

**Technical Education Quality Improvement  
Programme-III  
(TEQIP-III)**

**Internal Audit Report for the  
Period from 01.04.2020 to 30.09.2020**

**Government College of Engineering,  
Bargur**



**A.R. Krishnan & Associates  
Chartered Accountants**

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**TECHNICAL QUALITY EDUCATIONAL PROGRAMME  
(TEQIP-III)  
INTERNAL AUDIT REPORT FOR THE PERIOD FROM  
01.04.2020 TO 30.09.2020**

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To

The Principal,  
Government College of Engineering  
Bargur 635104

Dear Sir:

**Sub:** Internal Audit report for the period 01.04.2020 to 30.09.2020

We have carried out the Internal Audit of Government College of Engineering,  
Bargur for the period from 01.04.2020 to 30.09.2020

In this connection we submit below the following

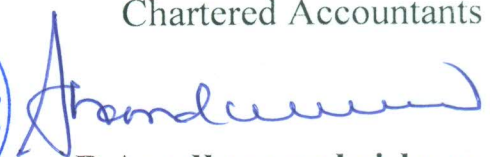
- Receipts and Payments, Income and Expenditure & Balance Sheet
- Audit report along with our observations thereon

Kindly acknowledge the receipt of hard copy. We shall be pleased to offer  
any further clarification that you may require in this regard.

Thanking You

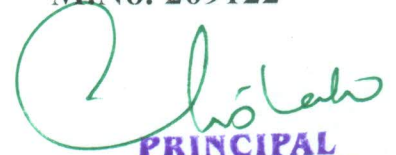
Place: Chennai

For A.R.Krishnan & Associates  
Chartered Accountants



**B. Anadharamakrishnan**  
Partner

M.No. 209122



**PRINCIPAL**  
Government College of Engg.,  
BARGUR-635 104.

AUDIT | TAXATION | CONSULTING | COMPLIANCE

**GOVERNMENT COLLEGE OF ENGINEERING,  
BARGUR-635104**

**INTERNAL AUDIT REPORT FOR THE PERIOD FROM**

**01.04.2020 To 30.09.2020**

**Part A: Brief details of the Auditee and Audit**

a	Name and Address of the Auditee	Government College of Engineering, Barugur - Tamilnadu , 635104
b	Names of Office bearers	Dr.Nishat Kanvel - Principal Dr. P. Thirumal – TEQIP III Coordinator
c	Names of Audit Team members	Mr. Jissin Antony
d	Days of Audit	One Day 30.11.2020 (By Online)
e	Period covered in the previous Audit	Nil
f	Period covered in the current Audit	01.04.2020 To 30.09.2020

**Part B: Executive Summary**

**I. Objectives of Internal Audit:**

- Check accuracy and authenticity of records presented by management
- Ascertain that accounting policies are followed as per plans
- Analyse & improve internal check system
- Facilitate prevention and detection of misstatements
- Examine safeguarding of asset
- Conduct special investigation for management
- Provide new suggestion to management



*(Signature)*  
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BARGUR-635 104.

A.R.KRISHNAN & ASSOCIATES  
CHARTERED ACCOUNTANTS

**GOVERNMENT COLLEGE OF ENGINEERING,  
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- Review operation of overall internal control system
- To evaluate adequacy of internal control system
- To ensure compliance of laid down policies, procedures, accounting and financial reporting documented in Financial Management Manual of the project.

**II. Methodology of Audit:**

- Verified the books of accounts and vouchers, bank statements, Bank reconciliation statements, stock registers, BOG minutes, procurement and other scheme files.
- Verified the procedures adopted for each transactions in compliance with the laid down procedures in the manual.
- Verified the existence and adequacy of the Internal Control systems.

