91,218 00
Other Reciept		518,076 00	<u> 10 k (p. 200) (p. 15 k (p. 15 k</u>	0.275.040.00	31,210 00
Sale of Tender paper		121,000 00	Admin Cost Salary & OE  Maint & Calibration of BB equipoments  Training & Capacity Building	9,375,949 00 784 801 00 3,241 00	10,163,991 00
Reciept of Cheque in Iransit		952,000 00	Training & Capacity Bollung	3,24100	10,100,551 00
Refund from Institution against Advances		2,397,689 00	Sentinel Surveillence		1,035,864 00
Refund from Individual against Advances		457,583 00	V. ADVANCE GIVEN Advance to Individual		2,113,651.00
Loan from SMU FUND		1,000,000 00	Advance to Institutional		50,954,792 00
Loan from GF FAM Fund		15,000,000 00	VI. OTHERS EMD Refunded		422,175 00
offued of Grant against Voluntary Blood £ unation(prior period)		2,577,850 00	Art Centre ICTC (General) Voluntary Blood Donation(Prior Period) ICTC (INCL PPTCT)  Recoverable from @inton-Foundation-Fund		193,500 00 1,584,389 00 1,546,550 00 969,590 00 1,000 00
			VII. PAYMENT AGAINST OTHER GRANT FUND		
			GLOBAL FUND FOR AIDS, TB & MALARIA ICTC (INCL PPTCT)		1,374,551 00
			Refund of Unspent Grant of ART		1,126,400 00
			State Bank of India UCO Bank SB - 8368	289,009 00 306,454 00	595,463 00
EXTENSION CONTRACTOR SECURIOR		86,864,206,00	м междуу жана айманда байт жайт мүүсү. Таш үү Бүнгүй байай айман айман айман айман айман айман айман айман айма	www.yarktatakockoppoligiwa.com.compolikake	86,864,206 00
		50,504,200 00			50,504,200 00

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS - SCHEDULE - 1

for ORISSA STATE AIDS CONTROL SQCIETY

As per report of even date attached for PATRO & CO Chartered Accountants

Date: 12 09 2008 Place Bhubaneswar

DEPUTY DIRECTOR (FINANCE)

PROJECT DIRECTOR

(Amit Kumar Agarwalla) Partner M No 063572

## ORISSA STATE AIDS CONTROL!

(POOL FUND)

INCOME AND EXPENDITURE ACCOUNT FOR THE PERIOD FROM 01.04.2007 TO 31.03.2008

CONCENTRAL MATERIAL SECTION AND A MATERIAL SE		Light	The state of the s	The state of the s
I. PREVENT NEW INFECTION			Grant in-Aid	
: TARGETED INTERVENTIONS Amongst HRGmongst Bridge Population PSU Expenses	9,760,435 00 1,560,693 00 6,169,225 00	17,490,353 00	Opening Balance 01 94 2007 Add received including cheque in transit	37 260,294 00 65,916,600 00 103,176,894 00
EC & Awareness		5,299,682 00	Less Unspent on 31 03 2008	<u>36,825,648 89</u> 66 351,245 1
3 STD SERVICES		4,735,865.00	Interest on Bank Deposits(include Rs 35,969 89 of TI Partners Bank Account)	1,145,032 8
E F 12 (12 f ( ) 1 f ( ) f ( )		2,809.00	Other Reciept Sale of Tender paper	518,076 ( 121,000 (
5 BLOOD SAFETY District Blood Bank		2,974,469 00	Prior Period Income	1,031,300
6. EQAS(INCLUDING FOR SRL) EQAS		103,491.00		
Drop-in-Centres		91,218.00		
III. INSTITUTIONAL STRENOTHING Admin. Cost Salary & OE Maini & Calibration of BB equipements Training & Capacity Building	9,422,219 00 784,801 00 3,330,398 00	13,537,418 00		
Sentinel Surveillence		1,131,662.00		
V. O (HERS FHAC		4,742,218 00		
V'. MISCELLANEOUS IUTC(GENERAL) ICTC(INCL PPTCT)	1,496,620 00 1,124,339 00			
ART CENTRE (exp.)  VII PRIOR PERIOD ITEMS	193,500 00	2,814,479 00 16,029,190.00		
Excess of Income over Expenses		163,800.00		

