

**BIHAR STATE AIDS CONTROL SOCIETY,
SHEIKHPURA, PATNA**

FUND : POOL FUND

**ANNUAL ACCOUNTS,
AUDIT REPORT & UTILIZATION
REPORT FOR THE YEAR**

2007-08

**R.N. MISHRA & CO.
Chartered Accountants**

507, Verma Centre,
Boring Road Crossing,
Patna-800001

Pho. No.:- 0612-2541109/2541049

BIHAR STATE AIDS CONTROL SOCIETY, PATNA
MANAGEMENT REPORT ON THE ACCOUNTS OF BSACS FOR THE
YEAR ENDED 31ST MARCH, 2008.

1. Introduction

We were appointed by Bihar State Aids Control Society to conduct the audit of the National HIV/AIDS Control Project (“the project”), for the year 2007-2008 in accordance with the terms and conditions set out in the appointment letter dated 03rd day of June 2008 issued by the society.

This Management Letter is intended solely as per the Terms of Reference the Auditors are required to submit Management Letter incorporating comments, observations and suggestions on the accounts, systems, controls, management compliances and various other matters. In the light of the same for the information and use of the project management and others within the organization and should not be used for any other purpose or by any other person or bodies not concerned with Fund.

2. Scope of Audit

The primary objectives/area of coverage of the present audit were:

An assessment of the Project Financial Management Arrangements, including internal control.

An assessment of compliance of the conditions of this Grants and their uses as per Project Implementation Plan and World Bank Agreements.

All expenditure made over the projects are eligible and have been correctly classified.

Necessary supporting documents, contracts, records and accounts have been kept in respect of all Project Activities, and

About withdrawals made from the IDA Credit on the basis of Statement of the Expenditure, whether the expenditure was eligible for such withdrawal.



3. **Audit Coverage**

We have audited the accounts of the Project covering the transactions for the financial year ended on 31st March 2008. The following Accounts incorporate the accounts/expenditure incurred by:

1. The State Project Office (SPO) at Patna,
2. District Authorities ,
3. Non Government Organizations (NGO's) including People living with Aids Network (PLHA) Organizations,
4. Technical Support Units namely Care India and
5. Community Care Centers.

As per the terms of appointment we conducted the audit of the accounts of The State Project Office (SPO) at Patna.

The Statement of Expenditure submitted by the District Authorities / District Project Implementing Units (DPIU) are accounted for on the basis of certificate from competent authority for utilization of funds as per sanctioned terms and after approval of the programe officer.

Utilization Certificates/ Statement of Expenditure in respect of expenditure incurred by the NGOs against the advance made to them have been audited by the auditors, other than the Society Auditors, appointed by the society for the purpose.

4. **Methodology of the Audit**

The following methodology was followed for the purpose of Audit :

1. Examination of Internal Auditors' Observations
2. Evaluation of Internal Control measures
3. Review of procedures regarding the procurement made during the year.
4. Transactional audit
5. Compliance with the applicable statues and underlying financing agreements.



R.N. MISHRA & CO.
Chartered Accountants
507, Verma Centre,
Boring Road Crossing,
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Pho. No.:- 0612-2541109/2541049

Auditors' Report
(Pool Fund)

The Project Director,
Bihar State AIDS Control Society,
Sheikhpura,
Patna-14.

We have audited the accompanying financial statements of the Pool Fund of the National AIDS Control Project – Phase III (financed under World Bank Credit No. not applicable 3242-IN and DFID grant No not applicable) comprising Balance Sheet as at **31st March, 2008**, Income & Expenditure Account and Receipt & Payment Account for the year ended 31st March, 2008. These Financial Statement are the responsibility of the society's management. 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 of material misstatement. An audit includes examining, on a test 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 management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

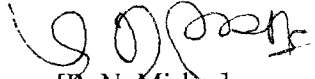
In our opinion and to the best of our information and according to the explanations given to us, the Balance Sheet and the Income & Expenditure Statement read with the Accounting Policies and the notes on the accounts attached with the Balance Sheet and subject to our comments given in Annexure-I of the report give a true and fair view:

- (a) in the case of Balance Sheet, of the State of Affairs of the Society as at 31st March, 2008;
- (b) in the case of Income & Expenditure Statement, of the Income & Expenditure for the year ended on that date; and,
- (c) in the case of Receipt & Payment Account, of the receipts & payments taken place during the year ended on that date.

