

NO.F3(4-4)/Statutory Audit/TSACS/08-09/Sub-III/
TRIPURA STATE AIDS CONTROL SOCIETY

Akhura Road, opp. of I.G.M Hospital
Agartala, Tripura West.

Dated, Agartala, the 22nd Sep, 2008.

To
Mr. P.R.Das
DFO
Ministry of Health & Family Welfare
Govt. of India
National AIDS Control Organization
6th Floor, Chandralok Building
36, Janpath, New Delhi -- 110 001.

Subject: Statutory Audit Report for the year 2007-08 (Pool Fund & GFATM Round - VI)

Sir,

I am forwarding herewith the Statutory Audit Report of both the fund of Pool Fund and GFATM-Round-VI for the financial year 2007-08.

This is for your kind information and doing the needful.

With regards.

Encl: - 1(One) copy Statutory Audit Report for the year 2007-08

(22/9/08)
(Dr.Keshab Chakraborty)
Project Director

Tripura State AIDS Control Society

Copy to:-

1. Mr. Arun Monga, Donor Co ordination, NACO (N.E States) for kind information
2. Mr. Pankaj Kumar Sharma, Finance & Administrative Manager, NACO (N.E States) for kind information.

Project Director
Tripura State AIDS Control Society



CHAUDHURI & BANERJEE
CHARTERED ACCOUNTANTS

Date: 18.09.2008

To,
Dr. Keshab Chakraborty,
Project Director
State AIDS Control Society
Akhura Road, Agartala
(Tripura)


Dear Sir,

Sub: Sub 2007-08

We find enclosed 3 (Three) copies each of Audit Report and the Audited Accounts for the year ended 31st March, 2008 of the State AIDS Control Society for your reference and necessary action.

We are also enclosing our Bill no. 28/TSACS/2007-08, dated 18.09.2008 for Rs. 46,900/- (Rupees Forty six thousand nine hundred only) for the said audit assignment.

Thanking you,

Yours faithfully,
For **CHAUDHURI & BANERJEE**
Chartered Accountants

(Joydeep Bose)
Partner

Encl.: Audit Reports & Accounts as stated above.

77-1000000

THE ALIEN AND UNLAWFUL ENTRY ACTS

SECTION 101

STATEMENT OF ACCOMPLISHMENTS

CHARGES

ADDRESS: 1010 5th St. N. W. (C.M.F.) (M.I.T.) (M.I.T.) (M.I.T.)
1010 5th St.

TELEPHONE NO. 688-1234 (M.I.T.)

1010 5th St. N. W. (C.M.F.) (M.I.T.) (M.I.T.) (M.I.T.)
1010 5th St.



CHAUDHURI & BANERJEE
CHARTERED ACCOUNTANTS

Dated the 17th September, 2008

MANAGEMENT LETTER

To
The Project Director,
TRIPURA STATE AIDS CONTROL SOCIETY,
Agartala, Tripura

Dear Sir,

FOR THE YEAR ENDED 31st MARCH 2008


We have audited the financial statements of Tripura State AIDS Control Society for the year ended 31st March, 2008 and have issued our report dated the 17th September, 2008. In planning and performing our audit of accounts of your society in respect of the National AIDS Control Project Phase -III, we considered its internal accounting control structure in order to determine our standard auditing procedure for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure. We noted no matters involving the internal accounting control structure and its operation that we consider to be material weakness in accordance with the standards referred to above except those mentioned in "**Annexure-A**" to our Audit Report.


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

During the period under audit it has been observed that the society is yet to address the shortcomings mentioned in the report of the previous year with respect to our observations, we suggest that an implementation time table is to be prepared and approved by the management.

Yours Faithfully

For **CHAUDHURI & BANERJEE**
CHARTERED ACCOUNTANTS


IMAN KALYAN CHAUDHURI
PARTNER





CHAUDHURI & BANERJEE
CHARTERED ACCOUNTANTS

SEPTEMBER 17TH, 2008

AUDITOR'S REPORT

To
The Members of Tripura State Aids Control Society.

INTRODUCTION

1. We have audited the accompanying financial statements such as Balance Sheet as at 31st March 2008, and Receipts & Payments Account for the year ended 31st March 2008 and also Income and Expenditure Account for the year ended 31st March 2008 showing the position of the year 2007-08 of Tripura State AIDS Control Society, Agartala, Tripura. These financial statements are the responsibility of the Management of the concern. Our responsibility is to express an opinion on these financial statements based on our Audit.

