

Kanwaldeep Singh, IDAS



Director (Finance)  
National AIDS Control Organisation  
Ministry of Health & Family Welfare  
6<sup>th</sup> Floor, Chandralok Building, 36 Janpath,  
New Delhi - 110001  
☎ : 011-23731780  
Fax : 011-43509938

File No. G. 20016/31/2010-NACO (FIN)  
Dated 15<sup>th</sup> Dec. 2010

**Subject: Forwarding of Statutory Audit Reports 2009-10 of SACS**

Dear Sir/Madam,

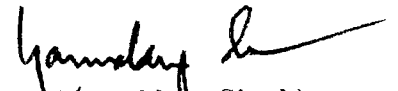
In continuation of this office letter of even no. dated 27<sup>th</sup> Sept. 2010, I am forwarding herewith copies of Audit Reports for 2009-10 in respect of the following states:

1	Bihar	8	Nagaland
2	Chennai	9	Pondicherry
3	Delhi	10	Tripura
4	Himachal Pradesh	11	Uttarakhand
5	J & K	12	Mizoram
6	Lakshadweep	13	Goa ✓
7	Mumbai	14	Rajasthan
15	Jharkhand		

In addition soft copies of the following states have been sent separately by Email and the audit Report for Jharkhand has been sent with the review report..

1. Arunachal Pradesh
2. Daman & Diu

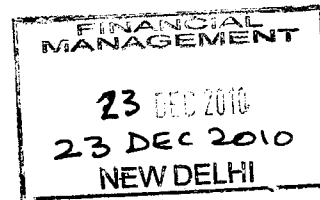
Yours faithfully,

  
(Kanwaldeep Singh)

To

1. ✓ **Mr. Arun Manuja**  
Senior Financial Specialist  
The World Bank  
70, Lodi Estate  
New Delhi - 110003

2. **Ms. Sabina Bindra Barnes**  
Department For International Development  
Qutab Institutional Area  
New Delhi



# **SUBHASH B. JOSHI & ASSOCIATES**

**CHARTERED ACCOUNTANTS**

---

To,  
The Project Director,  
Goa State AIDS Control Society,  
Panaji.

**REF: MANAGEMENT LETTER AFTER THE STATUTORY AUDIT OF THE  
GOA SACS-POOL FUND (NACP-III)**

Sir,

We conducted our audit in accordance with standards on Auditing issued by the institute of Chartered Accountants of India. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. 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 the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

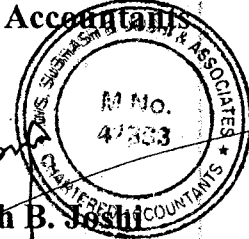
The observations which form our basis for the comments in the audit report for the true and fair view of the transactions as well as the financial position of the society are detailed below-

- 1- We were provided with accounts maintained in the Computerized Project Financial Management system which have been verified by us on the system.
- 2- All expenditures, including procurement of the goods and services have been carried out as per procurement manual of the program.
- 3- The Actual expenditure in the following cases has exceeded the approved expenditure against the covenants of the financial arrangement:

(₹ In Lacs)

<i>Head</i>	<i>Budgeted</i>	<i>Actual</i>	<i>Variance</i>
<i>Institutional Strengthening</i>	122.00	143.43	21.43
<b>Total</b>	122.00	143.43	21.43

For Subhash B. Joshi & Associates  
Chartered Accountants



Subhash B. Joshi  
(Proprietor)

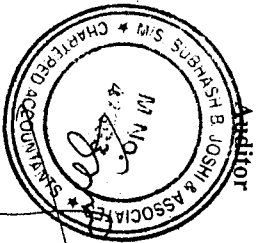
Place: Panaji-Goa.  
Date: 16/11/2010

**Balance Sheet**

**For The Period From : 01-Apr-2009 To :31-Mar-2010**

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 current Period (Rs.)
22,722,819.71	<b>GENERAL FUND</b>	01	11,169,101.71	6,065,068.00	<b>FIXED ASSETS</b>	02	7,680.7
160,496.00	<b>CURRENT LIABILITIES AND PROVISIONS</b>		160,496.00	19,687,697.30	<b>CURRENT ASSETS, LOANS AND ADVANCES</b>	0301	8,168.5
6,065,068.00	<b>CURRENT LIABILITIES</b>	0501	7,680,724.00	3,195,618.41	<b>CURRENT ASSETS</b>	0401	3,161,00
<u>28,948,383.71</u>	<b>FIXED ASSET FUND</b>		<u>19,010,321.71</u>	<u>28,948,383.71</u>	<b>LOANS AND ADVANCES</b>		<u>19,010.32</u>

*As per our Audit Report of even date*



*Date - 16/11/2010*  
*Place - Panaji, Goa*

*[Signature]*  
 FC/FM/FO  
**Finance Officer**  
 Goa State AIDS Control Society  
 Panaji - Goa

*[Signature]*  
 Project Director  
**Project Director**  
 Goa State AIDS  
 Control Society - Panaji.