In addition, (a) with respect to Statement of Expenditure, adequate supporting documentation has been maintained to support the Statement of Expenditure; (b) which expenditures are eligible for financing under the Credit/Grant Agreement (c) procurement of goods and services has been generally carried out as per the procurement manual issued by NACO, GOI and NGO/CBO guidelines.

Place : Patna
Dated : **15 OCT 2008**

For R. N. Mishra & Co.,
Chartered Accountants.


[R. N. Mishra]
Partner
M. No. 80270



M/S R. N. MISHRA & CO.
CHARTERED ACCOUNTANTS
507, VERMA CENTRE
Boring Road Crossing
PATNA- 800 001

6. Bank Statements and Bank Reconciliation Statements

7. Stock Register

8. Fixed Assets Register

The primary books of account of the project were first maintained on Tally and subsequently after expiry of the year switched over on the Computerized Financial Management Service (CPFMS) at the SPO. The Stock Register and Fixed Assets Registers are maintained at the SPO manually.



6. Review of the Statements of Expenditure (SOE) / Financial Management Report (FMR) submitted by the project.

Audit Preparation and Planning:

The audit was conducted in accordance with the generally accepted principles of auditing and includes such tests of controls and checks as were considered necessary and appropriate under the situation. The audit was conducted on-site at the office of SPO, Patna.

5. Reporting

The terms of engagement require us to submit an Audit Report in addition to Management Letter also.

The Audit Report and the Management Letter to the Project Management contains our observations and findings arising out of the audit to enable the management to take appropriate remedial action. This incorporates audit observations on the following:

- a) Accuracy of expenditure included in SOE/FMR,
- b) Adequacy of the financial management records, systems and controls,
- c) Adequacy of the systems and controls and recommendations for their improvements,
- d) Compliance with the covenants in the financing agreements,
- e) Other matters having a significant impact on the implementation of the Project.

6. Records & Statements Reviewed

During the course of the audit, we reviewed the following Books/ Records/ Documents etc. at the SPO on test check basis for which the items were selected on random sampling basis :

1. Cash Book
2. General Ledger
3. Bank Book
4. Journal Book
5. Subsidiary Ledger



During the Statutory Audit of Bihar State AIDS Control Society we have observed following observations :

1. BOOK KEEPING & ACCOUNTING SYSTEMS :

- 1.1 During the year under audit BSACS has not introduced the CPFMS accounting software as approved by the NACO.
- 1.2 The accounts are being maintained on Cash basis except for a few cases.
- 1.3 Although accounts were maintained in a computerized environments but it was not found satisfactory.
- 1.4 System of Pre-numbered & printed vouchers was not introduced.
- 1.5 There was no system of preparing payment vouchers separately instead concerned Bill/cash memos/Invoices are treated as vouchers.
- 1.6 Bank Deposit Receipts were not attached with the Receipt vouchers instead kept in the concerned files.
- 1.7 Advances paid have been treated as expenditure in case of GFATM-VI Fund irrespective of actual expenditure at the time of payment. On the other hand in POOL FUND, it is treated as Advance.
- 1.8 (a) Grants Received were taken as Income to the extent of amount utilised for Revenue Expenditure.
(b) Capital Grants utilised for Capital Expenditures i.e. purchase of Fixed Assets were not transferred to the "Capital Grant Fund utilised Account" in B/S.

2. Internal Control System :

- 2.1 BSACS has no system of Inhouse Internal Audit instead Accounts are being audited by External Agencies.
- 2.2 The MIS system was not adequate.
- 2.3 There was no Disaster Recovery Plan for timely recovery of information.