SCOPE

2. We conducted our Audit in accordance with the International standard on auditing and also the relevant national standards and practices and/or World Bank Guidelines. Those Standards and/or World Bank Guidelines require that we plan and perform the Audit to obtain reasonable assurance about whether the financial Statements are free of material misstatement. An audit also includes examining, on a test basis, evidence supporting the amounts 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.


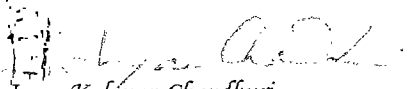
OPINION

3. *Subject to our comments in "Annexure A",* in our opinion, the financial statements give a true and fair view of the sources and application of funds of Tripura State AIDS control Society (National AIDS Control Project Phase-III) for the year ended 31st March, 2008 in accordance with International Accounting standard and also the relevant National Standards.

Further, subject to our remarks in "Annexure-A", In our opinion and to the best of our information and according to the explanations given to us, the said financial statements give the information required and exhibit a true and fair view in conformity with the generally accepted accounting principles;

- (a) In the case of the Balance Sheet, of the state of affairs of the Tripura State AIDS Control society as at 31st March 2008, and
- (b) In the case of the Income & Expenditure Account, of the Excess for the year ended on that date.

Place : AGARTALA (TRIPURA)

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For Chaudhuri & Banerjee
Chartered Accountants

Kalyan Chaudhuri
Partner
Membership No.: 058185



CHAUDHURI & BANERJEE
CHARTERED ACCOUNTANTS

Annexure "A"

TRIPURA GOVT. SOCIETY'S AUDIT REPORT OF EVEN DATE TO TRIPURA STATE AIDS CONTROL SOCIETY FOR THE YEAR ENDED 31.03.2008

1. Provision & Reserve:

As per clause 3.1.22 of the Memorandum of Association of the Society, a Provident Fund and/ or Pension Fund for the benefit of the Society's employees and their family members should have been established but no such initiative has yet been noticed during the course of our audit.

2. Advances:

- a) We have observed that it has as the advances given to different authorities has remained unadjusted for a long time. The Society should take necessary steps for adjustment of the same.
- b) The advances given to different authorities and NGOs are subject to confirmation and subsequent reconciliation.

3. Fixed Assets:

A Laptop was purchased on 28/06/2003 for Rs.1,43,416/= which was not found by us. It has been informed to us that said asset was issued to Commissioner Health (Ex-officio Vice Chairman TSACS), Government of Tripura.

4. Cash & Bank:

- a) The Society has not reconciled the bank balance lying with India Bank (SB A/c. 601211). It has also been observed that Bank Interest of Rs.2,930/= received has not been accounted for during the year under audit resulting in understatement of General Fund to that extent.
- b) Purchase of spare parts for vehicle for Rs.17,220/= has wrongly been booked under Printing & Stationery (2130).
- c) Purchase of RAM for Rs.11,227/= has been wrongly been booked under Miscellaneous Expenses (2129) instead of Office Equipment (2206) which has resulted in understatement of Fixed Asset.
- d) Advertisement on IEC and Other than IEC for Rs.58,637/= has been wrongly booked under Miscellaneous Expenses (2129).
- e) Miscellaneous Expenses (2129) includes payment for Motivation for Blood Donation Camp for Rs. /=.
- f) Miscellaneous Expenses (2129) includes Hires () of Vehicles, Wages, Expenses of VCTC and STD Clinic which we feel should be booked under respective .





CHAUDHURI & BANERJEE
CHARTERED ACCOUNTANTS

5. Procurement Policy:

- a) We have observed that no earnest money of 2% was taken for works contract which is one of the requirements under NACP-III. It has been informed to us that the Society has not taken any earnest money as per the guidelines of World Bank.
- b) It has also been observed that Security Services has been offered to AB Security Pvt. Services as per the decision of Executive Committee meeting and that the Procurement Policy as per NACP-III has not been adhered to.
- c) It has been observed that tender for Car Hire has been made in 2004 and three bidders were short-listed. The following quotations were obtained from the bidders:

a.	Nepal Majumdar	Rs.255/=	2.95
b.	Nirmal Deb	Rs.310/=	3.40
c.	Suman Dutta	Rs.320/=	3.50

The offer was given to Nirmal Deb and Suman Dutta at a negotiated rate of Rs.275/= and Rs.3.10/ km. We have also observed that Security Deposit has been obtained from all the bidders. It has been informed to us that first bidder was not given the offer since he did not fulfil the terms and conditions of the bid. No valid document in support of this clarification was produced for our verification. We feel that the Procurement Policy should be transparent.

