



A.V. Ratnam & Co.,

CHARTERED ACCOUNTANTS

180/2 RT, Upstairs, Opp.Vijayanagar Colony Park-2, Vijayanagar Colony, HYDERABAD - 500 057.

Ref: _____

AUDIT REPORT

Date: 11/08/2017

TO
The Project Director,
Andhra Pradesh State AIDS Control Society,
Gollapudi, Vijayawada.

We have audited the accompanying financial statements of National AIDS Control project- **ROUND-II fund** as of March 31, 2017. 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 from material misstatements. An audit includes examination, on a test check 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 the management, as well as evaluating the overall financial basis for our opinion.

In our opinion, the financial statements, read with observations, if any, give a true and fair view of the sources and Applications of Funds and the financial position of **ANDHRA PRADESH STATE AIDS CONTROL SOCIETY** for the year ended March 31, 2017 in accordance with consistency applied accounting standards.

We submit that

- With respect to IFRS, adequate supporting documentation has been maintained to support the IFRS.
- the expenditure incurred comply with financial norms under the credit/grant agreement.
- Procurement of goods and services has been carried out as per the procurement manual issued by NACO, GOL and NGO/CBO guidelines.

G.K. BABU
Partner
(M.No.213273)

Place: Hyderabad [oncamp to vijayawada]
Date: 11/08/2017

A.V.RATNAM & CO.
CHARTERED ACCOUNTANTS
180/2, RT. R.R.SADAN
Vijayanagar Colony, HYDERABAD-57

To
The Project Director,
Andhra Pradesh State AIDS Control Society,
Gollapudi, Vijayawada.

Sir,

Sub: Management Letter for the year 2016-17-Reg.


In continuation to our audit report, we are furnishing the "Management Letter" as follows:

The audit was carried out in accordance with relevant accounting standards/practices and / or World Bank guidelines and basing on such tests and controls as we consider necessary under the circumstances. There are no material differences from internationally accepted accounting standards, where relevant.

In our opinion proper books of accounts as required by law, necessary supporting documents, records have been kept in respect of all project ventures.

During our audit, we observed the following deficiencies in systems and controls for which we make the necessary recommendations for their improvement.

Sl.No	Particulars	Observations and Recommendations
(a)	Give comments and observations, if any on the accounting records, systems and controls that were examined during the course of the audit	(i) Observation: NIL Recommendation: NIL


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AP SACS Unit - ICTC

, Hyderabad -

National AIDS Control Project - Phase III

Utilisation Certificate

Certified that an amount of Rs.0.00 received as grants-in-aid received from Department of AIDS Control (NACO) during the Fin.Year 2016-17 vide letter No. given below and opening Cash/Bank Balance Rs. 31,145,500.00 (and Current Liabilities of Rs.0.00)and outstanding Advances for Rs. 11,977,000.00 on account of unspent balance brought forward from the previous financial year, and Bank Interest and Miscellaneous Receipts of Rs. 86,289.00. a sum of Rs. 107,833,034.50 has been utilized for the purpose for which it was sanctioned and the Cash/Bank balance of Rs. 2,653,231.50 (and Current Liabilities of Rs. 0.00)and outstanding advances of Rs.20,214,808.00. remaining unutilized at the end of the year will be adjusted towards the grants-in-aid payable during the next year . **Received Fund Rs. 87,492,285.00**

Sl. No.	Sanction letter Number and Date	Amount
		Total 0.00

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

Countersigned

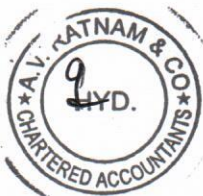
(Chartered Accountant)

A.V.RATNAM & CO.
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HYDERABAD-57

Joint Director (Fin.)
A.P. State Aids Control Society
Koti, Hyderabad-95.