3. PROJECT MONITORING :



- 3.1 Action taken report of the Audit Report findings of the NGO/peripheral units were not shown to us.
- 3.2 Recipient units were not regular in submitting monthly statements/ utilization certificates in time.
4. **FIXED ASSETS MANAGEMENT :**
- 4.1 Fixed Assets Register recording details of Assets created out of grants were not maintained in a proper manner and in prescribed format. Several columns of the Register were left Blank. In the Register the Name of Assets were not recorded on the page where details of the assets were recorded. There was no totalling of any particular asset for ascertaining total number of any asset.
- 4.2 A number of Fixed Assets does not bear any Identification Mark.
- 4.3 No Depreciation on Fixed Assets was charged.
- 4.4 No Register for Maintenance of Fixed Assets was kept.
- 4.5 Physical Inventory verification of Fixed Assets was not done any time during the year under audit.
- 4.6 Recipient units also have neither maintained Fixed Assets Register nor conducted Physical Inventory Taking any time during the year.
- 4.7 System of Review for Impairment of Fixed Assets was not presently in vogue.
- 4.8 Log Book for Assets possessed by BSACS was not maintained.
- 4.9 There is no system of obtaining confirmation from the concerned official that the assets are still in the possession of them and are in good condition.
5. **INVENTORY MANAGEMENT :**
- 5.1 Computerisation of Inventory control was not done during the year.
- 5.2 Register for Recording Inventory is not in conformity with the proforma designed by the NACO.
- 5.3 Inventory Master File was maintained.
- 5.4 Receiving and storing of materials were not being done properly.
- 5.5 Inventories were not adequately safe guarded.



- 5.6 There was no System of issuing inventories on FIFO or any other method instead all purchases were treated as consumed.
- 5.7 There was no system of recording of returned materials received from Recipient units.
- 5.8 No physical verification on Inventory was conducted by the BSACS during the year under audit.
- 5.9 There exists no Data base for Inventories.
- 5.10 Issue vouchers are not pre numbered.

6. **FUND MANAGENENT :**

- 6.1 Grants received in kind from NACO was not recorded in the Grants Register.
- 6.2 Grants released to units were not made as per the expenditure incurred to the extent.
- 6.3 Grants Register for Grants disbursed has not been maintained.

7. **PROCUREMENT CONTROL :**

- 7.1 NGO/CBO Guide lines prepared by NACO has not been followed for conducting due diligence process to identity NGO/CBO for issuing the contracts including supply of pharmaceuticals and Medical under TI/CST contracts.
- 7.2 Special preference has not been given to state owned enterprise/ SSI units at the time of evaluation of bidding of contracts.

8. **CASH MANAGEMENT / RECEIVABLES MANAGE MENT :**

- 8.1 BSACS has not yet disclosed its Accounting policies.
- 8.2 All Accounts are being maintained on cash basis except Salary.
- 8.3 Surplus Fund were kept in savings Bank / Current Account only.
- 8.4 Off Balance Sheet items have not been disclosed properly.
- 8.5 Personal Advances were not adjusted timely.
- 8.6 Huge amount of Advances made to peripheral units and Recipient units were remaining unadjusted for the last several years.
- 8.7 Identification of advances being doubtful of recovery was not done by the management.



9. **BANK ACCOUNTS :**

- 9.1 Drawals up to Rs.50.00 lacs had been operated singly as against the NACO guidelines.
- 9.2 Confirmation of Bank balances were not obtained.
- 9.3 Receipts directly deposited into Bank by the parties were late recorded in the Books of account.
- 9.4 The transactions entered into with banks were not reconciled on month to month basis.
- 9.5 The Bank Reconciliation Statement (BRS) prepared at the year end contained a number of transactions unresponded for a period exceeding six months or above.

10. **OBSEVVATIONS ON REMITANCE OF STATUTORY DEDUCTIONS :**

- 10.1 On occasions TDS was not deposited in time.
- 10.2 In some cases other deductions also P.F. and the likes were not remitted in time to the concerned authorities.

