

Kanwaldeep Singh, iDAS



Director (Finance)
National AIDS Control Organisation
Ministry of Health & Family Welfare
6th Floor, Chandralok Building, 36 Janpath,
New Delhi - 110001

☎ : 011-23731780

Fax : 011-43509938

File No. G. 20016/31/2010-NACO (FIN)

Dated 15th 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 27th 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

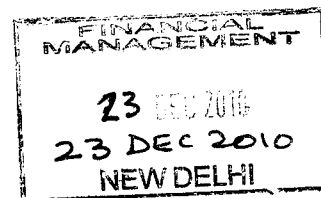
Yours faithfully,


(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



To

The Director (Finance),
National AIDS Control Organization (NACO),
Govt. of India,
Ministry of Health and Family Welfare,
6TH floor, Chanderlok Building,
36th Janpath, New Delhi-110001.

Dated Shimla the, 19th November 2010.


Sub :-

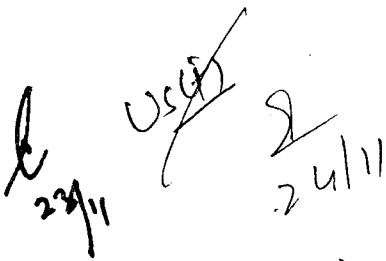
Submission of Audited Final Accounts for the year 2009-10.

Sir ,

Please find enclosed herewith Audited Final Accounts for the year 2009-10
for further necessary at your end.

Yours faithfully,


Joint Controller (F&A),
Himachal Pradesh State AIDS,
Control Society, Shimla-2


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N. KUMAR CHHABRA & CO.
Chartered Accountants

SCO-1095, Sector-22/B
Chandigarh-160022
Phone - 5088800
Fax: - 5085658
nkumarca@airtelmail.in
Dated : 17-11-2010

The Project Director,
Himachal Pradesh State AIDS Control Society,
Chandigarh

AUDIT REPORT

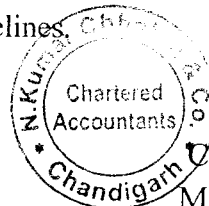
We have audited the accompanying financial statements of Pool Fund and Global Fund VI (GFATM) of Himachal Pradesh State Aids Control Society under the National AIDS Control Project – Phase III (financed under World Bank Credit No. 3242-IN) as at March 31, 2010. Our responsibility is to express an opinion on these financial statements based on our audit.

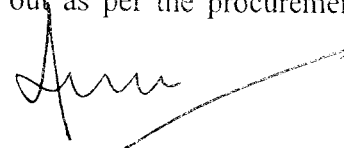
We conducted our audit in accordance with Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes 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.

Subject to audit observations attached to this report, in our opinion, the financial statements, read with the observations, give a true and fair view of the Sources and Application of Funds and the financial position of Himachal Pradesh State Aids Control Society for the year ended March 31, 2010, in accordance with consistency applied accounting standards.

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

Place: Chandigarh
Date: 17/11/2010




A. Navtej Kumar(Pt.)

M. No. 80496

N.Kumar Chhabra & Co.
Chartered Accountants

Himachal Pradesh State Aids Control Society

Audit for the year 2009-10

Audit Observations:

General:

1. Non Compliance of Accounting Standards

It is observed that certain accounting standards are not being complied by the organization. It may be noted that the accounting standards not being followed, are however in accordance with the requirements of NACO. But since we are guided by the accounting standards any deviations from the same have been reported here:

- a) Accounting Standard 1: Cash basis of accounting being followed is in violation of the Accounting Standard.
- b) Accounting Standard 6: Depreciation over the assets has not been provided.

2. Insurance

Operational Guidelines for Financial Management issued by NACO under the head Insurance states that insurance should be obtained on the following assets treating it as a statutory requirement:

Vehicles

Cash in Chest

Employees Fidelity Bond

However, the insurance in respect of vehicles is only being obtained.

3. Guidelines not Available with the NGO

NACO Guidelines have not been complied by the NGOs .Hence the Receipts and payments have been directly made as per the bills Presented without adequate supports.

4. Non – Identification of Fixed assets

On Physical verification of Fixed assets , we noted that HPSACS current year acquired fixed assets and NGO own assets have not been identified because assets received from HPSACS has not been marked. As per the NACO Guidelines at Page No.31 of the Para 8.5 Purchasing Capital Assets which clearly states that “All Assets must be given an identification numbers and such number must be painted on the assets” because on successful completion of the project or “IN the event of Project being withdrawn before the date of completion all such assets like T.V ,Furniture ,Computer ,VCR ,Furniture Equipments etc will be returned to the society also written at Page No.5 Para 1.3 Grant Conditions”

5. Bank Reconciliation Statement

All the NGOs prepared Bank Reconciliation Statement on Quarterly basis. As per “Operational Guidelines For NGOs/CBOs under chapter 6 “Operating of Bank Accounts” “ Para 6.3 Bank Reconciliation Statement has to be prepared on the Monthly basis ,to ensure Proper control on Money as well as useful in avoiding stale cheques.

6. “Paid” Stamp Not used on vouchers

“Paid” stamp was not used on Payment vouchers. As Per Operational Guidelines ,For NGOs/CBOs “under chapter 7 ‘Invoice Validation’ page 22”Paid” stamp should be put on all vouchers for which payment has been made.

7. Bank Receipts

Bank deposit slips were not attached with receipts vouchers. AS per “Operational Guidelines for NGOs/CBOs “ under chapter 6 deposit slips should be attached with Receipt Voucher.

8. TA/DA

TA/DA claimed, traveling has been done by Bus and it has been paid by the NGO to its peer educators and outreach workers(ORW) Requisite form has been attached but Bus tickets have not been collected while making the Payments .As per the NACO guidelines at page no. 24(7.4) selected items of cost ,Bus fares Tickets should be attached while making the payments

9. Errors in the Computerised Project Financial Management System

Utilisation Certificate

Opening and Closing balance of Net Current Assets does not net off the current liabilities and also the current year utilization is not set off against the other recoveries.

10. Store and stock

Bin Cards not maintained for store & stock .

11. Physical verification of Fixed Assets

AS per "Operational Guidelines for NGOs/CBOs" under chapter 8 "Procurement, Stock and Inventory" Para 8.5 under Purchasing capital assets "which states that Physical verification for assets should be undertaken (preferably by an office bearer or someone of adequate authority) at least once a year. In addition, deletions, modification etc should be recorded and signed.

Peripheral units confirmed that physical verification has been conducted but no document was available for checking. Fixed Assets those are FOR at other Peripheral units the Receipts should be obtained and attached in the fixed assets Register or a separate file for the same may please maintained.

12. Delay in submission of Utilization certificates.

After checking the records of district authorities it has been observed that SOE/UC is being not submitted in time & not properly explained and As per the direction H.P sacs. The SOE/UC should be signed by DAPO, Assistant controller finance & Accounts and Container signed by CMO.

13. Tax deducted at sources

TDS deducted on some payments paid for Advertising, Contractual services with education cess but according to finance act 2009 no need to deduct education cess after 1.04.09. TDS rates are revised from 1.10.09 but SACS is deducting TDS on Advertising, Contractual services as per the rates applicable before 1.10.09.

14. Securities Amt/ Earnest Money

Forfeited during the year but income for Forfeited amount not entered in books

Specific to Pool Fund:

1. Advances

Lack of Internal control is evident and can be corroborated by the following:

- a. No balance confirmation is on record.
- b. Advance Register which is the most important element to exercise effective control over the advances, is currently not being prepared as such. Operational Guidelines for Financial Management issued by NACO under the head Internal Control point no. 11.11.3 page no. 38 requires preparation of the advance register in the prescribed format.

c. We have made some analysis in relation to old outstanding advances. We have observed that the advances have been adjusted on the basis of FIFO (which does not give the exact position.). Exact picture was not possible as no prescribed advance register is on record. Following are the results of our analysis:

c1) Advances to the tune of Rs. 4819049.00 had no transaction/adjustment during the year suggesting opening and closing balance remaining the same, Details as per Annexure 1.

c2) Advances with opening balance still unadjusted to the tune of Rs.862494.00, suggesting advances outstanding for over a year. Details as per Annexure 2.

c3) Advances with opening unadjusted to the extent of Rs. 5361191.00, further advance made to the tune of Rs. 13170760.00, suggesting advancement ignoring previous outstanding. Details as per Annexure 3.

C4) Exact position of the advances, as furnished by the HPSACS management to us, gives the age wise classification of advances as on 31st March, 10. Aging of the advances is given as per Annexure 5.

Advances are outstanding as per the aging, date as old as 2003-04.

2. Advances overstated

During the financial year 2004-05, Rs. 33.52 lacs had been recovered by the Income Tax department on account of shortfall in spending 85% of Income. The appeal is pending with the ITAT. The same amount is reflected as advances, since the society had lost the case at Appellate Commissioner level, the amount cannot be treated as advance/recoverable. Accordingly, advances overstated to that extent.

3. Contractual Employees

Total no. of contractual employees as on 31st March, 10 were 22 .

Law requires PF deduction in case of an organization having employees in excess of 20.NACO has recommended to sought exemption U/S 16(2) for exemption from EPF. Neither the P.F provision have been complied nor the exemption obtained.

6. Tax deduction at source

TDS rates revised from 1.10.09 but they are charging the same rate of TDS as before 1.10.09.

TDS for the month of march for Rs 80140 deposited late, i.e. on 4th June , invites interest / penalty .

4. Expenses wrongly classified as Fixed Assets

- a) Civil Works Cl. Dr balance of Rs. 1014816.00

Civil work being done at various peripheral units. As the peripheral units are not the assets of HPSACS any expenditure of civil nature being done on the same should be charged to revenue and not capitalized. Operational Guidelines for Financial Management issued by NACO under the head Accounting policies point no. 8.2.3 sub point (b), page no 21 also requires minor civil works to be charged to expenditure.

- b) Blood Bank Equipments Cl. Dr balance of Rs. 2604661.00

Current year addition of Rs. 1950000.00 is towards assets purchased for Blood Banks.

Operational Guidelines for Financial Management issued by NACO under the head Accounting policies point no. 8.2.3 sub point (a), page no 21 requires Equipments procured by SACS for use at peripheral units to be charged as expenditure as the ownership of these assets doesn't rest with SACS.

However, we have a different view as to the ownership of assets, but still going strictly by the governing guidelines we consider this as a misclassification.

5. Training

Expenditure incurred against training Utilization certificate attached only. Detail of expenditure not attached .

Entry dated 31.03.10, J.V/2009000073 of Rs. 200,000.00

Entry dated 31.03.10, J.V/2009000074 of Rs. 123900.00

Entry dated 31.03.10, J.V/2009000074 of Rs. 150000.00

6. Adjustment entry not Passed in books

Entry dated 22.06.09, BPV//2009000042 of Rs. 31600.00

Entry dated 14.07.09, BPV/2009000056 of Rs. 316500.00

9. **Telecounselling** salary for counselor dated 21/11/09 Rs 30000.00 not adjusted .

10. Double adjustment entry pass in books

Advance account adjusted against expense for Telecounselling

Entry dated 31.03.10, J.V/2009000142 of Rs. 60000.00

Specific to Global Fund:

1. Expenses wrongly classified as Fixed Assets

Office Equipment Cl. Dr balance of Rs. 848969.00

Civil works Cl. Dr balance of Rs 471054.00

Current year addition of Rs. 1320023.00 is towards assets purchased for various ICTC's and ART Centres.

Operational Guidelines for Financial Management issued by NACO under the head Accounting policies point no. 8.2.3 sub point (a), page no 21 requires Equipments procured by SACS for use at peripheral units to be charged as expenditure as the ownership of these assets doesn't rest with SACS.

However, we have a different view as to the ownership of assets, but still going strictly by the governing guidelines we consider this as a misclassification.

2. Misclassification of Income/Expenses

a) Salary (Pay and Allowances) Cl. Dr balance of Rs. 9037656.00

Entry dated 31st March, 10, JV/2009000689 of Rs. 773554.00 for Civil Work transferred from Pool Fund, wrongly charged to this account should have been charged to Civil Works.

Place: Chandigarh

Date: 17/11/2010



CA. Navtej Kumar (Pt.)

M. No. 80496

N.Kumar Chhabra & Co.

Chartered Accountants

Annexure 1

Advances Summary
Advances with no adjustment/recovery during the year

| Particulars | Opening Bal | Actual Advance | Adjustment Amount | Refund Amount | Balance Amount (Rs.) | Same Op. and Cl. |
|---|----------------|----------------|-------------------|---------------|----------------------|------------------|
| Advance to Others (3202) | | | | | | |
| Training centre Kangra (157) | 49652 | | | | 49,652.00 | 49652 |
| Director- Social Justice (180) | 220660 | | | | 220,660.00 | 220660 |
| Income tax Receivable (183) | 3351796 | | | | 3,351,796.00 | 3351796 |
| Training Co- ordinator IGMC (88) | 375419 | | | | 375,419.00 | 375419 |
| Advance to NGOs (3203) | | | | | | |
| Swarni HarGiri Health and welfare society (108) | 652604 | | | | 652,604 | 652604 |
| Advance to Staff (3205) | | | | | | |
| Advance to Autonomous Bodies (3206) | | | | | | |
| | 0 | 0 | 0 | 0 | 0 | 0 |
| Advance to District Authorities (3208) | | | | | | |
| PRINCIPAL IGMC (320205P1) | 158918 | | | | 158,918 | 158918 |
| MEDICAL SUPERINTENDENT knh (320201) | 10000 | | | | 10,000 | 10000 |
| | 168918 | 0 | 0 | 0 | 1,68,918 | 168918 |
| Total | 4819049 | 0 | 0 | 0 | 4819049 | 4819049 |