69,166,654.00

69,166,654.00

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS - SCHEDULE - 1

for ORISSA STATE AIDS CONTROL SOCIETY

Date 12.09 2008 Place. Bhubaneswar

DEPUTY DIRECTOR (FINANCE)

PROJECT DIRECTOR

As per report of even date attached for PATRO & CO

Chartered Accountants

rii Kumar Agarwalia) Partner

M. No : 063572

## DOMESTIC STILL DAME RECORD OF CONTROL OF CONTRACT.

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## A. Shaiff and the higher the

## (4) - 1 1; The told (1)

The Accounts have been prepared on historical cost convention in accordance with in generally accepted accounting principle and on cash basis of accounting other than advance given which are accounted for on the basis of utilization certificate received and bills or and

#### TO THE TANK OF THE PARTY OF THE

Grant-in-aid received from NACO and other funding ager- ; are accounted for as revenue receipt in the accounts to the extent it is utilized/spent.

## 8) 1. 1.

" assets are stated at the cost of acquisition. Assets acquired by the NC . . , Blood Banks & Count the J Centres are considered as revenue . . ; Inditure in the accounts.

#### April 1985 Contract

Depreciation has not been provided on Fixed Assets in the accounts.

#### Period !

The Expenditure of a particular voucher is equal to or more than 50% relating to current year then the whole expenditure is treated as current year expenditure and otherwise the same is treated as prior period items.

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- 1. Value of fixed assets tradsferred from Department of Orissa State Health & Family Welfare society, Govt. of Orissa to Orissa State Aids Control Society during the year 1998-99, has not been accounted for in the financial statement, as the cost could not be ascertained.
- 2. The grant-in-aid is recognized as revenue to the extent of revenue expenditure spent and the unutilized balance of grant-in-aid remaining as on 31.03.2008 of Rs.3,68,25,648.89 is being shown under the head "Current liabilities and provision" in the Balance Sheet
- 3. Advance of Rs 4,97,41,548/- represents amount given to various CDMOs ,SDMOs ,Blood Bank Officer etc pending for adjustment and reconciliation .



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- 4. The expenditure incurred under Blood Bank, STD clinic, Counseling Center are accounted for on the basis of Statement of Toponthicae along with Chile in Certificate received from various District authorities.
- 5. PSU Expenses concurring to Rs 61,69,225/- have been accounted for on the basis of Statement of Expenditure along with the utilization certificate from the independent auditors of PSU.
- 6. The expenditure under the head "Prevent 11: 7 Infection", "IFC & Awarneess", Insulvisional Strengthseing" incurred by the NGOs, community care centre, Drop in Centre etc. includes certain capital expenditure.
- 7. The Bank balance of Rs.3,06,454/- with UCO Bank, Secretariat Franch which is lying with Orissa State Heater & Family Welfare Society of Govt, of Orissa and is yet to be transferred to OSACS and is lying unreconciled and balance confirmation certificate as on 31<sup>st</sup> March, 2008 is yet to be obtained..
- 8. Advance includes a grant of Rs.15,00,000/- Find to the Indian ited cross sericly, indicate towards formation of Red Ribbon. The and until Fing activities on Aids Awareness. However, the organisation has not utilized the grant as on 31<sup>st</sup> March, 2007 though terms of the sanction stipulates.
- 9. Legue in Transit 1 , 2,92,83,000/- representing Grant Received from NACO accounted during the time 1 ty 2007-2008, however the cheque was received the ring the month of April, 2008
- 10. Administrative Cost- Salary and OE Expenses includes rent amounting to Rs 5,98,972/- paid to Engional Provident Fund Commission ,BBSR instead of "The Orissa State Co-Operative oil Seeds Growers Extendion Ltd ",as per the letter of the PF Commission.
- 11. Prior Period income amounting to Rs 10,31,300/- represents the written back of excess expenditure accounted for in the Previous Year 2006-07—under Promotion of Voluntary Blood Donation.
- 12. Prior Period Expenses amounting to Rs 1,60,29,190/- represents the adjustment of Advance pertaining to previous Years and as per the New accounting policy of NACO.

for ORISSA STATE AIDS CONTROL SOCIETY

for PATRO & CO., Chartered Accountants

(Amit Ku. Agarwalla)
Partner

M.No.063572

Place: Bhubaneswar, Date: 12/09/2008

PROJECT DIRECTOR

DY. DIRECTOR (FINANC