**III. Status of the Implementation of Financial Management System:**

- Books of accounts are maintained in Double Entry Book keeping system in Tally Accounting Software.
- PFMS is used while making the payments
- Adequate system is followed to ensure that goods, works and services are being procured in accordance with the procurement procedures prescribed for the project.
- Adequate records are maintained regarding assets created and assets acquired by the project, including details of cost, identification and location of assets.
- Timely adjustment of the advances paid to suppliers/staff/etc are maintained.
- All payment vouchers are supported with proper vouchers.
- All the expenditures are booked under proper head



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**IV. Status of compliance of previous Audit Reports, including major Audit:**

- There are no material issues pending to be complied.

**V. Key areas of weakness that need improvement, classified into the following areas:**

- Disallowance of expenditure as per World Bank Rules - Nil
- Procedural Lapse - Nil
- Accounting Lapse - Nil
- Accounting Books and Records not maintained - Necessary Statutory records are maintained.

**VI. Recommendations for Improvement:**

- Since, the funds are directly transferred to the head bank account PNB. The Auditors and the GCE TEQIP Division were unable to confirm the total receipts issued during the Audit period.
- Payment made to the suppliers or Agents is difficult to track.
- Bank Interest cannot be ascertained.

**Part C: Compliance to Previous Audit Reports:**

- There are no material issues pending to be complied.

**Part D: Serious Observations:**

- NIL

**Part E: Other Observations:**

- NIL



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Para No	Observations	Implications with risk involved	Recommendations for Improvement	Auditee's Comments / Agreed Action	Agreed Timeline for compliance
1	Revenue Stamp not affixed in few cases	Voucher is a "source document" which is used for the basic book keeping part and for audit purposes at a later stage, receipts, PO's, Invoices pay in slips etc are parts of voucher. Basically it is a common name given to all of these source documents for different transactions.	Receipt of an amount above Rs.5,000 has to be supported by a revenue stamp. It is clear, if some source document is evident about payment of something which exceeds the above said limit, the stamp should be affixed.		

  
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**Part C: Compliance to Previous Audit Reports:**

- There are no material issues pending to be complied.

**Part D: Serious Observations:**

- NIL

**Part E: Other Observations:**

- NIL

**Part F: Executive Summary and Suggestions / Recommendations:**

- There are no any Observations mentioned in Part C and Part D

**Consolidated Management Report:**

**1. Utilization of Funds:**

World Bank Transfers Funds to Punjab National Bank (PNB) which is the head Bank for TEQIP - III project. The GCE College books expenditure from their office and sends to the PNB bank for the payment process via Public Financial Management System (PFMS).

Funds have been disbursed by Punjab National Bank to various accounts by the instruction given by the GCE office TEQIP- III Division. For any Budgeted expenses an Action plan request may be submitted from GCE College to National Project Implementation Unit (NPIU) for each quarter.

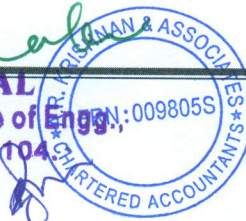
**2. Cash Book:**

We have verified the Cash Book for the period from 1st April 2020 to 30th September 2020 and found to be in order. Cash Book is maintained in Tally Accounting Software.

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*(Signature)*  
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**GOVERNMENT COLLEGE OF ENGINEERING,  
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**3. Payment Vouchers:**

We have verified the payment voucher for the period from 1st April 2020 to 30th September 2020 and found to be in order.

**4. Receipt Vouchers:**

We were unable to verify the payment vouchers since all the payments are done from PNB Bank (Head Bank of TEQIP III)

**5. Journal Vouchers:**

We have verified the Journal voucher for the period from 1st April 2020 to 30th September 2020 and found to be in order.

**6. Bank Reconciliation Statement:**

Bank Reconciliation Statements cannot be prepared. Since, the funds are directly transferred to the Head bank (PNB).

**7. Advance Register:**

Yes, Separate register is maintained for Advance. However, all necessary entries are recorded in Tally.

**8. Ledger Accounts:**

We have verified the Ledger in Tally accounting Software for the period from 1st April 2020 to 30th September 2020 and found to be in order

**9. Final Accounts:**

We have verified the Trial Balance, Income & Expenditure account and Balance sheet for the period from 1st April 2020 to 30th September 2020 and found to be in order.