Advances Summary
Advances given in the C. Y., however, Opening still not adjusted

| Particulars | Opening | Actual Advance | Adjustment | Refund | Closing Balance | Op. Unadjusted |
|---|---------|----------------|--------------|--------------|-----------------|----------------|
| Advance to Others (3202) | | | | | | |
| INCHARGE BLOOD BANK (IGMC) (100) | 275118 | 468,600.00 | 713,396.00 | 30322 | 30,322.00 | 30322 |
| SCERT SOLAN | 1030216 | 500,000.00 | 1,400,000.00 | 130,216.00 | 130,216.00 | 30216 |
| DIRECTOR YOUTH SERVICES | 91101 | 446,210.00 | 522,245.00 | 15,066.00 | 15,066.00 | 15066 |
| NEHRU YUVA KENDRA (186) | 437500 | 683,500.00 | 1,117,475.00 | 3,525.00 | 3,525.00 | 3525 |
| HOD COMMUNITY MEDICINE(187) | 645871 | 887,550.00 | 2,302.00 | 1,531,119.00 | 17,610.00 | 645871 |
| PROF. AND HEAD, SKIN & VD TANDA, STI(188) | 32500 | 58,500.00 | 73,390.00 | 36,610.00 | 17,610.00 | 17610 |
| DEPTT OF TRANFSUSION MEDICINE ,PGI CHANDIGARH (189) | 236610 | 400,000.00 | 600,000.00 | 352,543.00 | 36,610.00 | 36610 |
| MEDICAL SUPERINTENDENT KNH (320201) | 231543 | 125,000.00 | 4,000.00 | 1,228,895.00 | 352,543.00 | 231543 |
| PRINCIPAL IGMC (320205P1) | 1453142 | 259,000.00 | 970,000.00 | 1,110,088.00 | 309,342.00 | 1228895 |
| PRINCIPAL RFGMC TANDA (320206P2) | 449430 | 5,000.00 | 5,000.00 | 146,918.00 | 73,750.00 | 309342 |
| DR. A.K BHARDWAJ (76) | 215668 | 30,305.00 | 548,315.00 | 90,983.00 | 90,983.00 | 68750 |
| DIRECTOR DOORDARSHAN (93) | 608993 | 102,000.00 | 111,880.00 | 112,808.00 | 112,808.00 | 90983 |
| INCHARGE STATE BLOOD BANK DDU(99) | 122688 | | | | | 10808 |
| | 5830380 | 4936665 | 6833256 | 0 | 3932789 | 2719541 |
| Advance to NGOs (3203) | | | | | | |
| USHA (106) | 320985 | 966,975.00 | 1115054 | 172906 | 172906 | 172906 |
| SAVE (110) | 383684 | 741,362.00 | 1055965 | 69081 | 69081 | 69081 |
| HIND SEVA SANGHTHAN (115) | 306271 | 300,000.00 | 280631 | 325640 | 306271 | 306271 |
| LAYUL TRIBAL WELFARE (117) | 239498 | 686,400.00 | 830397 | 95501 | 32002 | 32002 |
| CARE (119) | 146457 | 1,541,450.00 | 1368397 | 329510 | 146457 | 146457 |
| CHINMAY ORGANISATION FOR RURAL DEVELOPMENT | 359350 | 848,435.00 | 1003138 | 204647 | 204647 | 204647 |
| GANAPATI EDUCATION SOCIETY | 311955 | 1,118,386.00 | 1301677 | 128674 | 128674 | 128674 |
| | 2068210 | 6,203,008.00 | 6945259 | 0 | 1325959 | 1060038 |
| Advance to Staff (3205) | | | | | | |
| SARITA CHAUHAN (168) | 23892 | 32,000.00 | 53,269.00 | 2,623.00 | 2,623.00 | 2623 |
| VISHAL (188) | 95503 | 202,000.00 | 266,767.00 | 30,736.00 | 30,736.00 | 30736 |
| N.L SHARMA (DR)(197) | 4504 | 5,000.00 | 0.00 | 9,504.00 | 4,504 | 4504 |
| VIJAY KUMAR DRIVER (DTE)(206) | 4964 | 10,000.00 | 10,031.00 | 4,933.00 | 4,933.00 | 4933 |
| | 128863 | 249000 | 330067 | 0 | 47796 | 42796 |
| Advance to Autonomous Bodies (3206) | | | | | | |
| | 0 | 0 | 0 | 0 | 0 | 0 |
| Advance to District Authorities (3208) | | | | | | |
| DAPO KINNAUR (53) | 265000 | 100,000.00 | 223,658.00 | 141,342.00 | 141,342.00 | 141342 |
| DAPO SHIMLA (55) | 405000 | 100,000.00 | 429,453.00 | 75,547.00 | 75,547.00 | 75547 |
| DAPO MANDI (61) | 410000 | 100,000.00 | 420,290.00 | 89,710.00 | 89,710.00 | 89710 |
| DAPO KULLU (63) | 305000 | 100,000.00 | 56580.00 | 348420.00 | 305000 | 305000 |
| DAPO KANGRA (67) | 625000 | 1,183,087.00 | 1292706.00 | 515381.00 | 515381.00 | 515381 |
| DAPO UNA (69) | 315000 | 100,000.00 | 259164.00 | 155836.00 | 155836.00 | 155836 |
| DAPO NAHAN (73) | 335000 | 100,000.00 | 179000.00 | 256000.00 | 256000.00 | 256000 |
| | 2660000 | 1,783,087.00 | 2,860,851.00 | 0 | 1582236 | 1538816 |

Total 10687453 13170760 1666433.00 0 6888780 5361191

Annexure 3

Advances Summary
Advance with opening Bal still unadjusted

| Particulars | Opening | Actual Advance | Adjustment | Refunds | Closing Balance | Op. Unadjusted |
|---|----------------|----------------|------------|---------------|-----------------|----------------|
| Advance to Others (3202) | | | | | | |
| CNO SHIMLA (92) | 676020 | | 0.00 | 200,000.00 | 476,020.00 | 476020 |
| H.P CIVIL SUPPLIERS (98) | 264828 | | | 21,186.00 | 243,662.00 | 243662 |
| | 940848 | | 0 | 221166 | 719682 | 719682 |
| Advance to NGOs (3203) | | | | | | |
| | 0 | | 0 | 0 | 0 | 0 |
| Advance to Staff (3205) | | | | | | |
| D.R. Rohal (147) | 16690 | | | 8,000.00 | 8,690.00 | 8690 |
| RAJESH DASS (183) | 10757 | | 0.00 | 8,635.00 | 2,122.00 | 2122 |
| | 27447 | | | 16,635.00 | 10,812.00 | 10812 |
| Advance to Autonomous Bodies (3206) | | | | | | |
| | 0 | | 0 | 0 | 0 | 0 |
| Advance to District Authorities (3208) | | | | | | |
| DAPO LAHAUL AND SPTI (65) | 255000 | | 0.00 | 123000.00 | 132000.00 | 132000 |
| | 255000 | | 0 | 123000 | 132000 | 132000 |
| Total | 1223295 | | 0 | 350804 | 862494 | 862494 |

N. KUMAR CHHABRA & CO.
Chartered Accountants

SCO-1095, Sector-22/B
Chandigarh-160022
Phone - 5088800
Fax: - 5085658
nkumarca@airtelmail.in
Dated : 17-11-2010

MANAGEMENT LETTER

The Project Director,
H.P. State Society for AIDS/HIV Control,
Shimla.

Subject: Management letter on affairs of the Society for 2009-10.

Dear Madam,

We have audited the financial statements of the H.P. State Society for AIDS/HIV Control, Shimla. In planning and performing our audit of the Society, we considered its internal accounting control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the Financial Statements and not provide assurance on internal control structure. The matters involving the internal accounting control structure and its operations that we consider to be material weakness in accordance with standards referred to above are :

1. Advances

Lack of Internal control is evident and can be corroborated by the following:

- a. No balance confirmation is on record .
- b. Advance Register which is the most important element to exercise effective control over the advances, is currently not being prepared as such. Operational Guidelines for Financial Management issued by NACO under the head Internal Control point no. 11.11.3 page no. 38 requires preparation of the advance register in the prescribed format.
- c. We have made some analysis in relation to old outstanding advances. We have observed that the advances have been adjusted on the basis of FIFO (which does not give the exact position,). Exact picture was not possible as no prescribed advance register is on record. Following are the results of our analysis:

c1) Advances to the tune of Rs. 4819049.00 had no transaction/adjustment during the year suggesting opening and closing balance remaining the same, Details as per Annexure 1.

c2) Advances with opening balance still unadjusted to the tune of Rs.862494.00, suggesting advances outstanding for over a year. Details as per Annexure 2.

c3) Advances with opening unadjusted to the extent of Rs. 5361191.00, further advance made to the tune of Rs. 13170760.00, suggesting advancement ignoring previous outstanding. Details as per Annexure 3.

C4) Exact position of the advances, as furnished by the HPSACS management to us, gives the age wise classification of advances as on 31st March, 10. Aging of the advances is given as per Annexure 5.

Advances are outstanding as per the aging, date as old as 2003-04.

2. Advances overstated

During the financial year 2004-05, Rs. 33.52 lacs had been recovered by the Income Tax department on account of shortfall in spending 85% of Income. The appeal is pending with the ITAT. The same amount is reflected as advances, since the society had lost the case at Appellate Commissioner level, the amount cannot be treated as advance/recoverable. Accordingly, advances overstated to that extent.

3. Contractual Employees

Total no. of contractual employees as on 31st March, 10 were 22 .

Law requires PF deduction in case of an organization having employees in excess of 20.NACO has recommended to sought exemption U/S 16(2) for exemption from EPF. Neither the P.F provision have been complied nor the exemption obtained.

4. Tax deduction at source

TDS rates revised from 1.10.09 but they are charging the same rate of TDS as before 1.10.09.

TDS for the month of march for Rs 80140 deposited late, i.e. on 4th June , invites interest / penalty .

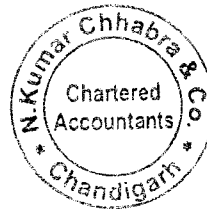
5. Physical verification of Fixed Assets and stores and articles was not conducted which is necessary once in the year.

6. The identification marks were not found affixed on all the fixed assets. The location has also not been specified in absence of which Physical Verification of assets could not be conducted. The damaged/unserviceable fixed assets and missing /misplaced fixed assets therefore could not be worked out.

7. Gross block of Fixed Assets could not be verified because information regarding purchase of Fixed Assets by DAPO's out of the grant released by the society were not received by the society which is necessary as per the guidelines of NACO. Separate register for assets purchase by DAPO and NGO's should be introduced to eliminate chances pilferage.
8. The report of visits under taken by NGO Advisor to verify activities of NGO's was not made available to us.
9. Fresh Advances have been given to District AIDS Programme Officer without calling and adjusting previous advances.
10. A sum of Rs8690/- is outstanding for recovery from Sh. D.R. Rohal who was repatriated to his parent department in 2004. No efforts have been made to recover the amount.
11. While selecting NGO's emphasis should be made that the NGO should be registered u/s 12 A of the Income Tax Act with Income Tax Authorities. This will ensure the charitable character of the NGO concerned.

The report is intended solely for the information and use of management and others within the organization and should not be used for any other purpose.

Place: Chandigarh
Date: 17/11/2010



Yours truly,

A handwritten signature in black ink, appearing to be "Navtej kumar(Pt.)", written over a horizontal line.

CA. Navtej kumar(Pt.)
M. No. 80496
N.Kumar Chhabra & Co.
Chartered Accountants

Himachal Pradesh SACS - Pool Fund

Block No. 38, Ground Floor SDA Complex, Kasumpti, Shimla - 171009

National AIDS Control Project - Phase III

Utilisation Certificate

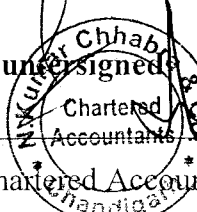
Certified that an amount of Rs. 52,900,000.00 received as grants-in-aid received from Department of AIDS Control (NACO) during the Fin. Year 2009-10 vide letter No. given below and opening Cash/Bank Balance Rs. 10,543,013.00 (and Current Liabilities of Rs. 955,767.00) and outstanding Advances for Rs. 24,296,831.00 on account of unspent balance brought forward from the previous financial year, and Bank Interest and Miscellaneous Receipts of Rs. 897,688.00. a sum of Rs. 71,547,313.00 has been utilized for the purpose for which it was sanctioned and the Cash/Bank balance of Rs. 2,895,723.00 (and Current Liabilities of Rs. 776,567.00) and outstanding advances of Rs. 14,015,296.00. 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. | T11017/16/2009-NACO (PFMU) | |
| | RTGS-7 th July 2009 | 52,900,000.00 |
| | | |
| | Total | 52,900,000.00 |

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

Kinds of checks exercised

1. Statement of Expenditures
2. Annual Financial Statements


Counter signed
Chartered
Accountant
(Chartered Accountant)


(Project Director)

| Opening balance of Net Current Assets | Amount (Rs.) |
|--|----------------------|
| Cash in hand | 3,346.00 |
| Bank Pool Fund | 10,539,667.00 |
| Advance to Others | 12,572,224.00 |
| Advance to NGOs | 4,855,888.00 |
| Advance to Staff | 390,451.00 |
| Advance to Autonomous Bodies | 105,410.00 |
| Advance to District Authorities | 6,326,358.00 |
| Security Deposit (Paid) | 46,500.00 |
| | <u>34,839,844.00</u> |

| Opening balance of Net Current Liabilities | Amount (Rs.) |
|---|---------------------|
| Security / Earnest Deposit (Received) | 527,600.00 |
| Funds from Other Sources | 428,167.00 |
| | <u>955,767.00</u> |

| Sources of funds | Amount (Rs.) |
|-------------------------|----------------------|
| Grant from NACO to SACS | 52,900,000.00 |
| | <u>52,900,000.00</u> |

| Utilisation of funds | Amount (Rs.) |
|---|---------------------|
| Other Lab. Supplies | 60,250.00 |
| STI Drugs | 432,168.00 |
| IEC | 21,516,008.00 |
| NGO Services | 1,026,000.00 |
| Consultants and Consultancy Services | 360,300.00 |
| Training | 4,004,921.00 |
| Salary | 10,549,573.00 |
| Vehicle Maintenance | 171,045.00 |
| Travelling Expenses | 1,201,314.00 |
| Rent, Rates & Taxes | 763,924.00 |
| Telephone/Communication Expenses | 347,241.00 |
| Honorarium | 6,500.00 |
| Bank Charges | 1,088.00 |
| Miscellaneous Expenses | 2,334,115.00 |
| Printing & Stationery | 310,311.00 |
| Blood Lab. Supplies | 3,767,916.00 |
| Advertisement (Other than IEC) | 2,579.00 |
| Medical Expenses | 32,439.00 |
| Water and Electricity Charges | 87,932.00 |
| Audit Fees | 250,381.00 |
| Legal Expenses | 35,850.00 |
| NGO Services for Priority Interventions | 19,727,650.00 |
| Surveillance | 232,048.00 |
| Postage/Courier | 53,269.00 |

| | |
|---|----------------------|
| Consumable Items | 84,093.00 |
| Meeting Expenses | 10,294.00 |
| Prior to NACPIII-(PI) Non Reimbursable expenses | 240,616.00 |
| Civil Works | 296,832.00 |
| Furniture , Fixtures & Supplies | 267,396.00 |
| Blood Bank Equipments | 2,154,000.00 |
| Office Equipment | 1,199,355.00 |
| | <u>71,547,313.00</u> |
| Bank Interest & Miscellaneous Receipts | Amount (Rs.) |
| Other Receipts | 24,604.00 |
| Interest from Bank | 873,084.00 |
| | <u>897,688.00</u> |
| Current Liabilities | Amount (Rs.) |
| Security / Earnest Deposit (Received) | 357,600.00 |
| Funds from Other Sources | 418,967.00 |
| | <u>776,567.00</u> |
| Closing balance of Net Current Assets | Amount (Rs.) |
| Cash in hand | 62,563.00 |
| Bank Pool Fund | 2,833,160.00 |
| Advance to Others | 10,750,606.00 |
| Advance to NGOs | 4,870,321.00 |
| Advance to Staff | 161,497.00 |
| Advance to Autonomous Bodies | -1.00 |
| Advance to District Authorities | 5,467,746.00 |
| Security Deposit (Paid) | 46,500.00 |
| Inter Unit Fund Transfer | -7,281,373.00 |
| | <u>16,911,019.00</u> |