11. **Accounting of Funds received from Other Organizations :**

The funds received from the Other Organizations like UNDP etc. are not accounted for in the books of the Society. Instead, a separate bank account was opened and the funds so received were deposited in the separate bank account. A Separate utilization certificate, as explained, are submitted for the utilization of the funds so received. During the year under consideration the details of the funds received by the society from other organizations are given in *Annexure-2* of the report.

12. **Advances:**

- 12.1 The Society has not maintained Temporary Advance Register although per prescribed in guidelines.



17. **Annual Action Plan, FMR and Variance:**

Annual Action Plan is approved by NACO and accordingly grant is released to BSACS. AAP is being approved component wise and again subdivided in sub components with physical targets. However the receipt and payment account does not reflect the expenses/payment according to approved component wise and sub component wise. Thus utilization is not comparable with the approved Annual Action Plan and no comment is possible on any deviation thereon. The same situation is with the FMR, which is agreeing in total but component wise detail is not possible to verify with the Income and Expenditure Account.

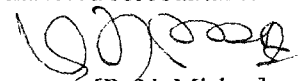
18. **OVERALL BOOK KEEPING & ACCOVTING :**

The system of maintenance of books of account is not satisfactory. Late recording of transactions, sometimes not in proper heads of accounts, non reconciliation of bank transactions on monthly basis, keeping of payment vouchers in different correspondence files maintained party wise or nature wise instead of number-wise and date-wise in voucher files/Guard Files, lack of numbering on vouchers, lack of monitoring of utilization of grant/ scrutiny of vouchers of the grantee institutions, lack of reconciliation of advances provided to peripheral units and NGOs, lack of follow-up of advances etc are the major deficiencies which need immediate redressal. These deficiencies are largely due to acute shortage of experienced and trained hands in the Accounts Department of the Society.

Place : Patna
Dated : 15 OCT 2008



For R. N. Mishra & Co.,
Chartered Accountants.


[R. N. Mishra]

Partner
M. No. 80270

12.2 An opening balance under Advance to Contractors/ Suppliers of Rs.14,28,000.00 was found as unadjusted during the year.

12.3 Some of the advances given to Autonomous Bodies are lying unadjusted from a long period. Neither Utilization Certificate nor refund has been received from parties.

13. **Prior Period Expenses & Income:**

Expenses accounted through utilization of advance given in previous years related to phase II Not done transferred to prior period expenses at the year end.

14. **Advance to Peripheral Units & Its Adjustments:**

14.1 The periodicity of sending the utilization certificates by the peripheral units to the society is quarterly, but in the course of audit it was observed that the norms was not followed in a number of cases. During the year 2007-08 utilization certificates received from peripheral units relating to earlier years were booked as to Prior Period Expenses.

14.2 The Society has released subsequent advance or fund to district authorities without settlement of earlier advances.

14.3 Advance Register has not been maintained as prescribed.

15. **Advance to NGOs & Its Adjustments:**

15.1. We observed that against the advances given to NGOs in earlier years, there was still a substantial amount outstanding as at 31st March, 2008.

15.2. Advance Register has not been maintained for NGOs.

15.3. No advance was released to NGOs for the year 2007-08, although advances were released for the earlier years.

16. **Ineligible Expenditure for the year 2007-2008:**

As per the current accounting practices the taxes are not separated from the gross expenditure due to which the gross expenses are reported in the SOE claims. During the course of the audit for the year the society has paid Rs.1,07,173.00 as taxes on category 4 expenses. The details are given vide

Annexure 1.



