



**HABIBULLAH & CO.**  
**Chartered Accountants**

Tel.: 0651-6570472 (0), 9334713395, 2244785  
35, Co-operative Shopping Complex  
Road No. - 2, Ashok Nagar, Ranchi - 834002  
e-mail : hbcc\_ranchi@yahoo.com

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Ref. No.: .....

Date : .....

**Auditor's Report**

To  
The Project Director of  
Jharkhand State Aid Control Society  
Ranchi.

1. We have audited the attached Balance Sheet of Jharkhand State Aid Control Society, Ranchi (Pool Fund) for the period 1<sup>st</sup> April 2012 to 30<sup>th</sup> September 2012 and also the Income & Expenditure Account along with Receipt & Payment Account for the period ended on that date. These financial statements are the responsibilities of the Society's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the Auditing Standard generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit includes examination, on a test basis, evidence supporting the amounts 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.
3. *Attention is drawn towards observations in Annexure A.*
4. Further to our comments mentioned under Annexure – "A" forming part of our Audit Report we report that: -
  - i. We have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purpose of our audit.



- ii. 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 those Books .
- iii. The Balance Sheet, Income & Expenditure Account and Receipt & Payment Account dealt with by this report are in agreement with the books of accounts kept & maintained by the society.
- iv. In our opinion and to the best of our information and according to the explanation given to us, the said accounts read with Accounting Policies & Notes to Accounts and Annexure "A" forming part of our audit report give the information as required by NACO guidelines in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
  - a. In case of Balance Sheet, of the state of affairs of the Society as on 30<sup>th</sup> September, 2012 ,
  - b. In case of Income and Expenditure Account, of the deficit adjusted through utilization of grant for the year ended on that date and
  - c. In case of Receipt & Payment Account, of the cash flow for the period ended on that date.
  - d. Adequate supporting documentation has been maintained to support **claim to the World Bank & Pool Fund** for reimbursements of expenditures incurred as mentioned in TOR.

Ranchi

Dated: - The 9<sup>th</sup> Day of April, 2013



For HABIBULLAH & Co.  
Chartered Accountants

(CA. VIVEK AGARWAL)

**Partner**

**Membership No. 400733**

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**ANNEXURE – A TO THE AUDITOR'S REPORT**

- 1) Funds from other sources consisting of ART Grant of Rs. 28.56 Lakh, Bihar State Aids Control Society contribution of Rs. 9.23 Lakh & TB & Malaria Society contribution of Rs. 1.40 Lakh is being carried by society as unutilized funds since more than three years and the whole documentary evidences including original terms & condition of the Grant/ contribution, in support of these carrying amounts have not been produced to audit. Therefore its exhibitions as a liability and its impact on the accounts remained unascertained / unverified.
- 2) Amount of Rs. 274.20 Lakh as Grants in aid could not be utilized by the society as on 30.09.2012 and has been shown as a General Fund of the society. Society has not furnished year wise breakup and detailed terms & conditions of these unutilized Grant in aid. Therefore we are unable to express our opinion on the same and the effect on the accounts.
- 3) The Bank Payment Vouchers Numbering BPV/ 201201000029 to BPV/ 201201000061 and BPV/ 201201000064 relating to travelling expenses amounting to Rs. 7,31,538/- have not been produced to audit and accordingly the expenditure to the above extent with its impact on state of affairs remained unverified as on 30.09.2012.
- 4) Year wise breakup of Loans & Advances provided to NGOs , Autonomous Bodies & Others along with its control register for proper monitoring of its actual utilization by those agencies are not being maintained, therefore we are unable to express our opinion on the same and the effect on the accounts.
- 5) The society has not kept proper & up-to-date Fixed Asset & Stock Register and the systems of Physical verification of the same is also not commensurate the size of society.
- 6) In general vouchers produced for audit were not properly authenticated.







**HABIBULLAH & CO.**  
**Chartered Accountants**

(36)

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Ref. No.: .....

Date : .....

To,  
THE PROJECT DIRECTOR OF  
JHARKHAND STATE AID CONTROL SOCIETY  
SADAR HOSPITAL CAMPUS, PURULIA ROAD,  
RANCHI – 834001

**Sub: Management Letter in connection with POOL Fund for the 6 months period  
1<sup>st</sup> April 2012 to 30<sup>th</sup> September 2012.**

Dear Sir,

During the course of Statutory Audit of Jharkhand State Aid Control Society, Ranchi (Pool Fund) for the period 1<sup>st</sup> April 2012 to 30<sup>th</sup> September 2012, we came across certain deficiencies requires your attention in order to streamline the short comings towards running and maintenance of this Fund of the Society in a prudent, efficient and transparent manner which are mentioned here as under:-

- Weak Internal Control system relating to sanction of advance and its periodic review and reconciliation at regular intervals.
- Non – compliance of NACO guidelines relating to maintenance of Accounting Records, Fixed Asset Register, Stock Register, Petty Cash Book etc.
- Non – compliance of accounts based on uniform format of accounts as prescribed by Government for Accounts of Autonomous bodies.
- Non – Reconciliation of Inter unit transfers at regular intervals.