2

HP State AIDS Control Society - Pool Fund

[Draft]

Block No. 38, Ground Floor SDA Complex, Kasumpti, Shimla - 171009

National AIDS Control Project - Phase III

Balance Sheet

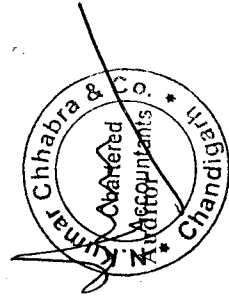
For The Period From : 01-Apr-2009 To :31-Mar-2010

| Figures for the current Period (Rs.) | Schedule Reference | Figures for the current Period (Rs.) | Figures for the previous Period (Rs.) | ASSETS | Schedule Reference | Figures for the current Period (Rs.) |
|--------------------------------------|--------------------|--------------------------------------|---------------------------------------|------------------------------------|--------------------|--------------------------------------|
| 1,077.00 | 01 | 16,134,452.00 | 16,351,063.44 | FIXED ASSETS | 02 | 20,268,646.44 |
| 7,600.00 | 0301 | 357,600.00 | 10,543,013.00 | CURRENT ASSETS, LOANS AND ADVANCES | 0301 | 2,895,723.00 |
| 1,063.44 | 03 | 20,268,646.44 | 24,296,831.00 | CURRENT ASSETS | 0401 | 14,015,296.00 |
| 1,167.00 | | 418,967.00 | | LOANS AND ADVANCES | | |
| <u>907.44</u> | | <u>37,179,665.44</u> | <u>51,190,907.44</u> | | | <u>37,179,665.44</u> |

Accountant
HP State AIDS Control Society
Kasumpti, Shimla - 9

[Signature]
FC/FM/PC

[Signature]
Project Director



General Fund

Schedule 01

Figures in Rupees

| Particulars | As at 31-Mar-10 (Rs.) | As at 31-Mar-09 (Rs.) |
|--|-----------------------|-----------------------|
| Opening grant in aid | 33,884,077.00 | 31,371,172.00 |
| Add: Received during the year | | |
| Grant from NACO to SACS | 52,900,000.00 | 50,477,000.00 |
| Less: Utilised during the year | | |
| Grants utilised to the extent of revenue expenditure | 66,732,042.00 | 46,720,603.00 |
| Grants utilised to the extent of fixed asset expenditure | 3,917,583.00 | 1,243,492.00 |
| Closing grant in aid | 16,134,452.00 | 33,884,077.00 |

PL

Accountant
HP State AIDS Control Society
Kasumpti, Shimla - 9

S.A.G.
Joint Controller (Finance)
HP State AIDS Control Society
Kasumpti, Shimla - 9

[Signature]

Project Director
HP SACS, Shimla-9

Fixed Asset

Schedule 02

Figures in Rupees

| Particulars | Opening Balance | Addition | Deletion | Closing Balance |
|---------------------------------------|----------------------|---------------------|-------------------|----------------------|
| Blood Bank Equipments (2203) | 450,661.00 | 2,154,000.00 | 0.00 | 2,604,661.00 |
| Civil Works (2201) | 717,984.00 | 296,832.00 | 0.00 | 1,014,816.00 |
| Equipment (Other) (2204) | 136,085.00 | 103,386.00 | 103,386.00 | 136,085.00 |
| Furniture, Fixtures & Supplies (2202) | 13,158,129.44 | 456,277.00 | 188,881.00 | 13,425,525.44 |
| Office Equipment (2206) | 1,088,628.00 | 1,199,355.00 | 0.00 | 2,287,983.00 |
| Vehicles (2205) | 799,576.00 | 0.00 | 0.00 | 799,576.00 |
| Grand Total | 16,351,063.44 | 4,209,850.00 | 292,267.00 | 20,268,646.44 |

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Seesh
Joint Controlled (Finance)
HP State AIDS Control Society
Kasumpti, Shimla - 9

Pr
Joint Controlled (Finance)
HP State AIDS Control Society
Kasumpti, Shimla - 9

Pr
Project Director
HP SACS, Shimla

Schedule 03

Funds from Other Sources

Figures in Rupees

| Particulars | Opening Balance | Grant Received | Grant Utilised/ Refunded | Closing Balance |
|--|-------------------|---------------------|-----------------------------|-------------------|
| Behavior Change Communication (01) | 0.00 | 0.00 | 0.00 | 0.00 |
| Funds from ESI (ESI-1) | 207,001.00 | 0.00 | 0.00 | 207,001.00 |
| FUNDS FROM NACO FOR SURVEILLANCE (NACO-SURVEI) | 0.00 | 1,356,500.00 | 1,356,500.00 | 0.00 |
| Funds from NRHM-Adolescence (NRHM) | 221,166.00 | 0.00 | 9,200.00 | 211,966.00 |
| Grand Total | 428,167.00 | 1,356,500.00 | 1,365,700.00 | 418,967.00 |

PK

Joint Controller (Finance)
 H P State AIDS Control Society
 Kasumpti, Shimla - 9

HP State AIDS Control Society
 Kasumpti, Shimla - 9
 Project Director
 HP SACS, Shimla-9

CURRENT ASSETS

Schedule 0301

Figures in Rupees

| Particulars | As at 31-Mar-10 (Rs.) | As at 31-Mar-09 (Rs.) |
|----------------|-----------------------------|-----------------------------|
| Cash in hand | 62,563.00 | 3,346.00 |
| Bank Pool Fund | 2,833,160.00 | 10,539,667.00 |
| Total | 2,895,723.00 | 10,543,013.00 |

LOANS AND ADVANCES

Schedule 0401

Figures in Rupees

| Particulars | As at 31-Mar-10 (Rs.) | As at 31-Mar-09 (Rs.) |
|---------------------------------|-----------------------------|-----------------------------|
| Advance to Others | 10,750,606.00 | 12,572,224.00 |
| Advance to NGOs | 4,870,321.00 | 4,855,888.00 |
| Advance to Staff | 161,497.00 | 390,451.00 |
| Advance to Autonomous Bodies | -1.00 | 105,410.00 |
| Advance to District Authorities | 5,467,746.00 | 6,326,358.00 |
| Security Deposit (Paid) | 46,500.00 | 46,500.00 |
| Inter Unit Fund Transfer | -7,281,373.00 | 0.00 |
| Total | 14,015,296.00 | 24,296,831.00 |

Accountant
HP State AIDS Control Society
Kasumpti, Shimla - 9

Joint Control (Finance)
HP State AIDS Control Society
Kasumpti, Shimla - 9

Project Director
HP SACS, Shimla-9

CURRENT LIABILITIES

Schedule 0501

Figures in Rupees

| Particulars | As at 31-Mar-10 (Rs.) | As at 31-Mar-09 (Rs.) |
|---------------------------------------|-----------------------|-----------------------|
| Security / Earnest Deposit (Received) | 357,600.00 | 527,600.00 |
| Total | 357,600.00 | 527,600.00 |

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Joint Controller (Finance)
 H P State AIDS Control Society
 Kasumpti, Shimla - 9

Accountant
 HP State AIDS Control Society
 Kasumpti, Shimla - 9

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Project Director
 HP SACS, Shimla-9

Himachal Pradesh SACS - Pool Fund


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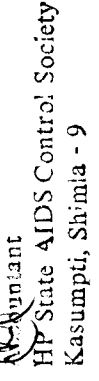
Block No. 38, Ground Floor SDA Complex, Kasumpti, Shimla - 171009


National AIDS Control Project - Phase III

**Income And Expenditure Account
For The Period From : 01-Apr-2009 To :31-Mar-2010**

| Figures for the current Period (Rs.) | EXPENDITURE | Schedule Reference | Figures for the current Period (Rs.) | Figures for the previous Period (Rs.) | INCOME | Schedule Reference | Figures for the current Period (Rs.) |
|--------------------------------------|---|--------------------|--------------------------------------|---------------------------------------|--|--------------------|--------------------------------------|
| 7,899.00 | IEC | | 21,516,008.00 | 1,251,124.00 | Other Income | 28 | 897,688.00 |
| 3,619.00 | Consultants and Consultancy Services | | 360,300.00 | 46,720,603.00 | Grants utilised to the extent of revenue expenditure | | 66,732,042.00 |
| 3,409.00 | Surveillance | | 232,048.00 | | | | |
| 8,491.00 | Prior to NACPIII-(PI) Non Reimbursable expenses | | 240,616.00 | | | | |
| 6,320.00 | Kits and Other Lab Supplies | 06 | 3,912,259.00 | | | | |
| 5,867.00 | Medicines | 07 | 432,168.00 | | | | |
| 4,051.00 | Training and Workshops | 08 | 4,004,921.00 | | | | |
| 5,895.00 | NGO Services | 11 | 20,753,650.00 | | | | |
| 5,564.00 | Salary (Pay and Allowances) | 13 | 10,588,512.00 | | | | |
| 940.00 | Maintenance Costs | 14 | 171,045.00 | | | | |
| 672.00 | Operational Expenses | 15 | 5,418,203.00 | | | | |
| 0.00 | | NULL | 10,294.00 | | | | |
| 727.00 | | | 67,629,730.00 | 47,971,727.00 | | | 67,629,730.00 |


Project Director
HP SACS, Shimla-9


Joint Controller (Finance)
HP State AIDS Control Society
Kasumpti, Shimla - 9


Joint Controller (Finance)
HP State AIDS Control Society
Kasumpti, Shimla - 9

Other Income

Schedule 28

| Particulars | As at 31-Mar-10 (Rs.) | As at 31-Mar-09 (Rs.) |
|------------------------------|-----------------------------|-----------------------------|
| Sale of Bid/Tender Documents | 0.00 | 23,500.00 |
| Other Receipts | 24,604.00 | 950,154.00 |
| Interest from Bank | 873,084.00 | 277,470.00 |
| Total | 897,688.00 | 1,251,124.00 |

Kits and Other Lab Supplies

Schedule 06

| Particulars | As at 31-Mar-10 (Rs.) | As at 31-Mar-09 (Rs.) |
|---------------------|-----------------------------|-----------------------------|
| Other Lab. Supplies | 60,250.00 | 164,300.00 |
| Blood Lab. Supplies | 3,767,916.00 | 162,020.00 |
| Consumable Items | 84,093.00 | 0.00 |
| Total | 3,912,259.00 | 326,320.00 |

Accountant
HP State AIDS Control Society
Kasumpti, Shimla - 9

Joint Controller (Finance)
HP State AIDS Control Society
Kasumpti, Shimla - 9

Project Director
HP SACS, Shimla-9

Medicines

Schedule 07

| Particulars | As at 31-Mar-10 (Rs.) | As at 31-Mar-09 (Rs.) |
|--------------|-----------------------------|-----------------------------|
| STI Drugs | 432,168.00 | 206,867.00 |
| Total | 432,168.00 | 206,867.00 |

Training and Workshops

Schedule 08

| Particulars | As at 31-Mar-10 (Rs.) | As at 31-Mar-09 (Rs.) |
|--------------|-----------------------------|-----------------------------|
| Training | 4,004,921.00 | 1,391,051.00 |
| Total | 4,004,921.00 | 1,391,051.00 |

NGO Services

Schedule 11

| Particulars | As at 31-Mar-10 (Rs.) | As at 31-Mar-09 (Rs.) |
|---|-----------------------------|-----------------------------|
| NGO Services | 1,026,000.00 | 558,000.00 |
| NGO Services for Priority Interventions | 19,727,650.00 | 17,048,895.00 |
| Total | 20,753,650.00 | 17,606,895.00 |

Accountant
HP State AIDS Control Society
Kasumpti, Shimla - 9

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Project Director
HP SACS, Shimla-9

Sobal
Joint Controller (Finance)
HP State AIDS Control Society
Kasumpti, Shimla - 9

Salary (Pay and Allowances)

Schedule 13

| Particulars | As at 31-Mar-10 (Rs.) | As at 31-Mar-09 (Rs.) |
|------------------|-----------------------------|-----------------------------|
| Salary | 10,549,573.00 | 6,600,415.00 |
| Honorarium | 6,500.00 | 6,000.00 |
| Medical Expenses | 32,439.00 | 456,149.00 |
| Total | 10,588,512.00 | 7,062,564.00 |

Maintenance Costs

Schedule 14

| Particulars | As at 31-Mar-10 (Rs.) | As at 31-Mar-09 (Rs.) |
|-----------------------|-----------------------------|-----------------------------|
| Equipment Maintenance | 0.00 | 235,000.00 |
| Vehicle Maintenance | 171,045.00 | 32,940.00 |
| Total | 171,045.00 | 267,940.00 |

PL
Accountant

HP State AIDS Control Society
Kasumpti, Shimla - 9

Amey

**Project Director
HP SACS, Shimla-9**

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Joint Controller (Finance)

**HP State AIDS Control Society
Kasumpti, Shimla - 9**


Operational Expenses

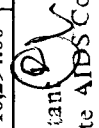
Schedule 15

| Particulars | As at 31-Mar-10 (Rs.) | As at 31-Mar-09 (Rs.) |
|----------------------------------|-----------------------------|-----------------------------|
| Travelling Expenses | 1,201,314.00 | 898,144.00 |
| Rent, Rates & Taxes | 763,924.00 | 592,380.00 |
| Telephone/Communication Expenses | 347,241.00 | 232,404.00 |
| Bank Charges | 1,088.00 | 31,759.00 |
| Miscellaneous Expenses | 2,334,115.00 | 1,504,561.00 |
| Printing & Stationery | 310,311.00 | 172,355.00 |
| Advertisement (Other than IEC) | 2,579.00 | 0.00 |
| Water and Electricity Charges | 87,932.00 | 92,010.00 |
| Audit Fees | 250,381.00 | 607,945.00 |
| Legal Expenses | 35,850.00 | 14,700.00 |
| Postage/Courier | 53,269.00 | 40,414.00 |
| Contingency | 19,905.00 | 0.00 |