  
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**MANAGEMENT LETTER**

To,

The Director / Principal  
Government College of Engineering  
Bargur - 635104

Sub: Management Letter

Dear Sir / Madam,

We have audited Government College of Engineering, Bargur  
For the period ending 30th September 2020

- The Financial Management records, systems and controls are adequate.
- There is no deficiencies in the areas of weakness in system and controls
- We have not found any non-compliance with covenants in the financial agreements.
- Matters that have come to attention during the Audit has been resolved then and there. However, we have found Revenue Stamp is not affixed in few vouchers were, the transactions are above Rs.5,000/- this we have instructed orally.
- There are no any special issues during the review of procedures.
- Any other matters that the auditor considers pertinent - **No**

**Specific Comments**

Date: 12.12.2020

Place: Chennai

**For, A.R. Krishnan & Associates**  
Chartered Accountants



*[Handwritten Signature]*  
**B. Anandaramakrishnan**  
M. No - 209122, Partner

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*[Handwritten Signature]*  
**PRINCIPAL**  
Government College of Engineering,  
BARGUR-635 104.

**GOVERNMENT COLLEGE OF ENGINEERING, BARGUR**  
**TECHNICAL EDUCATION QUALITY IMPROVEMENT PROGRAMME [TEQIP] - PHASE III**  
**TRIAL BALANCE FOR THE PERIOD 01.04.2020 TO 30.09.2020**

S.No.	L.F. No.	HEAD OF ACCOUNT		DEBIT	CREDIT
		Account Code	Description	DEBIT	Rs.
<b>Procurement of Goods</b>					
1		1.3.1.1	Equipments	71,69,159	
2		1.3.1.2	Learning Resources	2,26,802	
3		1.3.1.3	Furniture	-	
4		1.3.1.4	Minor Civil Works	-	
<b>Academic Processes</b>					
5		1.3.2.1	Improvement Student Learning	2,52,639	
6		1.3.2.2	Research Assistantships	60,000	
7		1.3.2.3	Graduates employability	-	
8		1.3.2.4	Faculty/Staff development	3,61,087	
9		1.3.2.5	Research and Development	-	
10		1.3.2.6	MOOCs and digital learning	1,10,500	
11		1.3.2.7	Mentoring/Twinning System	-	
12		1.3.2.8	Reforms, Governance	42,191	
13		1.3.2.9	Management Capacity Development	-	
14		1.3.2.10	Hiring Consultancy Services	-	
15		1.3.2.11	Industry Institute Interaction	40,240	
<b>Operating Cost</b>					
16		1.3.3.1	Consumables	1,50,480	
17		1.3.3.2	Operation and Maintenance of Equipments	-	
18		1.3.3.3.	Office Expenses	36,556	
19		1.3.3.4	Meetings	17,260	
20		1.3.3.5	Hiring of Vehicles	-	
21		1.3.3.6	Travel cost	-	
22		1.3.3.7	Salary	2,00,000	
23			Advances Paid	-	
24			Grant Received from NPIU		86,66,914
<b>TOTAL</b>				<b>86,66,914</b>	<b>86,66,914</b>

For A.R.Krishnan and Associates  
Chartered Accountants



*B. Anandharamkrishnan*  
B.Anandharamkrishnan  
Partner  
M.No: 209912

*[Signature]*  
**PRINCIPAL**  
Government College of Engg.,  
BARGUR-635 104.