BIHAR STATE AIDS CONTROL SOCIETY, PATNA

ACTIVITY : POOL FUND

BALANCE SHEET AS AT 31ST MARCH, 2008

<u>L I A B I L I T I E S</u>	<u>Schedule</u>	<u>Rs.</u>	<u>P.</u>	<u>A S S E T S</u>	<u>Schedule</u>	<u>Rs.</u>	<u>P.</u>
GENERAL FUND	01	150087026.19		FIXED ASSETS	02	12780718.70	
<u>CURRENT LIABILITIES & PROVISIONS</u>				<u>CURRENT ASSETS, LOANS & ADVANCES</u>			
CURRENT LIABILITIES	0501	328514.00		CURRENT ASSETS	0301	69791603.18	
FIXED ASSET FUND		12780718.70		LOANS AND ADVANCES	0401	80623937.01	
TOTAL		163196258.89		TOTAL		163196258.89	

- Notes : 1. Notes on Accounts Schedule 001.
2. Schedules form integral part of accounts.

Joint Director (F)

Project Director

As per our report of even date
For R.N. Mishra & Co.
Chartered Accountants



(R.N. Mishra)
Partner
M.No. 80270

PLACE : PATNA

DATED : 15 OCT 2008



BIHAR STATE AIDS CONTROL SOCIETY, PATNA
ACTIVITY : POOL FUND

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2008

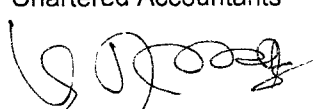
<u>EXPENDITURE</u>	<u>Schedule</u>	<u>Rs.</u>	<u>P.</u>	<u>I N C O M E</u>	<u>Schedule</u>	<u>Rs.</u>	<u>P.</u>
IEC		20922146.00		Other Income	28	3169233.00	
Technical Resource Groups (TRGs)		2114351.00		Grants utilised to the extent of revenue expenditure		57711241.00	
Surveillance		516953.00					
(TI) Non Reimbursable prior period expensable		2363145.00					
(PI) Non Reimbursable prior period expensable		1127518.00					
(IS) Non Reimbursable prior period expensable		119570.00					
(IC) Non Reimbursable prior period expensable		6200.00					
Kits and Other Lab Supplies	06	3705361.00					
Training and Workshops	08	1680085.00					
NGO Services	11	11766486.00					
Salary (Pay and Allowances)	13	11517796.00					
Maintenance Costs	14	1489661.00					
Operational Expenses	15	3551202.50					
TOTAL		60880474.50		TOTAL		60880474.00	

Notes : 1. Notes on Accounts Schedule 001.
2. Schedules form integral part of accounts.


Joint Director (F)


Project Director

As per our report of even date
For R.N. Mishra & Co.
Chartered Accountants


(R.N. Mishra)
Partner
M.No. 80270

PLACE : PATNA

DATED : 15 OCT 2008



BIHAR STATE AIDS CONTROLE SOCIETY, PATNA

**STATEMENT OF DISALLOWABLE EXPENDITURE FOR THE PURPOSE OF
REIMBURSABLE CLAIM FOR THE YEAR 2007-08**

Cheque No.	Cheque Date	Amount	VAT	Ser. Tax	Total	Name of the Party
752071	27.04.07	291500.00	11,660.00		11,660.00	Abhi Medico
752072	27.04.07	273540.00	10,942.00		10,942.00	Jain International
755360	30.05.07	201550.00	24,669.00		24,669.00	AMSA (India) Pvt. Ltd.
761387	12.10.07	212791.00		10,702.00	10,702.00	Nagraj Tour & Travels
761350	06.10.07	191401.00	23,926.00		23,926.00	S.S.Enterprises
766457	07.12.07	52,200.00	2088.00		2,088.00	Aryan Enterprises
761459	05.11.07	4538.00	181.00		181.00	Pioneer Infotech
766386	14.11.07	36,792.00		375.00	375.00	Classic Travels
767990	05.02.08	94,375.00	3775.00		3,775.00	Abhi Medico
766611	25.01.08	360292.00		6,485.00	6,485.00	VIA Media Advertising Service
767984	04.02.08	72,600.00	2904.00		2,904.00	Aryan Enterprises
767826	06.02.08	39,632.00	1585.00		1,585.00	Pioneer Infotech
755539	25.07.07	39,061.00	4882.00		4,882.00	Brajendra Refregerator
766389	19.11.07	23,991.00	2999.00		2,999.00	Brajendra Refregerator
	Total		89,611.00	17,562.00	107,173.00	