Schedule NULL

| Particulars | As at 31-Mar-10 (Rs.) | As at 31-Mar-09 (Rs.) |
|------------------|-----------------------------|-----------------------------|
| Meeting Expenses | 10,294.00 | 0.00 |
| Total | 10,294.00 | 0.00 |


 Joint Controller (Finance)
 H P State AIDS Control Society
 Kasumpti, Shimla - 9


 Accountant
 H P State AIDS Control Society
 Kasumpti, Shimla - 9

Project Director
 HP SACS, Shimla-9

Himachal Pradesh SACS - Pool Fund

Block No. 38, Ground Floor SDA Complex, Kasumpti, Shimla - 171009

National AIDS Control Project - Phase III

Receipt And Payment Account

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

| For the Period | RECEIPTS | Schedule Reference | Figures for the current Period (Rs.) | Figures for the previous Period (Rs.) | PAYMENTS | Schedule Reference | Figures for the current Period (Rs.) |
|----------------|--------------------------|--------------------|--------------------------------------|---------------------------------------|--------------------------------------|--------------------|--------------------------------------|
| 0.00 | Opening Balance: | | | 35,404,579.00 | LOANS AND ADVANCES | 17 | 42,178,434.00 |
| | Cash in hand | | 3,346.00 | | GENERAL FUND | 13 | 0.00 |
| 087.00 | Balance with Bank | 30 | 10,539,667.00 | 1,774,144.00 | FIXED ASSETS | 16 | 3,600,255.00 |
| 000.00 | LOANS AND ADVANCES | 17 | 15,000,000.00 | 0.00 | CURRENT LIABILITIES | 32 | 170,000.00 |
| 000.00 | GENERAL FUND | 29 | 52,900,000.00 | 2,227,841.00 | Kits and Other Lab Supplies | 18 | 3,820,666.00 |
| 000.00 | Funds from Other Sources | 31 | 1,347,300.00 | 0.00 | Medicines | 19 | 398,073.00 |
| 000.00 | CURRENT LIABILITIES | 32 | 0.00 | 221,040.00 | Training and Workshops | 20 | 1,029,660.00 |
| 601.00 | Other Income | 56 | 897,688.00 | 2,696,018.00 | NGO Services | 23 | 287,269.00 |
| 688.00 | | | 80,688,001.00 | 7,460,444.00 | Salary (Pay and Allowances) | 25 | 9,317,362.00 |
| | | | | 257,917.00 | Maintenance Costs | 26 | 78,535.00 |
| | | | | 2,671,762.00 | Operational Expenses | 27 | 3,883,115.00 |
| | | | | 0.00 | | NULL | 10,294.00 |
| | | | | 12,551,648.00 | IEC | | 12,611,570.00 |
| | | | | 183,619.00 | Consultants and Consultancy Services | | 376,800.00 |
| | | | | 44,663.00 | Surveillance | | 40,539.00 |
| | | | | | Closing Balance: | | |

LOANS AND ADVANCES

Schedule 17

| Particulars | As at 31-Mar-10 (Rs.) | As at 31-Mar-09 (Rs.) |
|--------------------------|-----------------------------|-----------------------------|
| Inter Unit Fund Transfer | 15,000,000.00 | 15,000,000.00 |
| Total | 15,000,000.00 | 15,000,000.00 |

GENERAL FUND

Schedule 29

| Particulars | As at 31-Mar-10 (Rs.) | As at 31-Mar-09 (Rs.) |
|-------------------------|-----------------------------|-----------------------------|
| Grant from NACO to SACS | 52,900,000.00 | 50,477,000.00 |
| Total | 52,900,000.00 | 50,477,000.00 |

Balance with Bank

Schedule 30

| Particulars | As at 31-Mar-09 (Rs.) | As at 31-Mar-08 (Rs.) |
|-------------------|-----------------------------|-----------------------------|
| Bank Pool Fund | 10,539,667.00 | 8,956,087.00 |
| Cheque in Transit | 0.00 | 0.00 |
| Total | 10,539,667.00 | 8,956,087.00 |

Accountant
HP State AIDS Control Society
Kasumpti, Shimla

[Signature]

[Signature]
Joint Controller (Finance)
HP State AIDS Control Society
Kasumpti, Shimla - 9

Project Director
HP SACS, Shimla-9

Funds from Other Sources

Schedule 31

| Particulars | As at 31-Mar-10 (Rs.) | As at 31-Mar-09 (Rs.) |
|--------------------------|-----------------------------|-----------------------------|
| Funds from Other Sources | 1,347,300.00 | 720,000.00 |
| Total | 1,347,300.00 | 720,000.00 |

CURRENT LIABILITIES

Schedule 32

| Particulars | As at 31-Mar-10 (Rs.) | As at 31-Mar-09 (Rs.) |
|---------------------------------------|-----------------------------|-----------------------------|
| Security / Earnest Deposit (Received) | 0.00 | 290,000.00 |
| Total | 0.00 | 290,000.00 |

Other Income

Schedule 56

| Particulars | As at 31-Mar-10 (Rs.) | As at 31-Mar-09 (Rs.) |
|------------------------------|-----------------------------|-----------------------------|
| Sale of Bid/Tender Documents | 0.00 | 23,500.00 |
| Other Receipts | 24,604.00 | 950,154.00 |
| Interest from Bank | 873,084.00 | 244,947.00 |
| Total | 897,688.00 | 1,218,601.00 |

[Signature]
Joint Controller (Finance)
H P State AIDS Control Society
Kasumpti, Shimla - 9

[Signature]
Accountant
H P State AIDS Control Society
Kasumpti, Shimla - 9

[Signature]
Project Director
HP SACS, Shimla-9

LOANS AND ADVANCES

Schedule 17

| Particulars | As at 31-Mar-10 (Rs.) | As at 31-Mar-09 (Rs.) |
|--|-----------------------------|-----------------------------|
| Advance to Others | 7,311,972.00 | 3,925,874.00 |
| Advance to NGOs | 20,732,418.00 | 20,910,298.00 |
| Advance to Staff | 2,099,744.00 | 1,977,108.00 |
| Advance to Autonomous Bodies | 300,000.00 | 675,000.00 |
| Advance to District Authorities | 10,377,800.00 | 7,916,299.00 |
| Transfer to newly created DBS for Surveillance | 1,356,500.00 | 0.00 |
| Total | 42,178,434.00 | 35,404,579.00 |

GENERAL FUND

Schedule 13

| Particulars | As at 31-Mar-10 (Rs.) | As at 31-Mar-09 (Rs.) |
|-------------------------|-----------------------------|-----------------------------|
| Grant from SACS to SBTC | 0.00 | 625,000.00 |
| Total | 0.00 | 625,000.00 |

PR

Accountant
HP State AIDS Control Society
Kasumpti, Shimla - 9

Amr

Project Director
HP SACS, Shimla

Seeta
Joint Controller (Finance)
HP State AIDS Control Society
Kasumpti, Shimla - 9

FIXED ASSETS

Schedule 16

| Particulars | As at 31-Mar-10 (Rs.) | As at 31-Mar-09 (Rs.) |
|--------------------------------|-----------------------|-----------------------|
| Furniture, Fixtures & Supplies | 266,400.00 | 910,746.00 |
| Blood Bank Equipments | 2,134,500.00 | 0.00 |
| Equipment (Other) | 0.00 | 537,598.00 |
| Vehicles | 0.00 | 325,800.00 |
| Office Equipment | 1,199,355.00 | 0.00 |
| Total | 3,600,255.00 | 1,774,144.00 |

CURRENT LIABILITIES

Schedule 32

| Particulars | As at 31-Mar-10 (Rs.) | As at 31-Mar-09 (Rs.) |
|---------------------------------------|-----------------------|-----------------------|
| Security / Earnest Deposit (Received) | 170,000.00 | 0.00 |
| Total | 170,000.00 | 0.00 |

Kits and Other Lab Supplies

Schedule 18

| Particulars | As at 31-Mar-10 (Rs.) | As at 31-Mar-09 (Rs.) |
|---------------------|-----------------------|-----------------------|
| Other Lab. Supplies | 162,750.00 | 2,227,841.00 |
| Blood Lab. Supplies | 3,657,916.00 | 0.00 |
| Total | 3,820,666.00 | 2,227,841.00 |

Accountant
HP State AIDS Control Society
Kasumpti, Shimla - 9

[Signature]

**Project Director
HP SACS, Shimla-9**

[Signature]
**Joint Controller (Finance)
HP State AIDS Control Soc.
Kasumpti, Shimla - 9**

Schedule 19

Medicines

| Particulars | As at 31-Mar-10 (Rs.) | As at 31-Mar-09 (Rs.) |
|--------------|-----------------------|-----------------------|
| STI Drugs | 398,073.00 | 0.00 |
| Total | 398,073.00 | 0.00 |

Schedule 20

Training and Workshops

| Particulars | As at 31-Mar-10 (Rs.) | As at 31-Mar-09 (Rs.) |
|--------------|-----------------------|-----------------------|
| Training | 1,029,660.00 | 221,040.00 |
| Total | 1,029,660.00 | 221,040.00 |

Schedule 23

NGO Services

| Particulars | As at 31-Mar-10 (Rs.) | As at 31-Mar-09 (Rs.) |
|---|-----------------------|-----------------------|
| NGO Services | 0.00 | 214,297.00 |
| NGO Services for Priority Interventions | 287,269.00 | 2,481,721.00 |
| Total | 287,269.00 | 2,696,018.00 |

Accountant
HP State AIDS Control Society
Kasumpti, Shimla - 9

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Project Director
HP SACS, Shimla-9

[Signature]
Joint Controller (Finance)
HP State AIDS Control Society
Kasumpti, Shimla - 9

Salary (Pay and Allowances)

Schedule 25

| Particulars | As at 31-Mar-10 (Rs) | As at 31-Mar-09 (Rs) |
|------------------|----------------------|----------------------|
| Salary | 9,279,423.00 | 7,004,295.00 |
| Honorarium | 5,500.00 | 0.00 |
| Medical Expenses | 32,439.00 | 456,149.00 |
| Total | 9,317,362.00 | 7,460,444.00 |

Maintenance Costs

Schedule 26

| Particulars | As at 31-Mar-10 (Rs) | As at 31-Mar-09 (Rs) |
|-----------------------|----------------------|----------------------|
| Equipment Maintenance | 0.00 | 235,000.00 |
| Vehicle Maintenance | 78,535.00 | 22,917.00 |
| Total | 78,535.00 | 257,917.00 |

[Signature]
Joint Controller (Finance)
 H P State AIDS Control Society
 Kasumpti, Sahiana - 9

[Signature]
 Accountant
 HP State AIDS Control Society
 Kasumpti, Sahiana - 9

[Signature]
Project Director
 HP State AIDS Control Society

Operational Expenses

Schedule 27

| Particulars | As at 31-Mar-10 (Rs.) | As at 31-Mar-09 (Rs.) |
|----------------------------------|-----------------------------|-----------------------------|
| Travelling Expenses | 1,002,046.00 | 829,858.00 |
| Rent, Rates & Taxes | 763,924.00 | 543,015.00 |
| Telephone/Communication Expenses | 321,295.00 | 218,611.00 |
| Bank Charges | 0.00 | 31,759.00 |
| Miscellaneous Expenses | 1,104,238.00 | 165,509.00 |
| Printing & Stationery | 310,311.00 | 172,355.00 |
| Advertisement (Other than IEC) | 2,579.00 | 0.00 |
| Water and Electricity Charges | 82,197.00 | 92,010.00 |
| Audit Fees | 250,381.00 | 603,945.00 |
| Legal Expenses | 35,850.00 | 14,700.00 |

Schedule NULL

| Particulars | As at 31-Mar-10 (Rs.) | As at 31-Mar-09 (Rs.) |
|------------------|-----------------------------|-----------------------------|
| Meeting Expenses | 10,294.00 | 0.00 |
| Total | 10,294.00 | 0.00 |

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Joint Controlled (Finance)
 H P State AIDS Control Society
 Kasumpti, Shimla - 9

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 Accountant
 HP State AIDS Control Society
 Kasumpti, Shimla - 9

HP SACS
 Kasumpti, Shimla - 9

Balance with Bank

Schedule 31

| Particulars | Assat 31-Mar-10 (Rs.) | Assat 31-Mar-09 (Rs.) |
|-------------------|-----------------------------|-----------------------------|
| Bank Pool Fund | 2,833,160.00 | 10,539,667.00 |
| Cheque in Transit | 0.00 | 0.00 |
| Total | 2,833,160.00 | 10,539,667.00 |

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Accountant
HP State AIDS Control Society
Kasumpti, Shyma - 9

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Joint Controller (Finance)
HP State AIDS Control Society
Kasumpti, Shyma - 9

[Signature]
Project Director
HP State AIDS Control Society

National AIDS Control Project - Phase III

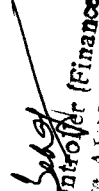
Sources and Uses of Funds

As on: 31-Mar-2010

Year----->

| Particulars | 2006-07 | 2007-08 | 2008-09 | 2009-10 |
|--|---------------|---------------|---------------|---------------|
| Opening balance of Net Current Assets | | | | |
| Cash in Hand | 0.00 | 35,000.00 | 0.00 | 3,346.00 |
| Balance in Bank (01) | 0.00 | 12,440,261.00 | 8,956,087.00 | 10,539,667.00 |
| Advances (02) | 0.00 | 7,999,173.00 | 22,859,686.00 | 24,296,831.00 |
| (-) Current Liabilities (03) | 0.00 | 655,601.00 | 444,601.00 | 955,767.00 |
| Sources of funds | | | | |
| Pool Fund - World Bank | 31,892,265.44 | 64,102,000.00 | 50,477,000.00 | 52,900,000.00 |
| Miscellaneous Receipts (04) | 0.00 | 367,794.00 | 1,251,124.00 | 897,688.00 |
| Utilisation of funds | | | | |
| Expenses (05) | 0.00 | 49,883,316.00 | 47,971,727.00 | 67,629,730.00 |
| Fixed Assets (06) | 12,073,432.44 | 3,034,139.00 | 1,243,492.00 | 3,917,583.00 |
| Closing balance of Net Current Assets | | | | |
| Cash in Hand | 35,000.00 | 0.00 | 3,346.00 | 62,563.00 |
| Balance in Bank (07) | 12,440,261.00 | 8,956,087.00 | 10,539,667.00 | 2,833,160.00 |