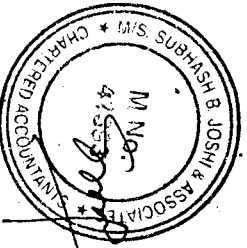
*o/c*  
*[Signature]*

General Fund

Schedule 01

Figures in Rupees

Particulars	AS AT 31-Mar-10 (RS.)	AS AT 31-Mar-09 (RS.)
<b>Opening grant in aid</b>	<b>22,722,819.71</b>	<b>22,256,593.93</b>
<b>Add: Received during the year</b>		
Pool Fund - World Bank	0.00	360,512.95
Grant from NACO to SACS	30,210,000.00	32,000,000.00
<b>Less: Utilised during the year</b>		
Grants utilised to the extent of revenue expenditure	40,148,062.00	31,233,863.27
Grants utilised to the extent of fixed asset expenditure	1,615,656.00	60,602.00
<b>Closing grant in aid</b>	<b>11,169,101.71</b>	<b>22,722,819.71</b>



*[Signature]*  
**Finance Officer**  
 Goa State Aids Control Society  
 Panaji - Goa.

*[Signature]*  
**Project Director**  
 Goa State AIDS  
 Control Society - Panaji.

Fixed Asset

Schedule 02

Particulars	Opening Balance	Addition	Deletion	Closing Balance
Blood Bank Equipments (2203)	1,906,388.00	1,139,026.00	0.00	3,045,414.00
Equipment (Other) (2204)	2,270,397.00	0.00	0.00	2,270,397.00
Furniture, Fixtures & Supplies (2202)	511,396.00	440,362.00	0.00	951,758.00
Office Equipment (2206)	1,189,337.00	36,268.00	0.00	1,225,605.00
Vehicles (2205)	187,550.00	0.00	0.00	187,550.00
<b>Grand Total</b>	<b>6,065,068.00</b>	<b>1,615,656.00</b>	<b>0.00</b>	<b>7,680,724.00</b>

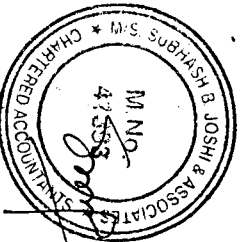
Figures in Rupees

Funds from Other Sources

Schedule 03

Particulars	Opening Balance	Grant Received	Grant Utilised/ Refunded	Closing Balance
<b>Grand Total</b>				

Figures in Rupees



**Finance Officer**  
Goa State Aids Control Society  
Panaji - Goa.

**Project Director**  
Goa State AIDS  
Control Society - Panaji.

**CURRENT ASSETS**

Schedule 0301  
Figures in Rupees

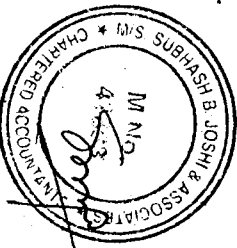
Particulars	As at 31-Mar-10 (Rrs)	As at 31-Mar-09 (Rrs)
Cash in hand	4,044.00	4,044.00
Bank of Baroda- 21790	8,164,459.95	19,683,653.30
<b>Total</b>	<b>8,168,503.95</b>	<b>19,687,697.30</b>

**LOANS AND ADVANCES**

Schedule 0401

Figures in Rupees

Particulars	As at 31-Mar-10 (Rrs)	As at 31-Mar-09 (Rrs)
Advance to Others	1,421,582.76	1,263,192.91
Advance to NGOs	1,695,167.00	1,589,198.50
Advance to Staff	10,265.00	141,900.00
Security Deposit (Paid)	34,079.00	18,000.00
Inter Unit Fund Transfer	0.00	183,327.00
<b>Total</b>	<b>3,161,093.76</b>	<b>3,195,618.41</b>



**Finance Officer**  
Goa State Aids Control Society  
Panaji - Goa.

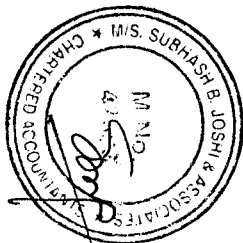
**Project Director**  
Goa State AIDS  
Control Society - Panaji.

