

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

**Internal Audit Report for the
Period from 01.10.2019 to 31.03.2020**

**Government College of Engineering,
Bargur**



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

To

The Principal,
Government College of Engineering,
Bargur 635104

Dear Sir:

Sub: Internal Audit report for the period 01.10.2019 to 31.03.2020

We have carried out the Internal Audit of Government College of Engineering,
Bargur for the period from 01.10.2019 to 31.03.2020

In this connection we submit below the following

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

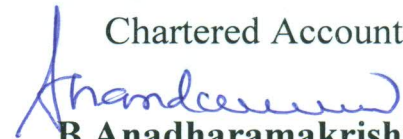
Kindly acknowledge the receipt of hard copy. We shall be pleased to offer
any further clarification that you may require in this regard.

Thanking You

Place: Chennai

For A.R.Krishnan & Associates

Chartered Accountants



B. Anadharamakrishnan

Partner

M.No. 209122



6/18/2020

6/18/2020

6/18/2020

Principal
Govt. College of Engineering
BARGUR-635 104

AUDIT | TAXATION | CONSULTING | COMPLIANCE

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

INTERNAL AUDIT REPORT FOR THE PERIOD FROM

01.10.2019 To 31.03.2020

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. T. Alwarsamy - Principal Dr. P. Thirumal – TEQIP III Coordinator
c	Names of Audit Team members	Mr. P. Narasimman
d	Days of Audit	One Day 16.06.2020 (By Online)
e	Period covered in the previous Audit	Nil
f	Period covered in the current Audit	01.10.2019 To 31.03.2020

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

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A.R.KRISHNAN & ASSOCIATES
CHARTERED ACCOUNTANTS

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

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

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 for the financial year 2019-2020.
- 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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CHARTERED ACCOUNTANTS
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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.		



*Noted
6/8/2026*

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

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 October 2019 to 31st March 2020 and found to be in order. Cash Book is maintained in Tally Accounting Software.

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CHARTERED ACCOUNTANTS

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

3. Payment Vouchers:

We have verified the payment voucher for the period from 1st October 2019 to 31st March 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 October 2019 to 31st March 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.

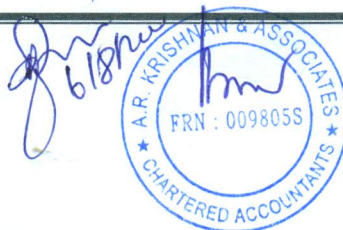
8. Ledger Accounts:

We have verified the Ledger in Tally accounting Software for the period from 1st October 2019 to 31st March 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 October 2019 to 31st March 2020 and found to be in order.

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

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 year ending 31st March 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:

Place: Chennai

For, A.R. Krishnan & Associates
Chartered Accountants



Anandaramakrishnan
B. Anandaramakrishnan
M. No - 209122, Partner

Anandaramakrishnan
6/8/2020

Anandaramakrishnan
6/8/2020

A.R. KRISHNAN & ASSOCIATES
CHARTERED ACCOUNTANTS

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Anandaramakrishnan

GOVERNMENT COLLEGE OF ENGINEERING, BARGUR					
TECHNICAL EDUCATION QUALITY IMPROVEMENT PROGRAMME [TEQIP] - PHASE III					
TRIAL BALANCE FOR THE PERIOD 01.10.2019 TO 31.03.2020					
S.No.	L.F. No.	HEAD OF ACCOUNT		DEBIT	CREDIT
		Account Code	Description	DEBIT	Rs.
		Procurement of Goods			
1		1.3.1.1	Equipments	95,32,930	
2		1.3.1.2	Learning Resources	-	
3		1.3.1.3	Furniture	-	
4		1.3.1.4	Minor Civil Works	-	
		Academic Processes			
5		1.3.2.1	Improvement Student Learning	13,00,407	
6		1.3.2.2	Research Assistantships	1,95,000	
7		1.3.2.3	Graduates employability	10,67,082	
8		1.3.2.4	Faculty/Staff development	11,70,432	
9		1.3.2.5	Research and Development	54,664	
10		1.3.2.6	MOOCs and digital learning	19,050	
11		1.3.2.7	Mentoring/Twinning System	1,86,371	
12		1.3.2.8	Reforms, Governance	3,75,196	
13		1.3.2.9	Management Capacity Development	-	
14		1.3.2.10	Hiring Consultancy Services	-	
15		1.3.2.11	Industry Institute Interaction	5,02,909	
		Operating Cost			
16		1.3.3.1	Consumables	2,17,392	
17		1.3.3.2	Operation and Maintenance of Equipments	-	
18		1.3.3.3	Office Expenses	1,32,229	
19		1.3.3.4	Meetings	1,41,907	
20		1.3.3.5	Hiring of Vehicles	-	
21		1.3.3.6	Travel cost	-	
22		1.3.3.7	Salary	1,20,000	
23			Advances Paid	-	
24			Grant Received from NPIU		1,50,15,569
		TOTAL		1,50,15,569	#####

For A.R.Krishnan and Associates
Chartered Accountants



Anandharam
B.Anandharamkrishnan
Partner
M.No: 209912

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Principal
Govt. College of Engineering
BARGUR-635 104

GOVERNMENT COLLEGE OF ENGINEERING, BARGUR

TECHNICAL EDUCATION QUALITY IMPROVEMENT PROGRAMME [TEQIP] PHASE - III

RECEIPT AND PAYMENT ACCOUNT FOR THE PERIOD 01.10.2019 TO 31.03.2020

Receipts			Payments		
Sl. No.	Paticulars	Amount Rs.	Sl. No.	Paticulars	Amount Rs.
	Opening Balance		1	Payment to Consultants, Seminars & Workshops	48,71,111
	a) Cash	-			
	b) Bank	-	2	Procurement of Assets	95,32,930
		-			
	Grant Received from NPIU	1,50,15,569	3	Administration Expenses	6,11,528
	Other Receipts, if any	-	4	Advances paid to Vendors/Faculties	-
			5	Closing Balance	
				a) Cash	-
				b) Bank	-
	Total	1,50,15,569		Total	1,50,15,569

For A.R.Krishnan and Associates
Chartered Accountants



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B.Anandharamakrishnan
Partner

M.No: 209912

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GOVERNMENT COLLEGE OF ENGINEERING, BARGUR					
TECHNICAL EDUCATION QUALITY IMPROVEMENT PROGRAMME [TEQIP] PHASE - III					
INCOME AND EXPENDITURE ACCOUNT FOR THE PERIOD 01.10.2019 TO 31.03.2020					
			INCOME		
Particulars	Amount (Rs.)	Amount (Rs.)	Particulars	Amount (Rs.)	Amount (Rs.)
Procurement of Assets:			Grant Received from NPIU		1,50,15,569
Equipments	95,32,930				
Learning Resources	-				
Furniture	-				
Minor Civil Works	-	95,32,930			
Academic Processes:					
Improvement Student Learning	13,00,407				
Research Assistantships	1,95,000				
Graduates employability	10,67,082				
Faculty/Staff development	11,70,432				
Research and Development	54,664				
MOOCs and digital learning	19,050				
Mentoring/Twinning System	1,86,371				
Reforms, Governance	3,75,196				
Management Capacity Development	-				
Hiring Consultancy Services	-				
Industry Institute Interaction	5,02,909				
		48,71,111			
Operating Cost:					
Consumables	2,17,392				
Operation and Maintenance of Equipments	-				
Office Expenses	1,32,229				
Meetings	1,41,907				
Hiring of Vehicles	-				
Travel cost	-				
Salary	1,20,000	6,11,528			
Excess of Income Over Expenditure		-			
		1,50,15,569			1,50,15,569