 Joint Controller (Finance)
 HP State AIDS Control Society
 Kasumpti, Shimla - 9


 Project Director
 HP SACS, Shimla

| | | | | | | |
|---------------------------------------|--------------|---------------|---------------|---------------|--|--|
| Closing balance of Net Current Assets | | | | | | |
| Advances (08) | 7,999,173.00 | 22,859,686.00 | 24,296,831.00 | 14,015,296.00 | | |
| (-) Current Liabilities (09) | 655,601.00 | 444,601.00 | 955,767.00 | 776,567.00 | | |

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[Signature]
Joint Controller (Finance)
 H P State Accounts Control Society
 Kasumpti, Sahibzada - 9

[Signature]
 H P State Accounts Control Society
 Kasumpti, Sahibzada - 9

[Signature]
Project Director
 HP State Accounts Control Society

Himachal Pradesh SACS

Year----->


| Particulars | | 2006-07 | 2007-08 | 2008-09 | 2009-10 |
|------------------------------|---------------------------------------|-------------|----------------------|----------------------|----------------------|
| Balance in Bank (01) | Bank Pool Fund | 0.00 | 10,109,995.00 | 8,956,087.00 | 10,539,667.00 |
| | Cheque in Transit | 0.00 | 2,330,266.00 | 0.00 | 0.00 |
| | Total | 0.00 | 12,440,261.00 | 8,956,087.00 | 10,539,667.00 |
| *Advances (02) | Advance to District Authorities | 0.00 | 4,625,286.00 | 13,025,599.00 | 6,326,358.00 |
| | Advance to Autonomous Bodies | 0.00 | 0.00 | 0.00 | 105,410.00 |
| | Advance to NGOs | 0.00 | 757,901.00 | 578,256.00 | 4,855,888.00 |
| | Advance to Others | 0.00 | 1,958,062.00 | 8,868,334.00 | 12,572,224.00 |
| | Advance to Staff | 0.00 | 616,924.00 | 340,997.00 | 390,451.00 |
| | Security Deposit (Paid) | 0.00 | 41,000.00 | 46,500.00 | 46,500.00 |
| | Total | 0.00 | 7,999,173.00 | 22,859,686.00 | 24,296,831.00 |
| (-) Current Liabilities (03) | Funds from Other Sources | 0.00 | 407,001.00 | 207,001.00 | 428,167.00 |
| | Security / Earnest Deposit (Received) | 0.00 | 248,600.00 | 237,600.00 | 527,600.00 |
| Miscellaneous Receipts (04) | Total | 0.00 | 655,601.00 | 444,601.00 | 955,767.00 |
| | Interest from Bank | 0.00 | 269,260.00 | 277,470.00 | 873,084.00 |


Accountant
HP State AIDS Control Society
Kasumpti, Shimla - 9

Joint Controller (Finance)
HP State AIDS Control Society
Kasumpti, Shimla - 9

Project Director
HP SACS, Shimla - 9

| | | | | | |
|-----------------------------|--------------------------------------|-------------|------------------|-------------------|------------------|
| Miscellaneous Receipts (04) | Other Receipts | 0.00 | 98,534.00 | 950,154.00 | 24,604.00 |
| | Sale of Bid/Tender Documents | 0.00 | 0.00 | 23,500.00 | 0.00 |
| | Total | 0.00 | 98,534.00 | 973,654.00 | 24,604.00 |
| Expenses (05) | Advertisement (Other than IEC) | 0.00 | 0.00 | 0.00 | 2,579.00 |
| | Audit Fees | 0.00 | 152,752.00 | 607,945.00 | 250,381.00 |
| | Bank Charges | 0.00 | 224.00 | 31,759.00 | 1,088.00 |
| | Blood Lab. Supplies | 0.00 | 1,439,044.00 | 162,020.00 | 3,767,916.00 |
| | Consultants and Consultancy Services | 0.00 | 0.00 | 183,619.00 | 360,300.00 |
| | Consumable Items | 0.00 | 0.00 | 0.00 | 84,093.00 |
| | Contingency | 0.00 | 0.00 | 0.00 | 19,905.00 |
| | Equipment Maintenance | 0.00 | 0.00 | 235,000.00 | 0.00 |
| | Honorarium | 0.00 | 6,000.00 | 6,000.00 | 6,500.00 |
| | IEC | 0.00 | 15,582,693.00 | 16,357,899.00 | 21,516,008.00 |
| | Legal Expenses | 0.00 | 0.00 | 14,700.00 | 35,850.00 |
| | Medical Expenses | 0.00 | 54,632.00 | 456,149.00 | 32,439.00 |


 Project Director
 H.P. State AIDS Control
 Kasumpti, Shimla - 9


 Joint Controller (Finance)
 H.P. State AIDS Control Society
 Kasumpti, Shimla - 9


Project Director
 H.P. State AIDS Control Society
 Kasumpti, Shimla - 9

Expenses (05)


| | | | | | |
|---|------|---------------|---------------|---------------|-----------|
| Meeting Expenses | 0.00 | 0.00 | 0.00 | 0.00 | 10,294.00 |
| Miscellaneous Expenses | 0.00 | 1,745,792.00 | 1,504,561.00 | 2,334,115.00 | |
| NGO Services | 0.00 | 983,000.00 | 558,000.00 | 1,026,000.00 | |
| NGO Services for Priority Interventions | 0.00 | 11,632,288.00 | 17,048,895.00 | 19,727,650.00 | |
| OI Drugs | 0.00 | 640,000.00 | 0.00 | 0.00 | |
| Other Lab. Supplies | 0.00 | 0.00 | 164,300.00 | 60,250.00 | |
| Postage/Courier | 0.00 | 43,420.00 | 40,414.00 | 53,269.00 | |
| Printing & Stationery | 0.00 | 117,182.00 | 172,355.00 | 310,311.00 | |
| Prior to NACPIII-(PI) Non Reimbursable | 0.00 | 0.00 | 78,491.00 | 240,616.00 | |
| Rent, Rates & Taxes | 0.00 | 595,655.00 | 592,380.00 | 763,924.00 | |
| Salary | 0.00 | 5,439,339.00 | 6,600,415.00 | 10,549,573.00 | |
| STI Drugs | 0.00 | 2,015,718.00 | 206,867.00 | 432,168.00 | |
| Surveillance | 0.00 | 1,056,612.00 | 303,409.00 | 232,048.00 | |
| Telephone/Communication Expenses | 0.00 | 221,708.00 | 232,404.00 | 347,241.00 | |
| Training | 0.00 | 7,704,242.00 | 1,391,051.00 | 4,004,921.00 | |

[Signature]
 H.P. State AIDS Control Society
 Kasumpti, Shimla - 9

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 Joint Control (Finance)
 H P State AIDS Control Society
 Kasumpti, Shimla - 9


 Joint AIDS Control Society,
 Kasumpti, Shimla - 9


 Joint AIDS Control Society,
 Kasumpti, Shimla - 9


 Joint Control (Finance)
 H P State AIDS Control Society
 Kasumpti, Shimla - 9

| | | | | | |
|----------------------|---------------------------------|----------------------|----------------------|----------------------|----------------------|
| Expenses (05) | Travelling Expenses | 0.00 | 329,503.00 | 898,144.00 | 1,201,314.00 |
| | Vehicle Maintenance | 0.00 | 40,306.00 | 32,940.00 | 171,045.00 |
| | Water and Electricity Charges | 0.00 | 83,206.00 | 92,010.00 | 87,932.00 |
| | Total | 0.00 | 49,883,316.00 | 47,971,727.00 | 67,629,730.00 |
| Fixed Assets (06) | Blood Bank Equipments | 0.00 | 261,985.00 | 188,676.00 | 2,154,000.00 |
| | Civil Works | 0.00 | 0.00 | 717,984.00 | 296,832.00 |
| | Equipment (Other) | 0.00 | 136,085.00 | 0.00 | 0.00 |
| | Furniture , Fixtures & Supplies | 12,073,432.44 | 1,073,665.00 | 11,032.00 | 267,396.00 |
| | Office Equipment | 0.00 | 1,088,628.00 | 0.00 | 1,199,355.00 |
| | Vehicles | 0.00 | 473,776.00 | 325,800.00 | 0.00 |
| | Total | 12,073,432.44 | 3,034,139.00 | 1,243,492.00 | 3,917,583.00 |
| Balance in Bank (07) | Bank Pool Fund | 10,109,995.00 | 8,956,087.00 | 10,539,667.00 | 2,833,160.00 |
| | Cheque in Transit | 2,330,266.00 | 0.00 | 0.00 | 0.00 |
| | Total | 12,440,261.00 | 8,956,087.00 | 10,539,667.00 | 2,833,160.00 |
| Advances (08) | Advance to District Authorities | 4,625,286.00 | 13,025,599.00 | 6,326,358.00 | 5,467,746.00 |
| | Advance to Autonomous Bodies | 0.00 | 0.00 | 105,410.00 | -1.00 |

Accountant
 HP State AIDS Control Society
 Kasumpti, Shimla - 9

[Signature]
Project Director
HP SACS, Shimla.

[Signature]
Joint Controller (Finance)
HP State AIDS Control Society
Kasumpti, Shimla - 9

| | | | | | |
|------------------------------|---------------------------------------|---------------------|----------------------|----------------------|----------------------|
| Advances (08) | Advance to NGOs | 757,901.00 | 578,256.00 | 4,855,888.00 | 4,870,321.00 |
| | Advance to Others | 1,958,062.00 | 8,868,334.00 | 12,572,224.00 | 10,750,606.00 |
| | Advance to Staff | 616,924.00 | 340,997.00 | 390,451.00 | 161,497.00 |
| | Inter Unit Fund Transfer | 0.00 | 0.00 | 0.00 | -7,281,373.00 |
| | Security Deposit (Paid) | 41,000.00 | 46,500.00 | 46,500.00 | 46,500.00 |
| | Total | 7,999,173.00 | 22,859,686.00 | 24,296,831.00 | 14,015,296.00 |
| (-) Current Liabilities (09) | Funds from Other Sources | 407,001.00 | 207,001.00 | 428,167.00 | 418,967.00 |
| | Security / Earnest Deposit (Received) | 248,600.00 | 237,600.00 | 527,600.00 | 357,600.00 |
| | Total | 655,601.00 | 444,601.00 | 955,767.00 | 776,567.00 |

N. KUMAR CHHABRA & CO.
Chartered Accountants

SCO-1095, Sector-22/B
Chandigarh-160022
Phone - 5088800
Fax: - 5085658
nkumarca@airtelmail.in
Dated : 17-11-2010

The Project Director,
Himachal Pradesh State AIDS Control Society,
Chandigarh

AUDIT REPORT

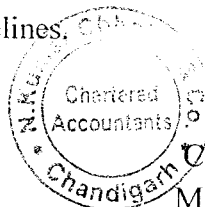
We have audited the accompanying financial statements of Pool Fund and Global Fund VI (GFATM) of Himachal Pradesh State Aids Control Society under the National AIDS Control Project – Phase III (financed under World Bank Credit No. 3242-IN) as at March 31, 2010. Our responsibility is to express an opinion 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.

Subject to audit observations attached to this report, in our opinion, the financial statements, read with the observations, give a true and fair view of the Sources and Application of Funds and the financial position of Himachal Pradesh State Aids Control Society for the year ended March 31, 2010, in accordance with consistency applied accounting standards.

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

Place: Chandigarh
Date: 17/11/2010



Navtej Kumar
CA. Navtej kumar(Pt.)

M. No. 80496

N.Kumar Chhabra & Co.
Chartered Accountants

Himachal Pradesh State Aids Control Society

Audit for the year 2009-10

Audit Observations:

General:

1. Non Compliance of Accounting Standards

It is observed that certain accounting standards are not being complied by the organization. It may be noted that the accounting standards not being followed, are however in accordance with the requirements of NACO. But since we are guided by the accounting standards any deviations from the same have been reported here:

- a) Accounting Standard 1: Cash basis of accounting being followed is in violation of the Accounting Standard.
- b) Accounting Standard 6: Depreciation over the assets has not been provided.

2. Insurance

Operational Guidelines for Financial Management issued by NACO under the head Insurance states that insurance should be obtained on the following assets treating it as a statutory requirement:

Vehicles

Cash in Chest

Employees Fidelity Bond

However, the insurance in respect of vehicles is only being obtained.

3. Guidelines not Available with the NGO

NACO Guidelines have not been complied by the NGOs .Hence the Receipts and payments have been directly made as per the bills Presented without adequate supports.

4. Non – Identification of Fixed assets

On Physical verification of Fixed assets , we noted that HPSACS current year acquired fixed assets and NGO own assets have not been identified because assets received from HPSACS has not been marked. As per the NACO Guidelines at Page No.31 of the Para 8.5 Purchasing Capital Assets which clearly states that “All Assets must be given an identification numbers and such number must be painted on the assets” because on successful completion of the project or “IN the event of Project being withdrawn before the date of completion all such assets like T.V ,Furniture ,Computer ,VCR ,Furniture Equipments etc will be returned to the society also written at Page No.5 Para 1.3 Grant Conditions”

5. Bank Reconciliation Statement

All the NGOs prepared Bank Reconciliation Statement on Quarterly basis. As per "Operational Guidelines For NGOs/CBOs under chapter 6 "Operating of Bank Accounts" " Para 6.3 Bank Reconciliation Statement has to be prepared on the Monthly basis ,to ensure Proper control on Money as well as useful in avoiding stale cheques.

6. "Paid" Stamp Not used on vouchers

"Paid" stamp was not used on Payment vouchers. As Per Operational Guidelines ,For NGOs/CBOs "under chapter 7 'Invoice Validation' page 22"Paid" stamp should be put on all vouchers for which payment has been made.

7. Bank Receipts

Bank deposit slips were not attached with receipts vouchers. AS per "Operational Guidelines for NGOs/CBOs " under chapter 6 deposit slips should be attached with Receipt Voucher.

8. TA/DA

TA/DA claimed, traveling has been done by Bus and it has been paid by the NGO to its peer educators and outreach workers(ORW) Requisite form has been attached but Bus tickets have not been collected while making the Payments .As per the NACO guidelines at page no. 24(7.4) selected items of cost ,Bus fares Tickets should be attached while making the payments

9. Errors in the Computerised Project Financial Management System

Utilisation Certificate

Opening and Closing balance of Net Current Assets does not net off the current liabilities and also the current year utilization is not set off against the other recoveries.