**CURRENT LIABILITIES**

Schedule 0501

Figures in Rupees

Particulars	AS 21 31-MAR-10 (RS)	AS 31 31-MAR-09 (RS)
Security / Earnest Deposit (Received)	160,496.00	160,496.00
<b>Total</b>	<b>160,496.00</b>	<b>160,496.00</b>



*[Signature]*  
**Finance Officer**  
 Goa State Aids Control Society  
 Panaji - Goa.

*[Signature]*  
**Project Director**  
 Goa State AIDS  
 Control Society - Panaji.



**Goa SACS - Pool Fund**

OPD Block Old GMC Campal, Panaji - 403001

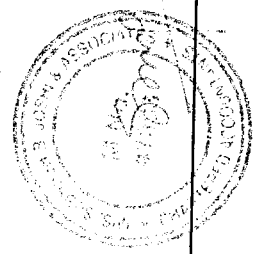
National AIDS Control Project - Phase III

**Income And Expenditure Account**

**For The Period From : 01-Apr-2009 To :31-Mar-2010**

EXPENDITURE	Schedule Reference	Figures for the current Period (Rs.)	Figures for the previous Period (Rs.)	INCOME	Schedule Reference	Figures for the current Period (Rs.)
IEC		4,438,546.00	350,101.00	Other Income	28	572,347.00
Consultants and Consultancy Services		693.00	31,233,863.27	Grants utilised to the extent of revenue expenditure		40,148,062.00
Kits and Other Lab Supplies	06	432,438.00				
Medicines	07	138,283.50				
Training and Workshops	08	2,149,533.00				
NGO Services	11	18,317,411.00				
Salary (Pay and Allowances)	13	12,818,408.00				
Maintenance Costs	14	246,059.00				
Operational Expenses	15	2,179,037.50				
<b>33,964.27</b>		<b>40,720,409.00</b>	<b>31,583,964.27</b>			<b>40,720,409.00</b>

*This is per Our Audot Report of even date*



Finance Officer  
Goa State AIDS Control Society  
Panaji - Goa.

Project Director  
Goa State AIDS  
Control Society - Panaji.

Other Income

Schedule 28

Particulars	As at 31-Mar-10 (Rs.)	As at 31-Mar-09 (Rs.)
Testing Fee from Patients	1,500.00	1,750.00
Other Receipts	261,444.00	12,340.00
Interest from Bank	309,403.00	336,011.00
<b>Total</b>	<b>572,347.00</b>	<b>350,101.00</b>

Kits and Other Lab Supplies

Schedule 06

Particulars	As at 31-Mar-10 (Rs.)	As at 31-Mar-09 (Rs.)
HIV Kits	0.00	18,014.00
Blood Lab. Supplies	0.00	208,887.00
Consumable Items	432,438.00	82,651.00
<b>Total</b>	<b>432,438.00</b>	<b>309,552.00</b>



Finance Officer  
Goa State AIDS Control Society  
Panaji - Goa,

*[Signature]*

Project Director  
Goa State AIDS  
Control Society - Panaji.

Medicines

Schedule 07

Particulars	As at 31-Mar-10 (Rs.)	As at 31-Mar-09 (Rs.)
STI Drugs	138,283.50	113,615.00
PEP Drugs	0.00	7,233.27
<b>Total</b>	<b>138,283.50</b>	<b>120,848.27</b>

Training and Workshops

Schedule 08

Particulars	As at 31-Mar-10 (Rs.)	As at 31-Mar-09 (Rs.)
Training	431,738.00	1,407,559.00
Campaigns	1,717,795.00	246,398.00
<b>Total</b>	<b>2,149,533.00</b>	<b>1,653,957.00</b>

NGO Services

Schedule 11

Particulars	As at 31-Mar-10 (Rs.)	As at 31-Mar-09 (Rs.)
NGO Services	1,033,791.00	1,050,624.00
NGO Services for Priority Interventions	17,283,620.00	13,828,223.00
<b>Total</b>	<b>18,317,411.00</b>	<b>14,878,847.00</b>

Salary (Pay and Allowances)