BIHAR STATE AIDS CONTROL SOCIETY, PATNA

ACTIVITY : POOL FUND

RECEIPT & PAYMENT ACCOUNT FOR THE PERIOD FROM 1ST JULY, 2008 TO 31 MARCH, 2008

<u>R E C E I P T S</u>	<u>Rs.</u>	<u>P.</u>	<u>P A Y M E N T S</u>	<u>Rs.</u>	<u>P.</u>
<u>TO OPENING BALANCE</u>			By Inter Unit Fund Transfer		9548742.71
Balance with bank			<u>BY CURRENT LIABILITIES</u>		
Bank - 3	51638118.21		GPF	1400	
Bank - 7	38199420.97		Other Recoveries	28000	29400.00
		89837539.18	<u>BY LOANS & ADVANCES</u>		
<u>GENERAL FUND</u>			Advance to NGO	12537221.00	
Grants-in-Aid received from NACO		61425000.00	Advance to Contractor	16920.00	
			Advance to Distt. Authorites	4801010.29	
<u>LOANCE & ADVANCES</u>			Advance to Autonomous Bodies	116745.00	
Advance to Others		1077877.00	Advance to Staff	1180836.50	18652732.79
			<u>BY SALARY (PAY & ALLOW.)</u>		
<u>OTHER INCOME</u>			Salary	11274225.00	
Testing Fee from patients	86200.00		Leave Salary & Pension Contri.	194254.00	
Other Receipts	96681.00		Medical Expenses	8296.00	11476775.00
Interest from Bank	2986352.00	3169233.00	<u>Technical Resource Group (TRG)</u>		2114351.00
			<u>MAINTENANCE COST :</u>		
<u>CURRENT LIABILITES</u>			Equipment Maintenance	1310604.00	
Security Deposit	5000.00		Vehicle Maintenance	179057.00	
TDS (Salary)	2500.00		Training & Workshop	1680085.00	3169746.00
TDS (Others)	135229.00		<u>OPERATIONAL EXPENSES :</u>		
Group Insurance	600.00		Travelling Expenses	384053.50	
Employees Contribution (CPF)	25408.00	168737.00	Rent, Rates & Taxes	805339.00	
			Telephone/Communication Exp.	587025.00	
			Bank Charges	16455.00	
			Misc. Expenses	1668196.00	
			Furniture & Stationery	37793.00	
			Legal Expenses	21179.00	
			Postage/Courier	29708.00	3549748.50
			<u>FIXED ASSETS :</u>		
			Office Equipment	411003.00	
			Blood Bank Equipment	23338.00	434341.00
			<u>IEC</u>		20922146.50
			<u>SURVEILLANCE</u>		516953.00
			<u>KITS & OTHER LAB SUPPL.:</u>		
			HIV Kits	319388.00	
			Other Lab Supplies	915073.00	
			Blood Lab Supplies	2470900.00	3705361.00
			<u>NGO SERVICES :</u>		
			NGO Services (CCC)	287767.00	
			NGO Services (TI)	11478719.00	11766486.00
			<u>TO CLOSING BALANCE</u>		
			Bank - 3	54900195.21	
			Bank - 7	12533407.97	
			Cheque in Transit	2358000.00	69791603.18
TOTAL	155678386.18		TOTAL		155678386.68



Joint Director (Finance)

PLACE : PATNA

DATED : **15 OCT 2008**

Project Director

As per our report of even date
For R. N. Mishra & Co.
Chartered Accountants

(R.N. Mishra)
Partner
M.No. 80270

Schedule 01

GENERAL FUND

Particulars	As at 31-Mar-08 (Rs.)
Opening Grant in Aid	146807608.69
Add: Received during the Year	
Pool Fund - World Bank	32086.00
Pool Fund - DFID	32086.00
Grant from NACO to SACS	61425000.00
Less : Utilised during the year	
Grants utilised to the extent of revenue expenditure	57711241.50
Grants utilised to the extent of fixed asset expenditure	434341.00
Closing Grant in Aid	150087026.19