10. Store and stock

Bin Cards not maintained for store & stock .

11. Physical verification of Fixed Assets

AS per "Operational Guidelines for NGOs/CBOs" under chapter 8 "Procurement, Stock and Inventory" Para 8.5 under Purchasing capital assets "which states that Physical verification for assets should be undertaken (preferably by an office bearer or someone of adequate authority) at least once a year. In addition, deletions, modification etc should be recorded and signed.

Peripheral units confirmed that physical verification has been conducted but no document was available for checking. Fixed Assets those are FOR at other Peripheral units the Receipts should be obtained and attached in the fixed assets Register or a separate file for the same may please maintained.

12. Delay in submission of Utilization certificates.

After checking the records of district authorities it has been observed that SOE/UC is being not submitted in time & not properly explained and As per the direction H.P sacs. The SOE/UC should be signed by DAPO, Assistant controller finance & Accounts and Container signed by CMO.

13. Tax deducted at sources

TDS deducted on some payments paid for Advertising, Contractual services with education cess but according to finance act 2009 no need to deduct education cess after 1.04.09. TDS rates are revised from 1.10.09 but SACS is deducting TDS on Advertising, Contractual services as per the rates applicable before 1.10.09.

14. Securities Amt/ Earnest Money

Forfeited during the year but income for Forfeited amount not entered in books

Specific to Pool Fund:

1. Advances

Lack of Internal control is evident and can be corroborated by the following:

- a. No balance confirmation is on record.
- b. Advance Register which is the most important element to exercise effective control over the advances, is currently not being prepared as such. Operational Guidelines for Financial Management issued by NACO under the head Internal Control point no. 11.11.3 page no. 38 requires preparation of the advance register in the prescribed format.

c. We have made some analysis in relation to old outstanding advances. We have observed that the advances have been adjusted on the basis of FIFO (which does not give the exact position). Exact picture was not possible as no prescribed advance register is on record. Following are the results of our analysis:

c1) Advances to the tune of Rs. 4819049.00 had no transaction/adjustment during the year suggesting opening and closing balance remaining the same, Details as per Annexure 1.

c2) Advances with opening balance still unadjusted to the tune of Rs.862494.00, suggesting advances outstanding for over a year. Details as per Annexure 2.

c3) Advances with opening unadjusted to the extent of Rs. 5361191.00, further advance made to the tune of Rs. 13170760.00, suggesting advancement ignoring previous outstanding. Details as per Annexure 3.

C4) Exact position of the advances, as furnished by the HPSACS management to us, gives the age wise classification of advances as on 31st March, 10. Aging of the advances is given as per Annexure 5.

Advances are outstanding as per the aging, date as old as 2003-04.

2. Advances overstated

During the financial year 2004-05, Rs. 33.52 lacs had been recovered by the Income Tax department on account of shortfall in spending 85% of Income. The appeal is pending with the ITAT. The same amount is reflected as advances, since the society had lost the case at Appellate Commissioner level, the amount cannot be treated as advance/recoverable. Accordingly, advances overstated to that extent.

3. Contractual Employees

Total no. of contractual employees as on 31st March, 10 were 22 .

Law requires PF deduction in case of an organization having employees in excess of 20.NACO has recommended to sought exemption U/S 16(2) for exemption from EPF. Neither the P.F provision have been complied nor the exemption obtained.

6.Tax deduction at source

TDS rates revised from 1.10.09 but they are charging the same rate of TDS as before 1.10.09.

TDS for the month of march for Rs 80140 deposited late, i.e. on 4th June , invites interest / penalty .

4. Expenses wrongly classified as Fixed Assets

a) Civil Works Cl. Dr balance of Rs. 1014816.00
Civil work being done at various peripheral units. As the peripheral units are not the assets of HPSACS any expenditure of civil nature being done on the same should be charged to revenue and not capitalized. Operational Guidelines for Financial Management issued by NACO under the head Accounting policies point no. 8.2.3 sub point (b), page no 21 also requires minor civil works to be charged to expenditure.

b) Blood Bank Equipments Cl. Dr balance of Rs. 2604661.00
Current year addition of Rs. 1950000.00 is towards assets purchased for Blood Banks.

Operational Guidelines for Financial Management issued by NACO under the head Accounting policies point no. 8.2.3 sub point (a), page no 21 requires Equipments procured by SACS for use at peripheral units to be charged as expenditure as the ownership of these assets doesn't rest with SACS.

However, we have a different view as to the ownership of assets, but still going strictly by the governing guidelines we consider this as a misclassification.

5. Training

Expenditure incurred against training Utilization certificate attached only. Detail of expenditure not attached .

Entry dated 31.03.10, J.V/2009000073 of Rs. 200,000.00

Entry dated 31.03.10, J.V/2009000074 of Rs. 123900.00

Entry dated 31.03.10, J.V/2009000074 of Rs. 150000.00

6. Adjustment entry not Passed in books

Entry dated 22.06.09, BPV//2009000042 of Rs. 31600.00

Entry dated 14.07.09, BPV/2009000056 of Rs. 316500.00

9. **Telecounselling** salary for counselor dated 21/11/09 Rs 30000.00 not adjusted .

10. Double adjustment entry pass in books

Advance account adjusted against expense for Telecounselling

Entry dated 31.03.10, J.V/2009000142 of Rs. 60000.00

Specific to Global Fund:

1. Expenses wrongly classified as Fixed Assets

Office Equipment Cl. Dr balance of Rs. 848969.00

Civil works Cl. Dr balance of Rs 471054.00

Current year addition of Rs. 1320023.00 is towards assets purchased for various ICTC's and ART Centres.

Operational Guidelines for Financial Management issued by NACO under the head Accounting policies point no. 8.2.3 sub point (a), page no 21 requires Equipments procured by SACS for use at peripheral units to be charged as expenditure as the ownership of these assets doesn't rest with SACS.

However, we have a different view as to the ownership of assets, but still going strictly by the governing guidelines we consider this as a misclassification.

2. Misclassification of Income/Expenses

a) Salary (Pay and Allowances) Cl. Dr balance of Rs. 9037656.00

Entry dated 31st March, 10, JV/2009000689 of Rs. 773554.00 for Civil Work transferred from Pool Fund, wrongly charged to this account should have been charged to Civil Works.

Place: Chandigarh

Date: 17/11/2010



CA. Navtej Kumar (Pt.)

M. No. 80496

N.Kumar Chhabra & Co.

Chartered Accountants

Annexure 1

Advances Summary
Advances with no adjustment/recovery during the year

| Particulars | Opening Bal | Actual Advance | Adjustment Amount | Refund Amount | Balance Amount (Rs.) | Same Op. and Cl. |
|--|----------------|----------------|-------------------|---------------|----------------------|------------------|
| Advance to Others (3202) | | | | | | |
| Training centre Kangra (157) | 49652 | | | | 49,652.00 | 49652 |
| Director Social Justice (180) | 220660 | | | | 220,660.00 | 220660 |
| Income tax Receivable (183) | 3351796 | | | | 3,351,796.00 | 3351796 |
| Training Co-ordinator IGMC (88) | 375419 | | | | 375,419.00 | 375419 |
| | 3997527 | 0 | 0 | 0 | 3997527 | 3997527 |
| Advance to NGOs (3203) | | | | | | |
| Swami HarGiri Health and welfare society (108) | 652604 | | | | 652,604 | 652604 |
| | 652604 | 0 | 0 | 0 | 652604 | 652604 |
| Advance to Staff (3205) | | | | | | |
| | 0 | 0 | 0 | 0 | 0 | 0 |
| Advance to Autonomous Bodies (3206) | | | | | | |
| | 0 | 0 | 0 | 0 | 0 | 0 |
| Advance to District Authorities (3208) | | | | | | |
| PRINCIPAL IGMC (320205P-1) | 158918 | | | | 1,58,918 | 158918 |
| MEDICAL SUPERINTENDENT knh (320201) | 10000 | | | | 10,000 | 10000 |
| | 168918 | 0 | 0 | 0 | 1,68,918 | 1,68,918 |
| Total | 4819049 | 0 | 0 | 0 | 4819049 | 4819049 |

Advances Summary
Advances given in the C.Y., however, Opening still not adjusted

| Particulars | Opening | Actual Advance | Adjustment | Refund | Closing Balance | Op. Unadjusted |
|--|---------|----------------|------------|--------------|-----------------|----------------|
| Advance to Others (3202) | | | | | | |
| INCHARGE BLOOD BANK IGMG (100) | 275118 | 468,600.00 | | 713,396.00 | 30,322.00 | 30322 |
| SCERT SOLAN | 1030216 | 500,000.00 | | 1,400,000.00 | 130,216.00 | 30216 |
| DIRECTOR YOUTH SERVICES | 91101 | 522,210.00 | | 522,245.00 | 15,066.00 | 15066 |
| NEHRU YUVA KENDRA(186) | 437500 | 683,500.00 | | 1,117,475.00 | 3,525.00 | 3525 |
| HOD COMMUNITY MEDICINE(187) | 645871 | 887,159.00 | | 2,302.00 | 1,531,119.00 | 645871 |
| PROF. AND HEAD, SKIN & VD TANDA, STI(188) | 32500 | 58,500.00 | | 73,390.00 | 17,610.00 | 17610 |
| DEPTT OF TRANFUSION MEDICINE ,PGI CHANDIGARH (189) | 236610 | 400,000.00 | | 600,000.00 | 36,610.00 | 36610 |
| MEDICAL SUPERINTENDENT KNH (320201) | 231543 | 125,000.00 | | 4,000.00 | 352,543.00 | 231543 |
| PRINCIPAL IGMG (320205P1) | 1453142 | 259,000.00 | | 483,247.00 | 1,228,895.00 | 1228895 |
| PRINCIPAL RFGMC TANDA (320206PF2) | 449430 | 970,000.00 | | 1,110,088.00 | 309,342.00 | 309342 |
| DR. A.K BHARDWAJ (76) | 215668 | 5,000.00 | | 146,918.00 | 73,750.00 | 68750 |
| DIRECTOR DOORDARSHAN (93) | 608993 | 30,305.00 | | 548,315.00 | 90,983.00 | 90983 |
| INCHARGE STATE BLOOD BANK DDU(99) | 122688 | 102,000.00 | | 111,880.00 | 112,808.00 | 10808 |
| | 5830380 | 4935665 | | 6833256 | 3932789 | 2719541 |
| Advance to NGOs (3203) | | | | | | |
| USHA (106) | 320985 | 966,975.00 | | 1115054 | 172906 | 172906 |
| SAVE (110) | 383684 | 741,362.00 | | 1055865 | 69081 | 69081 |
| HIND SEVA SANGHTHAN (115) | 306271 | 300,000.00 | | 280631 | 325640 | 306271 |
| LAYUL TRIBAL WELFARE (117) | 239498 | 686,400.00 | | 830397 | 95501 | 32002 |
| CARE (119) | 146457 | 1,541,450.00 | | 1358397 | 329510 | 146457 |
| CHINMAY ORGANISATION FOR RURAL DEVELOPMENT | 359350 | 848,435.00 | | 1003138 | 206647 | 206647 |
| GANAPATI EDUCATION SOCIETY | 311965 | 1,118,386.00 | | 1301677 | 128674 | 128674 |
| | 2068210 | 6,203,008.00 | | 6945259 | 1328959 | 1060038 |
| Advance to Staff (3205) | | | | | | |
| SARITA CHAUHAN (168) | 23892 | 32,000.00 | | 53,269.00 | 2,623.00 | 2623 |
| VISHAL (188) | 95503 | 202,000.00 | | 266,767.00 | 30,736.00 | 30736 |
| N.L SHARMA (DR)(197) | 4504 | 5,000.00 | | 0.00 | 9,504.00 | 4504 |
| VIJAY KUMAR DRIVER (DTE)(206) | 4964 | 10,000.00 | | 10,031.00 | 4,933.00 | 4933 |
| | 128863 | 249000 | | 330067 | 47796 | 42796 |
| Advance to Autonomous Bodies (3206) | | | | | | |
| | 0 | 0 | | 0 | 0 | 0 |
| Advance to District Authorities (3208) | | | | | | |
| DAP0 KINNAUR (53) | 265000 | 100,000.00 | | 223,658.00 | 141,342.00 | 141342 |
| DAP0 SHIMLA (55) | 405000 | 100,000.00 | | 429,453.00 | 75,547.00 | 75547 |
| DAP0 MANDI (61) | 410000 | 100,000.00 | | 420,290.00 | 89,710.00 | 89710 |
| DAP0 KULLU (63) | 305000 | 100,000.00 | | 56580.00 | 348420.00 | 305000 |
| DAP0 KANGRA (67) | 625000 | 1,183,087.00 | | 1292706.00 | 515381.00 | 515381 |
| DAP0 UNA (69) | 315000 | 100,000.00 | | 259164.00 | 155836.00 | 155836 |
| DAP0 NAHAN (73) | 335000 | 100,000.00 | | 179000.00 | 256000.00 | 256000 |
| | 2660000 | 1,783,087.00 | | 2,860,851.00 | 1582236 | 1538816 |

Total

10687453

13170760

16969433.00

0

6888780

5361191

Annexure 3

Advances Summary
Advance with opening Bal still unadjusted

| Particulars | Opening | Actual Advance | Adjustment | Returns | Closing Balance | Op. Unadjusted |
|---|---------|----------------|------------|------------|-----------------|----------------|
| Advance to Others (3202) | | | | | | |
| CNO SHIMLA (92) | 676020 | | 0.00 | 200,000.00 | 476,020.00 | 476020 |
| H P CIVIL SUPPLIERS (98) | 264828 | | 0 | 21,166.00 | 243,662.00 | 243662 |
| | 940848 | | 0 | 22166 | 719682 | 719682 |
| Advance to NGOs (3203) | | | | | | |
| | 0 | | 0 | 0 | 0 | 0 |
| Advance to Staff (3205) | | | | | | |
| D.R. Rohal (147) | 16690 | | 0.00 | 8,000.00 | 8,690.00 | 8690 |
| RAJESH DASS (183) | 10757 | | 0.00 | 8,635.00 | 2,122.00 | 2122 |
| | 27447 | | | 16,635.00 | 10,812.00 | 10812 |
| Advance to Autonomous Bodies (3206) | | | | | | |
| | 0 | | 0 | 0 | 0 | 0 |
| Advance to District Authorities (3208) | | | | | | |
| DAPO LAHAUL AND SPITI (65) | 255000 | | 0.00 | 123000.00 | 132000.00 | 132000 |
| | 255000 | | 0 | 123000 | 132000 | 132000 |
| Total | 1223295 | | 0 | 360801 | 862494 | 862494 |

N. KUMAR CHHABRA & CO.
Chartered Accountants

SCO-1095, Sector-22/B
Chandigarh-160022
Phone - 5088800
Fax: - 5085658
nkumarca@airtelmail.in
Dated : 17-11-2010

MANAGEMENT LETTER

The Project Director,
H.P. State Society for AIDS/HIV Control,
Shimla.