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**GOVERNMENT COLLEGE OF ENGINEERING, BARGUR**

**TECHNICAL EDUCATION QUALITY IMPROVEMENT PROGRAMME [TEQIP] PHASE - III**

**RECEIPT AND PAYMENT ACCOUNT FOR THE PERIOD 01.04.2020 TO 30.09.2020**

Receipts			Payments		
Sl. No.	Paticulars	Amount Rs.	Sl. No.	Paticulars	Amount Rs.
	<b>Opening Balance</b>		1	Payment to Consultants, Seminars & Workshops	8,66,657
	a) Cash	-			
	b) Bank	-	2	Procurement of Assets	73,95,961
		-			
	Grant Received from NPIU	86,66,914	3	Administration Expenses	4,04,296
	Other Receipts, if any	-	4	Advances paid to Vendors/Faculties	-
			5	<b>Closing Balance</b>	
				a) Cash	-
				b) Bank	-
	<b>Total</b>	<b>86,66,914</b>		<b>Total</b>	<b>86,66,914</b>

For A.R.Krishnan and Associates  
Chartered Accountants



*B. Anandharamakrishnan*

**B. Anandharamakrishnan**  
Partner  
M.No: 209912

*[Signature]*  
**PRINCIPAL**  
Government College of Engg.,  
BARGUR-635 104.

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**GOVERNMENT COLLEGE OF ENGINEERING, BARGUR**

**TECHNICAL EDUCATION QUALITY IMPROVEMENT PROGRAMME [TEQIP] PHASE - III**

**INCOME AND EXPENDITURE ACCOUNT FOR THE PERIOD 01.04.2020 TO 30.09.2020**

Particulars	Amount (Rs.)	Amount (Rs.)	INCOME		
			Particulars	Amount (Rs.)	Amount (Rs.)
<b>Procurement of Assets:</b>			Grant Received from NPIU		86,66,914
Equipments	71,69,159	73,95,961			
Learning Resources	2,26,802				
Furniture	-				
Minor Civil Works	-				
<b>Academic Processes:</b>					
Improvement Student Learning	2,52,639	8,66,657			
Research Assistantships	60,000				
Graduates employability	-				
Faculty/Staff development	3,61,087				
Research and Development	-				
MOOCs and digital learning	1,10,500				
Mentoring/Twinning System	-				
Reforms, Governance	42,191				
Management Capacity Development	-				
Hiring Consultancy Services	-				
Industry Institute Interaction	40,240				
<b>Operating Cost:</b>					
Consumables	1,50,480	4,04,296			
Operation and Maintenance of Equipments	-				
Office Expenses	36,556				
Meetings	17,260				
Hiring of Vehicles	-				
Travel cost	-				
Salary	2,00,000				
<b>Excess of Income Over Expenditure</b>		-			
		<b>86,66,914</b>			<b>86,66,914</b>



For A.R.Krishnan and Associates  
Chartered Accountants

*B. Anandharamakrishnan*  
B. Anandharamakrishnan  
Partner, M.No: 209912

*Christal*  
**PRINCIPAL**  
Government College of Engg.,  
BARGUR-635 104.

*Subash*

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GOVERNMENT COLLEGE OF ENGINEERING, BARGUR			
TECHNICAL EDUCATION QUALITY IMPROVEMENT PROGRAMME [TEQIP] PHASE - III			
BALANCE SHEET AS ON 30.09.2020			
S. No.	PARTICULARS	SCHEDULE NO.	Amount Rs.
A.	<b>SOURCES OF FUNDS</b> 1) Amount Received from: 2) Contribution from: 3) Excess of Income over Expenditure		-
	<b>TOTAL</b>		-
B.	<b>APPLICATION OF FUNDS</b> 1) Fixed Assets 2) Work in progress-Scheme work under implementation 3) A. Current Assets, Loans and advances a. Cash Balance b. Bank Balance c. Advance for Capital Goods d. Loans and Advances  B. Less : Current Liabilities  Net Current Assets (A-B)		- - - - - - - -
	<b>TOTAL</b>		-

For A.R.Krishnan and Associates  
Chartered Accountants



*Anandharamakrishnan*  
B.Anandharamakrishnan  
Partner  
M.No: 209912

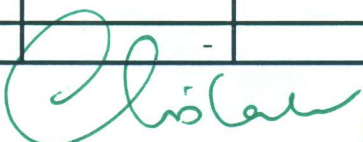
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**PRINCIPAL**  
Government College of Engg.,  
BARGUR-635 104.