We are thankful for the sincere and proper co-ordination for your management team.

Ranchi  
Dated: - The 9<sup>th</sup> Day of April, 2013



For HABIBULLAH & Co.  
Chartered Accountants

(CA VIVEK AGARWAL)  
Partner  
Membership No. 400733

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**JHARKHAND STATE AIDS CONTROL SOCIETY**  
**RANCHI**

**POOL FUND**

**NOTES FORMING PART OF ACCOUNTS FOR THE PERIOD 1<sup>ST</sup> APRIL 2012 TO 30<sup>TH</sup>**  
**SEPTEMBER 2012.**

1. Physical Verification of assets has not been conducted by the management.
2. Depreciation has not been charges on Fixed Assets.
3. Cash method of Accounting has been followed by the society during the period under audit.





## Utilisation Certificate

Certified that an amount of Rs. -48,189,439.00 received as grants-in-aid received from Department of AIDS Control (NACO) during the Fin.Year 2012-13 vide letter No. given below and opening Cash/Bank Balance Rs. 66,368,843.51 (and Current Liabilities of Rs.6,137,248.00) and outstanding Advances for Rs. 45,172,488.78 on account of unspent balance brought forward from the previous financial year, and Bank Interest and Miscellaneous Receipts of Rs. 2,843,322.80, a sum of Rs. 32,637,589.62 has been utilized for the purpose for which it was sanctioned and the Cash/Bank balance of Rs. 13,327,552.46 (and Current Liabilities of Rs. 5,920,893.00) and outstanding advances of Rs.20,013,719.01, 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- 11025/4/2012-NACO (Fin.) dated 30-3-12 (Pool Fund to New DBs)	48189439
	Total	-48,189,439.00

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)



(Project Director)

Project Director  
JSACS (Ranchi)



Opening balance of Net Current Assets	Amount (Rs.)
Bank 3	66,368,843.51
Advance to Others	8,304,076.40
Advance to NGOs	16,013,517.00
Advance to Staff	502,667.00
Advance to Autonomous Bodies	1,710,282.38
Advance to District Authorities	16,735,464.00
Security Deposit (Paid)	92,422.00
Inter Unit Fund Transfer	1,814,060.00
	<u>111,541,332.29</u>
Opening balance of Net Current Liabilities	Amount (Rs.)
TDS (Salary)	140,207.00
Security / Earnest Deposit (Received)	2,060,000.00
TDS (Others)	17,722.00
Funds from Other Sources	3,919,319.00
	<u>6,137,248.00</u>
Sources of funds	Amount (Rs.)
Recovery/Deduction of Grants	-48,189,439.00
	<u>-48,189,439.00</u>
Utilisation of funds	Amount (Rs.)
Other Lab. Supplies	138,671.10
IEC	9,061,587.00
NGO Services	770,095.00
Training	2,151,172.40
Salary	4,692,702.00
Equipment Maintenance	19,377.00
Vehicle Maintenance	127,333.00
Travelling Expenses	1,182,198.00
Telephone/Communication Expenses	57,438.00
Honorarium	4,500.00
Bank Charges	698.00
Miscellaneous Expenses	157,075.00
Printing & Stationery	39,746.00
Water and Electricity Charges	-24,833.78
NGO Services for Priority Interventions	10,582,248.00
Surveillance	80,386.00
Postage/Courier	33,226.00
Quality Assessment	211,424.00
Contractual Services - Companies	1,986,035.00
Campaigns	7,700.00
Consumable Items	1,158,811.90
Civil Works	200,000.00
	<u>32,637,589.62</u>



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<b>Bank Interest &amp; Miscellaneous Receipts</b>	<b>Amount (Rs.)</b>
Sale of Bid/Tender Documents	500.00
Other Receipts	2,103,080.80
Interest from Bank	739,742.00
	<u>2,843,322.80</u>
<b>Current Liabilities</b>	<b>Amount (Rs.)</b>
Security / Earnest Deposit (Received)	1,990,000.00
TDS (Others)	11,574.00
Funds from Other Sources	3,919,319.00
	<u>5,920,893.00</u>
<b>Closing balance of Net Current Assets</b>	<b>Amount (Rs.)</b>
Bank 3	13,327,552.46
Advance to Others	4,428,664.00
Advance to NGOs	5,876,447.28
Advance to Staff	83,400.00
Advance to Autonomous Bodies	1,438,031.38
Advance to District Authorities	8,094,754.35
Security Deposit (Paid)	92,422.00
	<u>33,341,271.47</u>