Subject: Management letter on affairs of the Society for 2009-10.

Dear Madam,

We have audited the financial statements of the H.P. State Society for AIDS/HIV Control, Shimla. In planning and performing our audit of the Society, we considered its internal accounting control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the Financial Statements and not provide assurance on internal control structure. The matters involving the internal accounting control structure and its operations that we consider to be material weakness in accordance with standards referred to above are :

1. Advances

Lack of Internal control is evident and can be corroborated by the following:

- a. No balance confirmation is on record .
- b. Advance Register which is the most important element to exercise effective control over the advances, is currently not being prepared as such. Operational Guidelines for Financial Management issued by NACO under the head Internal Control point no. 11.11.3 page no. 38 requires preparation of the advance register in the prescribed format.
- c. We have made some analysis in relation to old outstanding advances. We have observed that the advances have been adjusted on the basis of FIFO (which does not give the exact position,). Exact picture was not possible as no prescribed advance register is on record. Following are the results of our analysis:

c1) Advances to the tune of Rs. 4819049.00 had no transaction/adjustment during the year suggesting opening and closing balance remaining the same, Details as per Annexure 1.

c2) Advances with opening balance still unadjusted to the tune of Rs.862494.00, suggesting advances outstanding for over a year. Details as per Annexure 2.

c3) Advances with opening unadjusted to the extent of Rs. 5361191.00, further advance made to the tune of Rs. 13170760.00, suggesting advancement ignoring previous outstanding. Details as per Annexure 3.

C4) Exact position of the advances, as furnished by the HPSACS management to us, gives the age wise classification of advances as on 31st March, 10. Aging of the advances is given as per Annexure 5.

Advances are outstanding as per the aging, date as old as 2003-04.

2. Advances overstated

During the financial year 2004-05, Rs. 33.52 lacs had been recovered by the Income Tax department on account of shortfall in spending 85% of Income. The appeal is pending with the ITAT. The same amount is reflected as advances, since the society had lost the case at Appellate Commissioner level, the amount cannot be treated as advance/recoverable. Accordingly, advances overstated to that extent.

3. Contractual Employees

Total no. of contractual employees as on 31st March, 10 were 22 .

Law requires PF deduction in case of an organization having employees in excess of 20.NACO has recommended to sought exemption U/S 16(2) for exemption from EPF. Neither the P.F provision have been complied nor the exemption obtained.

4. Tax deduction at source

TDS rates revised from 1.10.09 but they are charging the same rate of TDS as before 1.10.09.

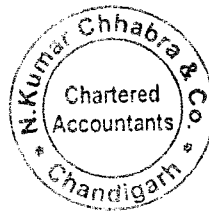
TDS for the month of march for Rs 80140 deposited late, i.e. on 4th June , invites interest / penalty .

5. Physical verification of Fixed Assets and stores and articles was not conducted which is necessary once in the year.
6. The identification marks were not found affixed on all the fixed assets. The location has also not been specified in absence of which Physical Verification of assets could not be conducted. The damaged/unserviceable fixed assets and missing /misplaced fixed assets therefore could not be worked out.

7. Gross block of Fixed Assets could not be verified because information regarding purchase of Fixed Assets by DAPO's out of the grant released by the society were not received by the society which is necessary as per the guidelines of NACO. Separate register for assets purchase by DAPO and NGO's should be introduced to eliminate chances pilferage.
8. The report of visits under taken by NGO Advisor to verify activities of NGO's was not made available to us.
9. Fresh Advances have been given to District AIDS Programme Officer without calling and adjusting previous advances.
10. A sum of Rs8690/- is outstanding for recovery from Sh. D.R. Rohal who was repatriated to his parent department in 2004. No efforts have been made to recover the amount.
11. While selecting NGO's emphasis should be made that the NGO should be registered u/s 12 A of the Income Tax Act with Income Tax Authorities. This will ensure the charitable character of the NGO concerned.

The report is intended solely for the information and use of management and others within the organization and should not be used for any other purpose.

Place: Chandigarh
Date: 17/11/2010



Yours truly,

A handwritten signature in black ink, appearing to be "Navtej Kumar", written over a horizontal line.

CA. Navtej kumar(Pt.)
M. No. 80496
N.Kumar Chhabra & Co.
Chartered Accountants

NACO

Himachal Pradesh SACS - GLOBAL FUND VI

Block No. 38, Ground Floor SDA Complex, Kasumpti, Shimla - 171009

National AIDS Control Project - Phase III

Utilisation Certificate

Certified that an amount of Rs. 22,289,000.00 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. 1,289,566.00 (and Current Liabilities of Rs.0.00) and outstanding Advances for Rs. 4,703,918.00 on account of unspent balance brought forward from the previous financial year, and Bank Interest and Miscellaneous Receipts of Rs. 505.00. a sum of Rs. 16,618,520.00 has been utilized for the purpose for which it was sanctioned and the Cash/Bank balance of Rs. 522,928.00 (and Current Liabilities of Rs. 0.00) and outstanding advances of Rs.11,141,541.00. 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.18017/49/2007-NACO(GFTAM) | |
| | RTAS 22 Dec 2009 | 22,289,000.00 |
| | | |
| | Total | 22,289,000.00 |

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

Kinds of checks exercised

1. Statement of Expenditures
2. Annual Financial Statements

Countersigned

(Chartered Accountant)

(Project Director)

| Opening balance of Net Current Assets | Amount (Rs.) |
|---|----------------------|
| GLOBAL FUND-PNB ACCOUNT | 1,289,566.00 |
| Advance to Others | 178,918.00 |
| Advance to District Authorities | 4,525,000.00 |
| | <u>5,993,484.00</u> |
| Sources of funds | Amount (Rs.) |
| Grant from NACO to SACS | 22,289,000.00 |
| | <u>22,289,000.00</u> |
| Utilisation of funds | Amount (Rs.) |
| Training | 762,899.00 |
| Salary | 9,192,323.00 |
| Vehicle Maintenance | 2,231,941.00 |
| Printing & Stationery | 276,561.00 |
| Contingency | 325,866.00 |
| Consumable Items | 2,508,907.00 |
| Civil Works | 471,054.00 |
| Office Equipment | 848,969.00 |
| | <u>16,618,520.00</u> |
| Bank Interest & Miscellaneous Receipts | Amount (Rs.) |
| Interest from Bank | 505.00 |
| | <u>505.00</u> |
| Closing balance of Net Current Assets | Amount (Rs.) |
| Cash in hand | 14,661.00 |
| GLOBAL FUND PNB ACCOUNT | 508,267.00 |
| Advance to Others | 1,489,547.00 |
| Advance to NGOs | 600,000.00 |
| Advance to Staff | 56,385.00 |
| Advance to District Authorities | 1,714,236.00 |
| Inter Unit Fund Transfer | 7,281,373.00 |
| | <u>11,664,469.00</u> |

Himachal Pradesh SACS - GLOBAL FUND VI

[Draft]



Block No. 38, Ground Floor SDA Complex, Kasumpti, Shimla - 171009

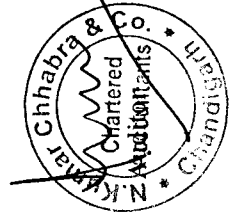
National AIDS Control Project - Phase III

Balance Sheet

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

| Figures for the current Period (Rs.) | LIABILITIES | Schedule Reference | Figures for the current Period (Rs.) | Figures for the previous Period (Rs.) | ASSETS | Schedule Reference | Figures for the current Period (Rs.) |
|--------------------------------------|------------------|--------------------|--------------------------------------|---------------------------------------|------------------------------------|--------------------|--------------------------------------|
| 484.00 | GENERAL FUND | 01 | 11,664,469.00 | 1,976,122.00 | FIXED ASSETS | 02 | 3,296,145.00 |
| 1,122.00 | FIXED ASSET FUND | | 3,296,145.00 | 1,289,566.00 | CURRENT ASSETS, LOANS AND ADVANCES | 0301 | 522,928.00 |
| 606.00 | | | 14,960,614.00 | 4,703,918.00 | CURRENT ASSETS | 0401 | 11,141,541.00 |
| | | | | 7,969,606.00 | LOANS AND ADVANCES | | 14,960,614.00 |


 H. P. ... Society
 Kasumpti, Shimla - 171009

 FC/FM/10
 Project Director



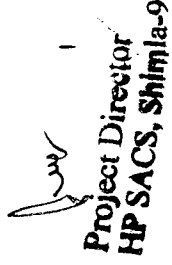
General Fund

Schedule 01

| Particulars | Figures in Rupees | |
|--|-----------------------|-----------------------|
| | As at 31-Mar-10 (Rs.) | As at 31-Mar-09 (Rs.) |
| Opening grant in aid | 5,993,484.00 | 11,263,000.00 |
| Add: Received during the year | | |
| Grant from NACO to SACS | 22,289,000.00 | 29,564,000.00 |
| Less: Utilised during the year | | |
| Grants utilised to the extent of revenue expenditure | 15,297,992.00 | 10,331,394.00 |
| Grants utilised to the extent of fixed asset expenditure | 1,320,023.00 | 1,976,122.00 |
| Closing grant in aid | 11,664,469.00 | 5,993,484.00 |



Accountant
HP State AIDS Control Society
Kasumpti, Shimla - 9

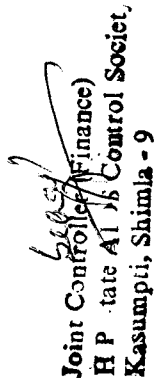


Project Director
HP SACS, Shimla-9

Fixed Asset

Schedule 02

| Particulars | Figures in Rupees | | |
|-------------------------|---------------------|---------------------|------------------------|
| | Opening Balance | Addition | Deletion |
| Civil Works (2201) | 0.00 | 471,054.00 | 0.00 |
| Office Equipment (2206) | 1,976,122.00 | 848,969.00 | 0.00 |
| Grand Total | 1,976,122.00 | 1,320,023.00 | 0.00 |
| | | | Closing Balance |
| | | | 471,054.00 |
| | | | 2,825,091.00 |
| | | | 3,296,145.00 |



Joint Controller Finance
HP State AIDS Control Society,
Kasumpti, Shimla - 9

Funds from Other Sources

Schedule 03

Figures in Rupees

| Particulars | Opening Balance | Grant Recieved | Grant Utilised/ Refunded | Closing Balance |
|--------------------|-----------------|----------------|-----------------------------|-----------------|
| | | | | |
| Grand Total | | | | |

Social
Joint Controller (Finance)
HP State AIDS Control Society
Kasumpti, Shimla - 9

P
Accountant
HP State AIDS Control Society
Kasumpti, Shimla - 9

[Signature]
Project Director
HP SACS, Shimla-9

CURRENT ASSETS


Schedule 0301


| Particulars | Figures in Rupees | |
|-------------------------|-----------------------------|-----------------------------|
| | As at 31-Mar-10 (Rs.) | As at 31-Mar-09 (Rs.) |
| Cash in hand | 14,661.00 | 0.00 |
| GLOBAL FUND PNB ACCOUNT | 508,267.00 | 1,289,566.00 |
| Total | 522,928.00 | 1,289,566.00 |

LOANS AND ADVANCES

Schedule 0401

| Particulars | Figures in Rupees | |
|---------------------------------|-----------------------------|-----------------------------|
| | As at 31-Mar-10 (Rs.) | As at 31-Mar-09 (Rs.) |
| Advance to Others | 1,489,547.00 | 178,918.00 |
| Advance to NGOs | 600,000.00 | 0.00 |
| Advance to Staff | 56,385.00 | 0.00 |
| Advance to District Authorities | 1,714,236.00 | 4,525,000.00 |
| Inter Unit Fund Transfer | 7,281,373.00 | 0.00 |
| Total | 11,141,541.00 | 4,703,918.00 |


Joint Controller (Finance)
HP State AIDS Control Society
Kasumpti, Shimla - 9


Accountant
HP State AIDS Control Society
Kasumpti, Shimla - 9


Project Director
HP SACS, Shimla-9

Himachal Pradesh SACS - GLOBAL FUND VI

Block No. 38, Ground Floor SDA Complex, Kasumpti, Shimla - 171009

National AIDS Control Project - Phase III

Income And Expenditure Account
For The Period From : 01-Apr-2009 To :31-Mar-2010

| for the Period | EXPENDITURE | Schedule Reference | Figures for the current Period (Rs.) | Figures for the previous Period (Rs.) | INCOME | Schedule Reference | Figures for the current Period (Rs.) |
|----------------|-----------------------------|--------------------|--------------------------------------|---------------------------------------|--|--------------------|--------------------------------------|
| 266.00 | IEC | | 0.00 | 17,555.00 | Other Income | 28 | 505.00 |
| ,541.00 | Kits and Other Lab Supplies | 06 | 2,508,907.00 | 10,331,394.00 | Grants utilised to the extent of revenue expenditure | | 15,297,992.00 |
| ,184.00 | Training and Workshops | 08 | 762,899.00 | | | | |
| ,693.00 | NGO Services | 11 | 0.00 | | | | |
| ,353.00 | Salary (Pay and Allowances) | 13 | 9,192,323.00 | | | | |
| 0.00 | Maintenance Costs | 14 | 2,231,941.00 | | | | |
| ,912.00 | Operational Expenses | 15 | 602,427.00 | | | | |
| 949.00 | | | 15,298,497.00 | 10,348,949.00 | | | 15,298,497.00 |

Accountant
 HP State AIDS Control Society
 Kasumpti, Shimla - 9

Project Director
HP SACS, Shimla-9

Joint Controller (Finance)
 HP State AIDS Control Society
 Kasumpti, Shimla - 9

Other Income

Schedule 28

| Particulars | As at 31-Mar-10 (Rs.) | As at 31-Mar-09 (Rs.) |
|--------------------|-----------------------|-----------------------|
| Interest from Bank | 505.00 | 17,555.00 |
| Total | 505.00 | 17,555.00 |