Schedule 13

Particulars	As at 31-Mar-10 (Rs.)	As at 31-Mar-09 (Rs.)
Salary	10,394,956.00	6,021,593.00
Honorarium	174,450.00	35,591.00
Leave Salary & Pension Contributions	1,921,535.00	407,858.00
Medical Expenses	327,467.00	22,132.00
<b>Total</b>	<b>12,818,408.00</b>	<b>6,487,174.00</b>

Maintenance Costs

Schedule 14

Particulars	As at 31-Mar-10 (Rs.)	As at 31-Mar-09 (Rs.)
Equipment Maintenance	68,153.00	44,812.00
Building Maintenance	99,351.00	0.00
Vehicle Maintenance	78,555.00	91,661.00
<b>Total</b>	<b>246,059.00</b>	<b>136,473.00</b>



Finance Officer  
Goa State AIDS Control Society  
Panaji - Goa,

Project Director  
Goa State AIDS  
Control Society - Panaji.

## Operational Expenses

Schedule 15

Particulars	As at 31-Mar-10 (Rs.)	As at 31-Mar-09 (Rs.)
Travelling Expenses	309,045.00	376,553.00
Rent, Rates & Taxes	600,000.00	532,630.00
Telephone/Communication Expenses	108,977.00	104,899.00
Bank Charges	2,256.50	919.00
Miscellaneous Expenses	70,992.00	90,495.00
Printing & Stationery	131,956.00	195,243.00
Advertisement (Other than IEC)	48,162.00	91,366.00
Water and Electricity Charges	59,717.00	1,79,155.00
Audit Fees	143,120.00	193,259.00
Postage/Courier	9,716.00	0.00
Quality Assessment	67,724.00	4,021.00
Other Administration Cost	0.00	5,019.00
Contractual Services - Companies	627,372.00	242,060.00
<b>Total</b>	<b>2,179,037.50</b>	<b>1,915,619.00</b>



Finance Officer  
Goa State Aids Control Society  
Panaji - Goa.

*[Signature]*  
Finance Officer  
Goa State Aids Control Society  
Panaji - Goa.

Goa SACS - Pool Fund

OPD Block Old GMC Campal, Panaji - 403001

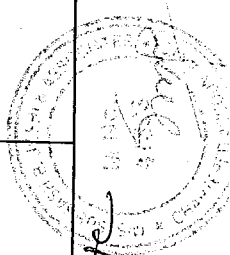
National AIDS Control Project - Phase III

Receipt And Payment Account

For The Period From : 01-Apr-2009 To :31-Mar-2010

Receipts for the current 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.)
33,529.45	Opening Balance:			17,892,593.00	LOANS AND ADVANCES	17	21,142,539.85
	Cash in hand		4,044.00	30,037.95	GENERAL FUND	13	0.00
573,364.80	Balance with Bank	30	19,683,653.30	437,384.00	FIXED ASSETS	16	1,483,548.00
37,056.00	LOANS AND ADVANCES	17	212,530.00	309,552.00	Kits and Other Lab Supplies	18	432,438.00
100,000.00	GENERAL FUND	29	30,210,000.00	117,062.00	Medicines	19	90,571.00
40,761.00	Other Income	56	332,247.00	1,178,804.00	Training and Workshops	20	303,895.00
<u>84,711.25</u>			<u>50,442,474.30</u>	6,471,674.00	Salary (Pay and Allowances)	25	12,605,012.00
				136,473.00	Maintenance Costs	26	246,059.00
				1,866,692.00	Operational Expenses	27	2,144,386.50
				5,156,742.00	IEC		3,824,828.00
				0.00	Consultants and Consultancy Services		693.00
					<b>Closing Balance:</b>		
				4,044.00	Cash in hand		4,044.00
				19,683,653.30	Balance with Bank	31	8,164,459.95
				<u>53,284,711.25</u>			<u>50,442,474.30</u>

As per our Audit Report of even date



Finance Officer  
Goa State AIDS Control Society

Project Director  
Goa State AIDS

System Administrator on 09/11/2010 11:19:25 from 1205  
Date: 16/11/2010  
Location)

LOANS AND ADVANCES

Schedule 17

Particulars	As at 31-Mar-10 (Rs.)	As at 31-Mar-09 (Rs.)
Inter Unit Fund Transfer	212,530.00	5,237,056.00
<b>Total</b>	<b>212,530.00</b>	<b>5,237,056.00</b>