Project Director
A.P. State AIDS Control Society
Koti, Hyderabad-95

Opening balance of Net Current Assets	Amount (Rs.)
Bank 1	1,078,678.00
Cheque in Transit	30,066,822.00
Advance to NGOs	11,977,000.00
	<u>43,122,500.00</u>
Sources of funds	Amount (Rs.)
Recovery/Deduction of Grants	87,492,285.00
	<u>87,492,285.00</u>
Utilisation of funds	Amount (Rs.)
Salary	107,832,919.50
Bank Charges	115.00
	<u>107,833,034.50</u>
Bank Interest & Miscellaneous Receipts	Amount (Rs.)
Interest from Bank	86,289.00
	<u>86,289.00</u>
Closing balance of Net Current Assets	Amount (Rs.)
Bank 1	-19,793,220.50
Cheque in Transit	22,446,452.00
Advance to Others	7,117,808.00
Advance to NGOs	11,977,000.00
Advance to District Authorities	1,120,000.00
	<u>22,868,039.50</u>



AP SACS Unit - ICTC

Hyderabad -

National AIDS Control Project - Phase III

Balance Sheet

For The Period From : 01-Apr-2016 To :31-Mar-2017

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.)
43,122,500.00	GENERAL FUND	01	22,868,039.50	31,145,500.00	CURRENT ASSETS, LOANS AND ADVANCES	0301	2,653,231.50
				11,977,000.00	CURRENT ASSETS	0401	20,214,808.00
43,122,500.00			22,868,039.50	43,122,500.00	LOANS AND ADVANCES		22,868,039.50

V. V. V.
Joint Director (Fin.)
A.P. State Aids Control Society
Kotli, Hyderabad-95.

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Project Director
A.P. State AIDS Control Society
Kotli, Hyderabad-95

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Auditor

A.V.RATNAM & CO.
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Vijayanagar Colony, HYDERABAD-57

Schedule 01

General Fund

Figures in Rupees

Particulars	As at 31-Mar-17 (Rs.)	As at 31-Mar-16 (Rs.)
Opening grant in aid	43,122,500.00	0.00
Add: Received during the year		
Grant from NACO to SACS	0.00	100,870,290.00
Recovery/Deduction of Grants	87,492,285.00	0.00
Less: Utilised during the year		
Grants utilised to the extent of revenue expenditure	(107,746,745.50)	57,747,790.00
Closing grant in aid	22,868,039.50	43,122,500.00

Schedule 02

Fixed Asset

Figures in Rupees

Particulars	Opening Balance	Addition	Deletion	Closing Balance
Grand Total				



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-17 (Rs.)	As at 31-Mar-16 (Rs.)
Bank 1	-19,793,220.50	1,078,678.00
Cheque in Transit	22,446,452.00	30,066,822.00
Total	2,653,231.50	31,145,500.00

LOANS AND ADVANCES

Schedule 0401

Figures in Rupees

Particulars	As at 31-Mar-17 (Rs.)	As at 31-Mar-16 (Rs.)
Advance to Others	7,117,808.00	0.00
Advance to NGOs	11,977,000.00	11,977,000.00
Advance to District Authorities	1,120,000.00	0.00
Total	20,214,808.00	11,977,000.00



, Hyderabad -

National AIDS Control Project - Phase III

Income And Expenditure Account**For The Period From : 01-Apr-2016 To :31-Mar-2017**

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.)
58,895,218.00	Salary (Pay and Allowances)	13	107,832,919.50	37,633.00	Other Income	28	86,289.00
-1,110,000.00	Maintenance Costs	14	0.00	57,747,790.00	Grants utilised to the extent of revenue expenditure		107,746,745.50
205.00	Operational Expenses	15	115.00				
57,785,423.00			107,833,034.50	57,785,423.00			107,833,034.50



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Koti, Hyderabad-95.