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Accountant
HP State AIDS Control Society
Kasumpti, Shimla - 9

Kits and Other Lab Supplies

Schedule 06

| Particulars | As at 31-Mar-10 (Rs.) | As at 31-Mar-09 (Rs.) |
|---------------------|-----------------------|-----------------------|
| Other Lab. Supplies | 0.00 | 1,514,021.00 |
| Consumable Items | 2,508,907.00 | 549,520.00 |
| Total | 2,508,907.00 | 2,063,541.00 |

Just
Project Director
HP SACS, Shimla-9

Training and Workshops

Schedule 08

| Particulars | As at 31-Mar-10 (Rs.) | As at 31-Mar-09 (Rs.) |
|--------------|-----------------------|-----------------------|
| Training | 762,899.00 | 262,184.00 |
| Total | 762,899.00 | 262,184.00 |

Sachin
Joint Controller (Finance)
HP State AIDS Control Society
Kasumpti, Shimla - 9

NGO Services

Schedule 11

| Particulars | As at 31-Mar-10 (Rs.) | As at 31-Mar-09 (Rs.) |
|--------------|-----------------------------|-----------------------------|
| NGO Services | 0.00 | 1,268,693.00 |
| Total | 0.00 | 1,268,693.00 |

Salary (Pay and Allowances)

Schedule 13

| Particulars | As at 31-Mar-10 (Rs.) | As at 31-Mar-09 (Rs.) |
|--------------|-----------------------------|-----------------------------|
| Salary | 9,192,323.00 | 6,729,353.00 |
| Total | 9,192,323.00 | 6,729,353.00 |

Maintenance Costs

Schedule 14

| Particulars | As at 31-Mar-10 (Rs.) | As at 31-Mar-09 (Rs.) |
|---------------------|-----------------------------|-----------------------------|
| Vehicle Maintenance | 2,231,941.00 | 0.00 |
| Total | 2,231,941.00 | 0.00 |

(Signature)

Accountant
HP State AIDS Control Society
Kasumpti, Shimla - 9

(Signature)

Project Director
HP SACS, Shimla-9

(Signature)
Joint Controller (Finance)
H.P. State AIDS Control Society
Kasumpti, Shimla - 9

Operational Expenses

Schedule 15

| Particulars | As at 31-Mar-10 (Rs.) | As at 31-Mar-09 (Rs.) |
|-----------------------|-----------------------------|-----------------------------|
| Printing & Stationery | 276,561.00 | 0.00 |
| Contingency | 325,866.00 | 24,912.00 |
| Total | 602,427.00 | 24,912.00 |

P

Sach
Joint Controller (Finance)
 HP State AIDS Control Society
 Kasumpti, Shimla - 9

Accountant
 HP State AIDS Control Society
 Kasumpti, Shimla - 9

Just
Project Director
 HP SACS, Shimla-9

Himachal Pradesh SACS - Global Fund VI

Block No. 38, Ground Floor SDA Complex, Kasumpti, Shimla - 171009

National AIDS Control Project - Phase III

Receipt And Payment Account

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

| Receipts | Figures for the current Period (Rs.) | Schedule Reference | Figures for the previous Period (Rs.) | Payments | Schedule Reference | Figures for the current Period (Rs.) |
|-------------------|--------------------------------------|--------------------|---------------------------------------|-----------------------------|--------------------|--------------------------------------|
| Opening Balance: | | | 16,855,000.00 | LOANS AND ADVANCES | 17 | 17,267,289.00 |
| Balance with Bank | 1,289,566.00 | 30 | 0.00 | FIXED ASSETS | 16 | 300,080.00 |
| GENERAL FUND | 22,289,000.00 | 29 | 0.00 | Kits and Other Lab Supplies | 18 | 2,406,407.00 |
| Other Income | 505.00 | 56 | 0.00 | Training and Workshops | 20 | 621,560.00 |
| | <u>23,579,071.00</u> | | 173,989.00 | Salary (Pay and Allowances) | 25 | 1,716,644.00 |
| | | | 0.00 | Maintenance Costs | 26 | 555,854.00 |
| | | | 0.00 | Operational Expenses | 27 | 188,309.00 |
| | | | | Closing Balance: | | |
| | | | 0.00 | Cash in hand | | 14,661.00 |
| | | | 1,289,566.00 | Balance with Bank | 31 | 508,267.00 |
| | | | <u>18,318,555.00</u> | | | <u>23,579,071.00</u> |

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Accountant
HP State AIDS Control Society
Kasumpti, Shimla - 9

[Signature]
Joint Controller (Finance)
HP State AIDS Control Society
Kasumpti, Shimla - 9

[Signature]
Project Director
HP SACS, Shimla-9

GENERAL FUND

Schedule 29

| Particulars | As at 31-Mar-10 (Rs.) | As at 31-Mar-09 (Rs.) |
|-------------------------|-----------------------------|-----------------------------|
| Grant from NACO to SACS | 22,289,000.00 | 18,301,000.00 |
| Total | 22,289,000.00 | 18,301,000.00 |

Balance with Bank

Schedule 30


| Particulars | As at 31-Mar-09 (Rs.) | As at 31-Mar-08 (Rs.) |
|-------------------------|-----------------------------|-----------------------------|
| GLOBAL FUND PNB ACCOUNT | 1,289,566.00 | 0.00 |
| Total | 1,289,566.00 | 0.00 |

Other Income

Schedule 56

| Particulars | As at 31-Mar-10 (Rs.) | As at 31-Mar-09 (Rs.) |
|--------------------|-----------------------------|-----------------------------|
| Interest from Bank | 505.00 | 17,555.00 |
| Total | 505.00 | 17,555.00 |


Jai Singh
Joint Controller (Finance)
HP State AIDS Control Society
Kasumpti, Shimla - 9


Project Director
HP State AIDS Control Society
Kasumpti, Shimla - 9


Project Director
HP SACS, Shimla - 9

LOANS AND ADVANCES

Schedule 17

| Particulars | As at 31-Mar-10 (Rs.) | As at 31-Mar-09 (Rs.) |
|---------------------------------|-----------------------------|-----------------------------|
| Advance to Others | 100,000.00 | 30,000.00 |
| Advance to NGOs | 600,000.00 | 0.00 |
| Advance to Staff | 307,289.00 | 0.00 |
| Advance to District Authorities | 1,260,000.00 | 1,825,000.00 |
| Inter Unit Fund Transfer | 15,000,000.00 | 15,000,000.00 |
| Total | 17,267,289.00 | 16,855,000.00 |

(Signature)

Accountant
HP State AIDS Control Society
Kasumpti, Shimla - 9

(Signature)
Project Director
HP AIDS, Shimla-9

FIXED ASSETS

Schedule 16

| Particulars | As at 31-Mar-10 (Rs.) | As at 31-Mar-09 (Rs.) |
|------------------|-----------------------------|-----------------------------|
| Office Equipment | 300,080.00 | 0.00 |
| Total | 300,080.00 | 0.00 |

Kits and Other Lab Supplies

Schedule 18

| Particulars | As at 31-Mar-10 (Rs.) | As at 31-Mar-09 (Rs.) |
|------------------|-----------------------------|-----------------------------|
| Consumable Items | 2,406,407.00 | 0.00 |
| Total | 2,406,407.00 | 0.00 |

(Signature)
Joint Controller (Finance)
HP State AIDS Control Society
Kasumpti, Shimla - 9
Page 3 of 5

Training and Workshops

Schedule 20

| Particulars | As at 31-Mar-10 (Rs.) | As at 31-Mar-09 (Rs.) |
|--------------|-----------------------------|-----------------------------|
| Training | 621,560.00 | 0.00 |
| Total | 621,560.00 | 0.00 |

Salary (Pay and Allowances)

Schedule 25

| Particulars | As at 31-Mar-10 (Rs.) | As at 31-Mar-09 (Rs.) |
|--------------|-----------------------------|-----------------------------|
| Salary | 1,716,644.00 | 173,989.00 |
| Total | 1,716,644.00 | 173,989.00 |

Maintenance Costs

Schedule 26

| Particulars | As at 31-Mar-10 (Rs.) | As at 31-Mar-09 (Rs.) |
|---------------------|-----------------------------|-----------------------------|
| Vehicle Maintenance | 555,854.00 | 0.00 |
| Total | 555,854.00 | 0.00 |

Accountant
HP State AIDS Control Society
Kasumpti, Shimla - 9

[Signature]

Project Director
HP SACS, Shimla-9

[Signature]
Joint Controller (Finance)
HP State AIDS Control Society
Kasumpti, Shimla - 9

Operational Expenses

Schedule 27

| Particulars | As at 31-Mar-10 (Rs.) | As at 31-Mar-09 (Rs.) |
|-----------------------|-----------------------------|-----------------------------|
| Printing & Stationery | 188,309.00 | 0.00 |
| Total | 188,309.00 | 0.00 |

Balance with Bank

Schedule 31

| Particulars | As at 31-Mar-10 (Rs.) | As at 31-Mar-09 (Rs.) |
|-------------------------|-----------------------------|-----------------------------|
| GLOBAL FUND PNB ACCOUNT | 508,267.00 | 1,289,566.00 |
| Total | 508,267.00 | 1,289,566.00 |

RS

Accountant
HP State AIDS Control Society
Kasumpti, Shimla - 9

[Signature]

**Project Director
HP SACS, Shimla-9**

[Signature]
Joint Controller (Finance)
HP State AIDS Control Society
Kasumpti, Shimla - 9

Sources and Uses of Funds

As on: 31-Mar-2010

Year----->

| Particulars | Year-----> | | |
|--|----------------|----------------|---------------|
| | 2007-08 | 2008-09 | 2009-10 |
| Opening balance of Net Current Assets | | | |
| Balance in Bank (01) | 0.00 | 0.00 | 1,289,566.00 |
| Advances (02) | 0.00 | -11,263,000.00 | 4,703,918.00 |
| Sources of funds | | | |
| Grant from NACO to SACS | 0.00 | 29,564,000.00 | 22,289,000.00 |
| Miscellaneous Receipts (04) | 0.00 | 17,555.00 | 505.00 |
| Utilisation of funds | | | |
| Expenses (05) | 11,263,000.00 | 10,348,949.00 | 15,298,497.00 |
| Fixed Assets (06) | 0.00 | 1,976,122.00 | 1,320,023.00 |
| Cash in Hand | 0.00 | 0.00 | 14,661.00 |
| Closing balance of Net Current Assets | | | |
| Balance in Bank (07) | 0.00 | 1,289,566.00 | 508,267.00 |
| Advances (08) | -11,263,000.00 | 4,703,918.00 | 11,141,541.00 |

Project Director
HP State AIDS Control Society
Kasumpti, Shimla - 9

Joint Controller (Finance)
HP State AIDS Control Society
Kasumpti, Shimla - 9

Project Director
HP SACS, Shimla-9

Himachal Pradesh SACS

Year----->

| Particulars | | 2007-08 | 2008-09 | 2009-10 |
|-----------------------------|---------------------------------|---------------------|-----------------------|---------------------|
| Balance in Bank (01) | GLOBAL FUND PNB ACCOUNT | 0.00 | 0.00 | 1,289,566.00 |
| | Total | 0.00 | 0.00 | 1,289,566.00 |
| Advances (02) | Advance to District Authorities | 0.00 | 0.00 | 4,525,000.00 |
| | Advance to Others | 0.00 | 0.00 | 178,918.00 |
| | Inter Unit Fund Transfer | 0.00 | -11,263,000.00 | 0.00 |
| Miscellaneous Receipts (04) | Total | 0.00 | -11,263,000.00 | 4,703,918.00 |
| | Interest from Bank | 0.00 | 17,555.00 | 505.00 |
| | Total | 0.00 | 17,555.00 | 505.00 |
| Expenses (05) | Consumable Items | 5,311,332.00 | 549,520.00 | 2,508,907.00 |
| | Contingency | 0.00 | 24,912.00 | 325,866.00 |
| | IEC | 0.00 | 266.00 | 0.00 |
| | NGO Services | 1,440,312.00 | 1,268,693.00 | 0.00 |
| | OI Drugs | 645,625.00 | 0.00 | 0.00 |
| | Other Lab. Supplies | 0.00 | 1,514,021.00 | 0.00 |
| | Total | 7,407,279.00 | 2,822,492.00 | 2,508,907.00 |

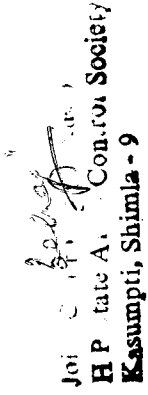


PROJECT DIRECTOR


HP State AIDS Control Society
Kasumpti, Shimla - 9




Project Director
HP SACS, Shimla-9



PROJECT DIRECTOR
HP State AIDS Control Society
Kasumpti, Shimla - 9


 Project Director
 HP SACS, Shimla-9


 Project Director
 HP SACS, Shimla-9


 Joint Controller (Finance)
 HP State Accounts Control Society
 Kasumpti, Shimla - 9

| | | | | |
|----------------------|---------------------------------|-----------------------|----------------------|----------------------|
| Expenses (05) | Printing & Stationery | 0.00 | 0.00 | 276,561.00 |
| | Salary | 3,765,168.00 | 6,729,353.00 | 9,192,323.00 |
| | Training | 0.00 | 262,184.00 | 762,899.00 |
| | Travelling Expenses | 100,063.00 | 0.00 | 0.00 |
| | Vehicle Maintenance | 0.00 | 0.00 | 2,231,941.00 |
| | Total | 11,263,000.00 | 10,348,949.00 | 15,298,497.00 |
| | Fixed/Assets (06) | Civil Works | 0.00 | 0.00 |
| Balance in Bank (07) | Office Equipment | 0.00 | 1,976,122.00 | 848,969.00 |
| | Total | 0.00 | 1,976,122.00 | 1,320,023.00 |
| | GLOBAL FUND PNB ACCOUNT | 0.00 | 1,289,566.00 | 508,267.00 |
| Advances (08) | Total | 0.00 | 1,289,566.00 | 508,267.00 |
| | Advance to District Authorities | 0.00 | 4,525,000.00 | 1,714,236.00 |
| | Advance to NGOs | 0.00 | 0.00 | 600,000.00 |
| | Advance to Others | 0.00 | 178,918.00 | 1,489,547.00 |
| | Advance to Staff | 0.00 | 0.00 | 56,385.00 |
| | Inter Unit Fund Transfer | -11,263,000.00 | 0.00 | 7,281,373.00 |
| | Total | -11,263,000.00 | 4,703,918.00 | 11,141,541.00 |