B. Anandharamakrishnan
6/8/2020

B. Anandharamakrishnan
6/8/2020



For A.R. Krishnan and Associates
Chartered Accountants

Anandharam
B. Anandharamakrishnan
Partner, M.No: 209912

B. Anandharamakrishnan
6/8/2020

GOVERNMENT COLLEGE OF ENGINEERING, BARGUR

TECHNICAL EDUCATION QUALITY IMPROVEMENT PROGRAMME [TEQIP] PHASE - III

BALANCE SHEET AS ON 31.03.2020

S. No.	PARTICULARS	SCHEDULE NO.	Amount Rs.
A.	SOURCES OF FUNDS		
	1) Amount Received from:		
	2) Contribution from:		
	3) Excess of Income over Expenditure		-
	TOTAL		-
B.	APPLICATION OF FUNDS		
	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)		-
	TOTAL		-

For A.R.Krishnan and Associates

Chartered Accountants



Anandharamakrishnan

B.Anandharamakrishnan

Partner

M.No: 209912

Anandharamakrishnan
6/8/2020

Anandharamakrishnan
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6/8/2020

Principal
Govt. College of Engineering,
BARGUR-635 104

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 01.10.2019 TO 31.03.2020

Schedules	Current Year 2019-20	Previous Year	Project to date
Rs. In Lakhs			
I	150.16	-	150.16
	150.16	-	150.16
II	-	-	-
III	-	-	-
IV	-	-	-
	150.16	-	150.16
	150.16	-	150.16

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

Project Director

Date

Date

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6/8/2020

**Principal
Govt. College of Engineering,
BARGUR-635 104**

STATEMENT OF SOURCES AND APPLICATION OF FUNDS			
Name of the Project:		GOVERNMENT COLLEGE OF ENGINEERING, BARGUR	
Credit No :		5874-O IN	
Statement of Sources and Applications of Funds			
Report for the Period 01.10.2019 TO 31.03.2020			
Particulars	Current Year 2019-20	Previous Year	Project To Date
Amount (Rs.)			
Opening Balance (A)	-	-	-
Receipts			
Funds equivalent to expenditure shown in	1,50,15,569	-	1,50,15,569
Less: Debit Failures	-	-	-
Total Receipts (B)	1,50,15,569	-	1,50,15,569
Total Sources (C=A+B)	1,50,15,569	-	1,50,15,569
Expenditures by Component			
Procurement of Goods			
1.3.1.1 Equipments	95,32,930	-	95,32,930
1.3.1.2 Learning Resources	-	-	-
1.3.1.3 Furniture	-	-	-
1.3.1.4 Minor Civil Works	-	-	-
Academic Processes			
1.3.2.1 Improvement Student Learning	13,00,407	-	13,00,407
1.3.2.2 Research Assistantships	1,95,000	-	1,95,000
1.3.2.3 Graduates employability	10,67,082	-	10,67,082
1.3.2.4 Faculty/Staff development	11,70,432	-	11,70,432
1.3.2.5 Research and Development	54,664	-	54,664
1.3.2.6 MOOCs and digital learning	19,050	-	19,050
1.3.2.7 Mentoring/Twinning System	1,86,371	-	1,86,371
1.3.2.8 Reforms, Governance	3,75,196	-	3,75,196
1.3.2.9 Management Capacity Development	-	-	-
1.3.2.10 Hiring Consultancy Services	-	-	-
1.3.2.11 Industry Institute Interaction	5,02,909	-	5,02,909
Operating Cost			
1.3.3.1 Consumables	2,17,392	-	2,17,392
1.3.3.2 Operation and Maintenance of Equipments	-	-	-
1.3.3.3 Office Expenses	1,32,229	-	1,32,229
1.3.3.4 Meetings	1,41,907	-	1,41,907
1.3.3.5 Hiring of Vehicles	-	-	-
1.3.3.6 Travel cost	-	-	-
1.3.3.7 Salary	1,20,000	-	1,20,000
Advance Paid To Vendors/Faculties	-	-	-
Total Expenditures (D)	1,50,15,569	-	1,50,15,569
Closing Balance (C-D)	-	-	-

Santhosh
6/8/2020

J. S. Srinivas



Chitabharani