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## Jharkhand SACS - POOL FUND

Sadar Hospital Complex Purulia Road, Ranchi -

National AIDS Control Project - Phase III

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## Balance Sheet

For The Period From : 01-Apr-2012 To :30-Sep-2012

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.)
105,404,084.29	GENERAL FUND	01	27,420,378.47	29,647,197.00	FIXED ASSETS	02	29,847,197.00
	CURRENT LIABILITIES AND PROVISIONS				CURRENT ASSETS, LOANS AND ADVANCES		
2,217,929.00	CURRENT LIABILITIES	0501	2,001,574.00	66,368,843.51	CURRENT ASSETS	0301	13,327,552.46
29,647,197.00	FIXED ASSET FUND		29,847,197.00	45,172,488.78	LOANS AND ADVANCES	0401	20,013,719.01
3,919,319.00	Funds from Other Sources	03	3,919,319.00				
<u>141,188,529.29</u>			<u>63,188,468.47</u>	<u>141,188,529.29</u>			<u>63,188,468.47</u>

M/s Habibullah &amp; Co.

Chartered Accountants

(CA. VIVEK AGARWAL)

Partner

M. No.-40,713

Auditor

FC/PM/FG

Deputy Director (Fin.)

Jharkhand State AIDS Control Society

Ranchi

Project Director

Project Director

JSACS (Ranchi)

# Jharkhand SACS - POOL FUND

[Draft]

Sadar Hospital Complex Purujia Road, Ranchi -  
National AIDS Control Project - Phase III

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## Income And Expenditure Account

For The Period From : 01-Apr-2012 To : 30-Sep-2012

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.)
13,175,903.00	IEC		9,061,587.00	2,954,589.81	Other Income	28	2,843,322.80
63,560.00	Surveillance		80,386.00	81,007,851.72	Grants utilised to the extent of revenue expenditure		29,594,266.82
857,240.00	Kits and Other Lab Supplies	06	1,297,483.00				
4,009,238.75	Training and Workshops	08	2,158,872.40				
41,171,753.00	NGO Services	11	11,352,343.00				
17,845,213.00	Salary (Pay and Allowances)	13	4,697,202.00				
452,122.00	Maintenance Costs	14	146,710.00				
6,387,411.78	Operational Expenses	15	3,643,006.22				
<b>83,962,441.53</b>			<b>32,437,589.62</b>	<b>83,962,441.53</b>			<b>32,437,589.62</b>

**M/s Habibullah & Co.**  
Chartered Accountants

(CA. VIVEK K. ANAND)  
Partner  
M. No -400733

**Deputy Director (Fin.)**  
Jharkhand State AIDS Control Society  
Ranchi

**Project Director**  
JSACS (Ranchi)



# Jharkhand SACS - POOL FUND

Sadar Hospital Complex Purulia Road, Ranchi -

National AIDS Control Project - Phase III

## Receipt And Payment Account

For The Period From : 01-Apr-2012 To :30-Sep-2012

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:		0.00	44,712,439.15	LOANS AND ADVANCES	17	1,218,080.28
64,012,064.63	Cash in hand	30	66,368,843.51	0.00	GENERAL FUND	13	48,189,439.00
10,000,000.00	Balance with Bank	17	6,876,907.65	336,050.00	FIXED ASSETS	16	0.00
68,474,000.00	LOANS AND ADVANCES	29	0.00	25,459.00	CURRENT LIABILITIES	32	216,355.00
689,539.00	GENERAL FUND	32	0.00	6,339.00	Kits and Other Lab Supplies	18	10,236.00
0.00	CURRENT LIABILITIES	43	24,833.78	1,503,418.00	Training and Workshops	20	56,550.00
2,914,670.81	Operational Expenses	56	2,629,735.80	47,526.00	NGO Services	23	1,897,298.00
Other Income			75,900,320.74	17,327,905.00	Salary (Pay and Allowances)	25	3,522,890.00
				384,285.00	Maintenance Costs	26	131,150.00
				9,421,374.00	IEC		5,042,715.00
				0.00	Closing Balance:		
				66,368,843.51	Cash in hand		0.00
				146,090,274.44	Balance with Bank	31	13,327,552.46
							75,900,320.74

M/s Habibullah & Co.  
Chartered Accountants

(CA. VIVEK K. SWAL)  
Partner  
M. No.-400733

Deputy Director (Fin.)  
Jharkhand State AIDS Control Society  
Ranchi

Project Director  
JSACS (Ranchi)