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**STATEMENT OF SOURCES AND APPLICATION OF FUNDS**

Name of the Project:		<b>GOVERNMENT COLLEGE OF ENGINEERING, BARGUR</b>		
Credit No :		5874-O IN		
<b>Statement of Sources and Applications of Funds</b>				
<b>Report for the Period 01.04.2020 TO 30.09.2020</b>				
Particulars		Current Year 2020-21	Previous Year	Project To Date
Amount (Rs.)				
Opening Balance (A)		-	-	-
<b>Receipts</b>				
Funds equivalent to expenditure shown in		86,66,914	-	86,66,914
Less: Debit Failures		-	-	-
Total Receipts (B)		86,66,914	-	86,66,914
Total Sources (C=A+B)		<b>86,66,914</b>	-	<b>86,66,914</b>
<b>Expenditures by Component</b>				
<b>Procurement of Goods</b>				
1.3.1.1	Equipments	71,69,159	-	71,69,159
1.3.1.2	Learning Resources	2,26,802	-	2,26,802
1.3.1.3	Furniture	-	-	-
1.3.1.4	Minor Civil Works	-	-	-
<b>Academic Processes</b>				
1.3.2.1	Improvement Student Learning	2,52,639	-	2,52,639
1.3.2.2	Research Assistantships	60,000	-	60,000
1.3.2.3	Graduates employability	-	-	-
1.3.2.4	Faculty/Staff development	3,61,087	-	3,61,087
1.3.2.5	Research and Development	-	-	-
1.3.2.6	MOOCs and digital learning	1,10,500	-	1,10,500
1.3.2.7	Mentoring/Twinning System	-	-	-
1.3.2.8	Reforms, Governance	42,191	-	42,191
1.3.2.9	Management Capacity Development	-	-	-
1.3.2.10	Hiring Consultancy Services	-	-	-
1.3.2.11	Industry Institute Interaction	40,240	-	40,240
<b>Operating Cost</b>				
1.3.3.1	Consumables	1,50,480	-	1,50,480
1.3.3.2	Operation and Maintenance of Equipments	-	-	-
1.3.3.3.	Office Expenses	36,556	-	36,556
1.3.3.4	Meetings	17,260	-	17,260
1.3.3.5	Hiring of Vehicles	-	-	-
1.3.3.6	Travel cost	-	-	-
1.3.3.7	Salary	2,00,000	-	2,00,000
	Advance Paid To Vendors/Faculties	-	-	-
<b>Total Expenditures (D)</b>		<b>86,66,914</b>	-	<b>86,66,914</b>
Closing Balance (C-D)		-	-	-

  
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**RECONCILIATION OF CLAIMS TO TOTAL APPLICATION OF FUNDS**

**GOVERNMENT COLLEGE OF ENGINEERING, BARGUR**

**Name of the Project : Technical Education Quality Improvement Programme [TEQIP] Phase III**

**Credit/ No.5874-0 IN**

**Reconciliation of Claims to Total Applications of Funds  
Report for the year Period 01.04.2020 TO 30.09.2020**

Schedules	Current Year 2020-21	Previous Year	Project to date
Rs. In Lakhs			
I	86.67	-	86.67
	86.67	-	86.67
II	-	-	-
III	-	-	-
IV	-	-	-
	86.67	-	86.67
	86.67	-	86.67

Bank Funds Claimed during the Year (A)

Total Expenditure made during the year (B)

Less: Outstanding Bills ( C )

Ineligible Expenditures (D)

Expenditures not claimed ( E )

Total Eligible Expenditures Claimed (F) =(B)-( C)-(D)-( E)

World Bank Share @ 100% of (F) above (G)

CFAO

*[Signature]*

Project Director

**PRINCIPAL**  
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BARGUR-635 104.

Date

7/12/20

Date

07-12-2020

*[Signature]*  
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