Schedule 02

FIXED ASSETS

Particulars	Opening Balance	Addition
Blood Bank Equipment (2203)	7887833.90	23338.00
Civil Works (2201)	11402.00	0.00
Equipment (Other) (2204)	134024.00	0.00
Furniture, Fixtures & Supplies (2202)	2857555.80	0.00
Office Equipment (2206)	548259.00	411003.00
Vehicles (2205)	907303.00	0.00
Grand Total	12346377.70	434341.00

Schedule 0301

CURRENT ASSETS

Particulars	As at 31-Mar-08 (Rs.)
Bank 3	54900195.21
Cheque in Transit	2358000.00
Bank 7	12533407.97
Total	69791603.18



Schedule 0401

LOANS & ADVANCES

Particulars	As at 31-Mar-08 (Rs.)
Advance to Others	2026483.30
Advance to NGOs	19593190.00
Advance to Contractors/Suppliers (Non Reimbursiable)	16920.00
Advance to Staff	1388902.00
Advance to Autonomous Bodies	0.00
Advance to District Authorities	48049699.00
Inter Unit Fund Transfer	9548742.71
Total	80623937.01

Schedule 0501

CURRENT LIABILITIES

Particulars	As at 31-Mar-08 (Rs.)
Employees Contribution to CPF	30568.00
General Provident Fund	12600.00
Group Insurance Scheme	1680.00
Other Recoveries	14871.00
Salary Payable	42521.00
Security / Earnest Deposit (Received)	78500.00
TDS (Others)	145274.00
TDS (Salary)	2500.00
Total	328514.00



Schedule 28

Other Income

Particulars	As at 31-Mar-08 (Rs.)
Testing Fee from Patients	86200.00
Other Receipts	96681.00
Interest from Bank	2986352.00
Total	3169233.00

Schedule 06

Kits & other Other Lab Supplies

Particulars	As at 31-Mar-08 (Rs.)
HIV Kits	319388.00
Other Lab. Supplies	915073.00
Blood Lab Supplies	2470900.00
Total	3705361.00

Schedule 08

Training & Workshops

Particulars	As at 31-Mar-08 (Rs.)
Training	1680085.00
Total	1680085.00

Schedule 11

NGO Services

Particulars	As at 31-Mar-08 (Rs.)
NGO Services	287767.00
NGO Services for Priority Interventions	11478719.00
Total	11766486.00



Schedule 13

Salary (Pay & Allowances)

Particulars	As at 31-Mar-08 (Rs.)
Salary	11315246.00
Leave Salary & Pension Contributions	194254.00
Medical Expenses	8296.00
Total	11517796.00

Schedule 14

Maintenance Costs

Particulars	As at 31-Mar-08 (Rs.)
Equipment Maintenance	1310604.00
Vehicle Maintenance	179057.00
Total	1489661.00

Schedule 15

Operational Expenses

Particulars	As at 31-Mar-08 (Rs.)
Travelling Expenses	384053.50
Rent, Rates & Taxes	805339.00
Telephone/Communication Expenses	587025.00
Bank Charges	16455.00
Miscellaneous Expenses	1669650.00
Printing & Stationary	37793.00
Legal Expenses	21179.00
Postage/Courier	29708.00
Total	3551202.50



BIHAR AIDS CONTROLE SOCIETY, PATNA
ACTIVITY : POOL FUND
SCHEDLE OF ACCOUNTING POLICIES AND NOTES ON ACCOUNTS
ANNEXED TO AND FORMING PART OF ACCOUNTS FOR THE
PERIOD ENDED ON 31ST MARCH, 2008.