GENERAL FUND

Schedule 29

Particulars	As at 31-Mar-10 (Rs.)	As at 31-Mar-09 (Rs.)
Grant from NACO to SACS	30,210,000.00	32,000,000.00
<b>Total</b>	<b>30,210,000.00</b>	<b>32,000,000.00</b>

Balance with Bank

Schedule 30

Particulars	As at 31-Mar-09 (Rs.)	As at 31-Mar-08 (Rs.)
Bank of Baroda- 21790	19,683,653.30	15,673,364.80
<b>Total</b>	<b>19,683,653.30</b>	<b>15,673,364.80</b>



*[Signature]*  
 Project Director  
 Goa State AIDS  
 Control Society - Panaji.

*[Signature]*  
 Finance Officer  
 Goa State AIDS Control Society  
 Panaji - Goa.

Schedule 56

Other Income

Particulars	As at 31-Mar-10 (Rs.)	As at 31-Mar-09 (Rs.)
Testing Fee from Patients	1,500.00	1,750.00
Other Receipts	21,344.00	3,000.00
Interest from Bank	309,403.00	336,011.00
<b>Total</b>	<b>332,247.00</b>	<b>340,761.00</b>

Schedule 17

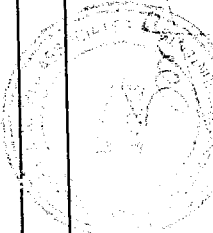
LOANS AND ADVANCES


Particulars	As at 31-Mar-10 (Rs.)	As at 31-Mar-09 (Rs.)
Advance to Others	2,887,252.35	2,117,752.00
Advance to NGOs	18,183,279.50	15,591,564.00
Advance to Staff	55,929.00	183,277.00
Security Deposit (Paid)	16,079.00	0.00
<b>Total</b>	<b>21,142,539.85</b>	<b>17,892,593.00</b>

Schedule 13

GENERAL FUND

Particulars	As at 31-Mar-10 (Rs.)	As at 31-Mar-09 (Rs.)
Pool Fund - World Bank	0.00	30,037.95
<b>Total</b>	<b>0.00</b>	<b>30,037.95</b>



  
 Project Director  
 Goa State Aids Control Society  
 Panaji - Goa.



**FIXED ASSETS**

**Schedule 16**


Particulars	As at 31-Mar-10 (Rs.)	As at 31-Mar-09 (Rs.)
Furniture, Fixtures & Supplies	308,254.00	29,700.00
Blood Bank Equipments	1,139,026.00	50,440.00
Equipment (Other)	0.00	153,516.00
Office Equipment	36,268.00	203,728.00
<b>Total</b>	<b>1,483,548.00</b>	<b>437,384.00</b>


**Kits and Other Lab Supplies**

**Schedule 18**

Particulars	As at 31-Mar-10 (Rs.)	As at 31-Mar-09 (Rs.)
HIV Kits	0.00	18,014.00
Blood Lab. Supplies	0.00	208,887.00
Consumable Items	432,438.00	82,651.00
<b>Total</b>	<b>432,438.00</b>	<b>309,552.00</b>



  
**Finance Officer**  
 Goa State AIDS Control Society  
 Panaji - Goa.

  
**Project Director**  
 Goa State AIDS  
 Control Society - Panaji.

Medicines

Schedule 19

Particulars	As at 31-Mar-10 (Rs.)	As at 31-Mar-09 (Rs.)
STI Drugs	90,571.00	113,615.00
PEP Drugs	0.00	3,447.00
<b>Total</b>	<b>90,571.00</b>	<b>117,062.00</b>

Training and Workshops

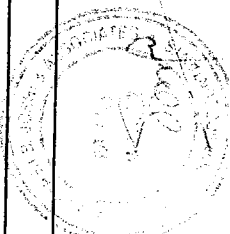
Schedule 20

Particulars	As at 31-Mar-10 (Rs.)	As at 31-Mar-09 (Rs.)
Training	288,468.00	932,406.00
Campaigns	15,427.00	246,398.00
<b>Total</b>	<b>303,895.00</b>	<b>1,178,804.00</b>

Salary (Pay and Allowances)

Schedule 25

Particulars	As at 31-Mar-10 (Rs.)	As at 31-Mar-09 (Rs.)
Salary	10,354,516.00	6,006,093.00
Honorarium	140,694.00	35,591.00
Leave Salary & Pension Contributions	1,921,535.00	407,858.00
Medical Expenses	188,267.00	22,132.00
<b>Total</b>	<b>12,605,012.00</b>	<b>6,471,674.00</b>

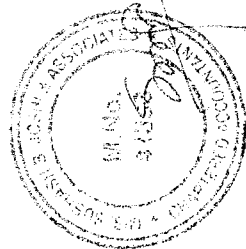


*[Signature]*  
 Project Director  
 Goa State AIDS Control Society  
 Panaji - Goa.