Project Director
A.P. State AIDS Control Society
Koti, Hyderabad-95

Other Income

Schedule 28

Particulars	As at 31-Mar-17 (Rs.)	As at 31-Mar-16 (Rs.)
Interest from Bank	86,289.00	37,633.00
Total	86,289.00	37,633.00

Salary (Pay and Allowances)

Schedule 13

Particulars	As at 31-Mar-17 (Rs.)	As at 31-Mar-16 (Rs.)
Salary	107,832,919.50	58,895,218.00
Total	107,832,919.50	58,895,218.00

Maintenance Costs

Schedule 14

Particulars	As at 31-Mar-17 (Rs.)	As at 31-Mar-16 (Rs.)
Vehicle Maintenance	0.00	-1,110,000.00
Total	0.00	-1,110,000.00



Schedule 15

Particulars	As at 31-Mar-17 (Rs.)	As at 31-Mar-16 (Rs.)
Bank Charges	115.00	205.00
Total	115.00	205.00



AP SACS Unit - ICTC

, Hyderabad -

National AIDS Control Project - Phase III

Receipt And Payment Account

For The Period From : 01-Apr-2016 To :31-Mar-2017

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:			8,932,000.00	LOANS AND ADVANCES	17	8,237,808.00
	Balance with Bank	30	31,145,500.00	60,830,218.00	Salary (Pay and Allowances)	25	107,832,919.50
100,870,290.00	GENERAL FUND	29	87,492,285.00	205.00	Operational Expenses	27	115.00
37,633.00	Other Income	56	86,289.00		Closing Balance:		
			118,724,074.00	31,145,500.00	Balance with Bank	31	2,653,231.50
				100,907,923.00			118,724,074.00

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[Signature]

Joint Director (Fin.)
A.P. State Aids Control Society
Koti, Hyderabad-95.

[Signature]

Project Director
A.P. State AIDS Control Society
Koti, Hyderabad-95

GENERAL FUND

Schedule 29

Particulars	As at 31-Mar-17 (Rs.)	As at 31-Mar-16 (Rs.)
Grant from NACO to SACS	0.00	100,870,290.00
Recovery/Deduction of Grants	87,492,285.00	0.00
Total	87,492,285.00	100,870,290.00

Balance with Bank

Schedule 30

Particulars	As at 31-Mar-16 (Rs.)	As at 31-Mar-15 (Rs.)
Bank 1	1,078,678.00	0.00
Cheque in Transit	30,066,822.00	0.00
Total	31,145,500.00	0.00

Other Income

Schedule 56

Particulars	As at 31-Mar-17 (Rs.)	As at 31-Mar-16 (Rs.)
Interest from Bank	86,289.00	37,633.00
Total	86,289.00	37,633.00



LOANS AND ADVANCES

Schedule 17

Particulars	As at 31-Mar-17 (Rs.)	As at 31-Mar-16 (Rs.)
Advance to Others	7,117,808.00	0.00
Advance to NGOs	0.00	8,932,000.00
Advance to District Authorities	1,120,000.00	0.00
Total	8,237,808.00	8,932,000.00

Salary (Pay and Allowances)

Schedule 25

Particulars	As at 31-Mar-17 (Rs.)	As at 31-Mar-16 (Rs.)
Salary	107,832,919.50	60,830,218.00
Total	107,832,919.50	60,830,218.00

Operational Expenses

Schedule 27

Particulars	As at 31-Mar-17 (Rs.)	As at 31-Mar-16 (Rs.)
Bank Charges	115.00	205.00
Total	115.00	205.00



Balance with Bank

Schedule 31

Particulars	As at 31-Mar-17 (Rs.)	As at 31-Mar-16 (Rs.)
Bank 1	-19,793,220.50	1,078,678.00
Cheque in Transit	22,446,452.00	30,066,822.00
Total	2,653,231.50	31,145,500.00



Bank Reconciliation Statement

Round- II

Balance as per Bank Statement	2,028,232.00
Note	<u>625,000.00</u>
Balance as per Cash Book	2,653,232.00

Note;

Rs 6,25,000 was to be released from CSC Account to RCC-II Account

Actually amount should e withdraw from State Government Account but it was relesed from NACO account in 2015-16

Last year only we intimated to Transfer From State Government Account to Naco Account but till it was Pending.



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