SCHEDULE-001

1. ACCOUNTING POLICIES :

- 1.1 The Financial Statements have been prepared under Historical Cost Convention in accordance with the Generally Accepted Accounting Principle and is on going concern concept. The Accounts have been maintained on Accruals System unless other wise stated. The Accounts have been prepared on the Generally Accepted Accounting Principles on Accrual System in conformity with the standards as prescribed by the Institute of Chartered Accountants of India.
- 1.2 Grants- in- Aid is recognized in the Income & Expenditure Account to the extent of Revenue Expenditures.
- 1.3 Capital Expenditures are directly deducted from the Grants in Aid as utilized.
- 1.4 Depreciation on Fixed Assets is not provided.

2. NOTES ON ACCOUNTS :

- 2.1 Confirmation of Balance for Advances was not obtained. Besides this, in some cases the balances as shown by the books of account of the Society did not match with the books of account of the NGOs or Govt. Authorities as reported by Internal Auditors.
- 2.2 The fixed assets are stated at Cost and the assets were capitatised on the cost of assets together with the installation or incidental expenses incurred thereon.
- 2.3 Fixed Assets were although not physically verified for the last several years the assets are considered physically in existence and in condition.
- 2.4 No Depreciation over Fixed Assets has been provided.



- 2.5 Grants / Advances given to NGO / Implementing Agencies are being treated as Expenditure only after Receipt of SOE / Utilisation Certificate.
- 2.6 The Previous year's figures are not given.
- 2.7 These accounts comprised of the accounts of World Bank, ART and DFID merged together during the year as per the Advice of NACO although the two separate set of books of account were maintained upto 9th January, 2008- One set of books of account for World Bank transactions (inclusive of ART) and the other set of books of account for the transactions of DFID
- 2.8 The Receipt & Payment is manually prepared as the Computer's software was not giving effect of the transfer of expenditure incurred for GFATM out of this Fund upto 29th March, 2008 which was recorded in the books of account of this Fund by way of Journal Entries.

Joint Director(F)

Project Director

For R. N Mishra & Co.
Chartered Accountants



(R.N. Mishra)

Partner

M. N. 80270

PLACE : PATNA

DATED : 15 OCT 2008



R.N. MISHRA & CO.
Chartered Accountants
507, Verma Centre,
Boring Road Crossing,
Patna-800001
Pho. No.:- 0612-2541109/2541049

BIHAR State AIDS Control Society

UTILISATION CERTIFICATE
[POOL FUND]

Certified that out of **Rs. 6,14,25,000.00** of grant-in-aid sanctioned to **BIHAR State AIDS Control Society** during the year **2007-08** under Ministry of Health & Family Welfare (NACO) letters mentioned below and a sum of **Rs. 14,69,54,310.69** on account of unspent balance brought forward from previous year including advances of **Rs. 5,71,16,771.51** and other interest & other income earned of **Rs. 31,69,233.00** during the year, a sum of **Rs. 5,77,03,608.50** only was utilized for the purpose for which it was sanctioned and the unspent balance of **Rs. 15,04,15,540.19** including advances of **Rs. 8,06,23,937.01** at the end of the year will be adjusted towards the grant-in-aid payable during the next financial year 2008-09.

S.No.	Sanction letter No	Date	Amount (In Rs.)
	T-11020/7/2007-NACO (ART)	28.03.07	19,04,000.00
1.	No.T.11017/08/2007-NACO (PFMU)	04.06.07	3,78,25,000.00
2.	No.11017/082007-NACO (PFMU)	04.10.07	1,73,38,000.00
3.	UC(IEC)/Misc./2007-NACO	13.03.08	2,00,000.00
4.	No.T11017/08/2007-NACO (PFMU) [fund in Transit]	13.03.08	23,58,000.00
	Total		6,14,25,000.00

Certified that I have satisfied myself that the conditions on which the grants-in-aid was sanctioned have been duly 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:-

Cash Book, Ledger, and CPFMS State AIDS Control Society.



Joint Director(Finance)

Project Director

For R. N. Mishra & Co.,
Chartered Accountants.

Place :
Dated : **15 OCT 2008**


[R. N. Mishra]

Partner

M. No. 80270