Maintenance Costs

Schedule 26

Particulars	As at 31-Mar-10 (Rs.)	As at 31-Mar-09 (Rs.)
Equipment Maintenance	68,153.00	44,812.00
Building Maintenance	99,351.00	0.00
Vehicle Maintenance	78,555.00	91,661.00
<b>Total</b>	<b>246,059.00</b>	<b>136,473.00</b>



*ANIL*  
**Finance Officer**  
 Goa State Aids Control Society  
 Panaji - Goa.

*[Signature]*  
**Project Director**  
 Goa State AIDS  
 Control Society - Panaji.

## Operational Expenses

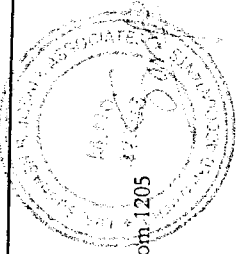
Schedule 27

Particulars	As at 31-Mar-10 (Rs.)	As at 31-Mar-09 (Rs.)
Travelling Expenses	278,088.00	342,922.00
Rent, Rates & Taxes	600,000.00	532,630.00
Telephone/Communication Expenses	108,977.00	104,899.00
Bank Charges	2,256.50	919.00
Miscellaneous Expenses	69,898.00	77,695.00
Printing & Stationery	131,956.00	195,243.00
Advertisement (Other than IEC)	48,162.00	81,670.00
Water and Electricity Charges	59,717.00	79,155.00
Audit Fees	143,120.00	200,459.00
Postage/Courier	8,416.00	0.00
Quality Assessment	66,424.00	4,021.00
Other Administration Cost	0.00	5,019.00
Contractual Services - Companies	627,372.00	242,060.00
<b>Total</b>	<b>2,144,386.50</b>	<b>1,866,692.00</b>

## Balance with Bank

Schedule 31

Particulars	As at 31-Mar-10 (Rs.)	As at 31-Mar-09 (Rs.)
Bank of Baroda- 21790	8,164,459.95	19,683,653.30
<b>Total</b>	<b>8,164,459.95</b>	<b>19,683,653.30</b>



Administrator on 09/11/2010 11:19:33 from-1205

Finance Officer  
Goa State Aids Control Society  
Panaji - Goa.

NACO

**Goa SACS - GLOBAL FUND VII**

OPD Block Old GMC Campal, Panaji - 403001

National AIDS Control Project - Phase III

**Utilisation Certificate**

Certified that an amount of Rs. **1,724,000.00** received as grants-in-aid received from Department of AIDS Control (NACO) during the Fin.Year **2009-10** vide letter No. given below and opening Cash/Bank Balance Rs. **0.00** (and Current Liabilities of Rs.**0.00**)and outstanding Advances for Rs. **1,439,348.00** on account of unspent balance brought forward from the previous financial year, and Bank Interest and Miscellaneous Receipts of Rs. **0.00**. a sum of Rs. **1,661,509.00** has been utilized for the purpose for which it was sanctioned and the Cash/Bank balance of Rs. **826,473.00** (and Current Liabilities of Rs. **0.00** )and outstanding advances of Rs.**675,366.00**. 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	M 18017/1/2009-10 - NACO (GFATM)	1,724,000.00
	<b>Total</b>	<b>1,724,000.00</b>

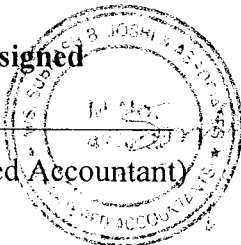
2. Certified that I have satisfied myself that the conditions on which the grants-in-aid was sanctioned have been duly fulfilled/are being fulfilled and that I have exercised the following checks to see that the money was actually utilized for the purpose for which it was sanctioned.

***Kinds of checks exercised***

- 1. Statement of Expenditures
- 2. Annual Financial Statements

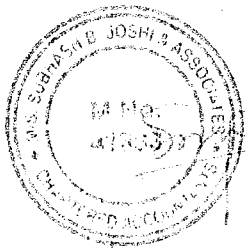
Countersigned


(Chartered Accountant)



(Project Director)  
Goa State AIDS  
Control Society - Panaji.

Opening balance of Net Current Assets	Amount (Rs.)
Advance to NGOs	1,439,348.00
	<u>1,439,348.00</u>
Sources of funds	Amount (Rs.)
Grant from NACO to SACS	1,724,000.00
	<u>1,724,000.00</u>
Utilisation of funds	Amount (Rs.)
Training	145,047.00
Salary	1,120,165.00
Travelling Expenses	31,395.00
Miscellaneous Expenses	307,920.00
Equipment (Other)	56,982.00
	<u>1,661,509.00</u>
Closing balance of Net Current Assets	Amount (Rs.)
Bank GF-RD 7	826,473.00
Advance to NGOs	675,366.00
	<u>1,501,839.00</u>



  
 Project Director  
 Goa State AIDS  
 Control Society - Panaji.

**AUDIT REPORT (Pool Fund)**

We have audited the accompanying financial statements of The Pool Fund of National Aids Control-Phase-III (financed under World Bank Credit No. 3242-IN) of Goa State Aids Control Society. These financial statements are responsibility of the management; our responsibility is to express our opinion on these financial statements based on our audit.

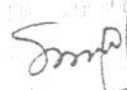
We conducted our audit in accordance with Audit & Assurance Standards of Auditing issued by Institute of Chartered Accountants of India. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit 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 the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

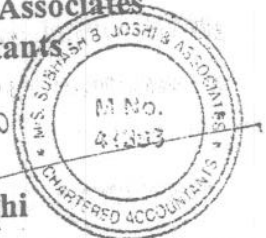
In our opinion, the financial statements, read with observations given below, give a true and fair view subject to pending rectification and adjustment entries to be made (as per Annexure attached) in the financial statements of Goa State Aids Control Society (Pool Fund) for the year ended 31<sup>st</sup> March 2010 due to Computerized Financial Management System being locked.

1. As per information and explanation given to us, we have observed that the utilization of funds by various NGO's shown in the head 'NGO Services' in Income & Expenditure Accounts is not in agreement with the Utilization Certificate given by the CA Firm resulting into understatement of expenditure with an amount of ₹ 10,12,482.50 break-up of the same is given in Annexure A and consequently therefore closing balances of advance given to 21 NGOs are not as per Utilization Certificates. The variations in balances observed are given in the Annexure B.
2. As per information and explanation given to us, we have observed that funds utilized accounted in case of Blood Safety by Goa State Blood Transfusion Council is not in agreement with the Utilization Certificate given by CA firm and the difference of an amount of ₹ 17,02,368.00 resulting to understatement of Expenditure and excess in closing balance with the same amount.

3. As per information and explanation given to us we have observed that the opening balances taken for the year are not in accordance with the closing audited figures of the Financial Statements of the Financial Year ended on 31<sup>st</sup> March 2009 in case Cash at Bank is short with an amount of ₹ 59,200.00 and Advance given to others is excess with the same amount.
4. As per information and explanation given to us and best of our knowledge and belief, we are of opinion that the Bank charges amounting ₹ 754.00 for the month February and March 2010 have not been entered in the accounts resulting into disagreement with the Balance confirmation given by Bank and understatement of the expenditure by the same amount.
5. As per information and explanation given to us and best of our knowledge and belief, we are of opinion that entries as per Annexure C are required to be rectified for proper presentation of the Statements of Accounts.
6. As per the information and explanation given to us we are of opinion that the amount disallowed by the society in case of utilization of funds by an NGO (Desterro Eves Mahila Mandal, Manina FSW Project) amounting ₹ 3,10,400.00 including an amount of ₹ 2,40,100.00 disallowed for the Financial Year 2008-09 has not been accounted during the year resulting to overstatement of expenses with ₹ 70,300.00 and understatement of Income with an amount of ₹ 2,40,100.00
- a) In the case of Balance Sheet of the State of affairs of the society as on 31/3/2010 and
- b) In the case of Income and Expenditure account nil Surplus/Deficit for the year ended on 31/3/2010.
- c) In the case of Receipt and Payment account for the year ended on 31/03/2010.

For Subhash B. Joshi & Associates  
Chartered Accountants

  
Subhash B. Joshi  
(Proprietor)



Place: Panaji-Goa.  
Date: 15/09/2010