Internal Control:

a) NGO visits:

- (i) Books are not updated,
- (ii) Bills relating to medicine purchases are not authentic for Teresa Social Welfare Organisation.
- (iii) Regular visit of Advisor and Accounts department of the Society required for better internal control,
- (iv) It has also been observed that the Internal Auditor appointed by the Society are also doing Statutory Audit of the NGOs visited by us. This is unethical as there may be lack of transparency and internal control over the NGOs.

b) Stores:

We feel that for better control over Stores, Goods Receipt Note (GRN) may be introduced.

7. Previous year's figures have not been shown in respect of Income & Expenditure Account and Receipt & Payment Account.



VACO

Tripura SACS - Pool Fund

[Draft]

Health Directorate Building Gurkhabasti, PO Kunjaban, Agartala West , Tripura - 799006

National AIDS Control Project - Phase III (Credit No. 3242-IN)

Utilisation Certificate

Certified that out of amount of Rs. **6,952,000.00** as grants-in-aid received during the year **2007-08** from the Ministry of Health and Family Welfare (National AIDS Control Organization) vide letters mentioned hereunder and Rs. **46,124,943.00** on account of unspent balance brought forward from the previous financial year, a sum of Rs. **35,703,059.00** has been utilized for the purpose for which it was sanctioned and the balance of Rs. **17,433,696.00** remaining unutilized at the end of the year has been surrendered to Government (vide D.D. No. _____ dated ____/____/____)/ will be adjusted towards the grants-in-aid payable during the next year _____.

Sl. No.	Sanction letter Number and Date	Amount
1.	F.11004/11/05 (100) th. Juk	9,52,000/-
2.	F.11007/32/05 (100)	6,00,000/-
	Total	69,52,000/-

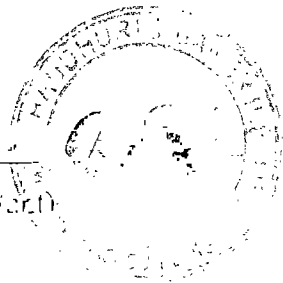
Certified that I have satisfied myself that the conditions on which the grants-in-aid was sanctioned have been duly fulfilled/are being fulfilled and that I have exercised the following checks to see that the money was actually utilized for the purpose for which it was sanctioned.

Kinds of checks exercised

1. Statement of Expenditures
2. Annual Financial Statements

Countersigned

(Chartered Accountant)



(Project Director)
(Tripura SACS - Pool Fund)

Opening Balance of Net Current Assets	Amount (Rs.)
Cash in hand	10,086.00
Bank 3	27,381,966.50
Advance to Others	556,100.00
Advance to NGOs	7,356,989.50
Advance to Staff	24,716.00
Advance to District Authorities	9,793,787.00
Advance to District Hospitals	1,000,098.00
Security Deposit (Paid)	1,200.00
	46,124,943.00

Source of funds	Amount (Rs.)
Grant from NACO to SACS	6,952,000.00
	6,952,000.00

Disbursement of funds	Amount (Rs.)
HIV Kits	3,505,691.00
Other Lab. Supplies	464,464.00
STI Drugs	652,103.00
IEC	9,922,570.00
Training	431,560.00
Salary	1,785,795.00
Equipment Maintenance	4,700.00
Traveling Expenses	5,000.00
Telephone/Communication Expenses	44,427.00
Miscellaneous Expenses	1,913,413.00
Printing & Stationery	38,140.00
Blood Lab. Supplies	701,876.00
Advertisement (Other than IEC)	57,526.00
Water and Electricity Charges	30,803.00
Audit Fees	30,000.00
NGO Services for Priority Interventions	13,089,278.00
Surveillance	1,100,575.00
Contingency	326,787.00
Civil Works	1,017,916.00
Furniture, Fixtures & Supplies	142,945.00
Blood Bank Equipments	178,633.00
	35,703,059.00

Closing balance of Net Current Assets	Amount (Rs.)
Bank 3	10,522,517.00
Advance to Others	287,117.00
Advance to NGOs	3,121,860.00
Advance to Staff	8,460.00
Advance to District Authorities	1,764,497.00



ACO

Tripura SACS - Fixed Fund

[Draft]


Health Directorate Building Gurkhabasti, PO Kunjaban, Agartala West, Tripura - 799006

National AIDS Control Project - Phase III (Credit No. 3242-IN)

Balance Sheet

For The Period From : 01-Apr-2007 To :31-Mar-2008

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.)
24,943.00	GENERAL FUND	01	17,433,696.00	1,638,869.77	FIXED ASSETS	02	2,978,363.77
38,869.77	FIXED ASSET FUND		2,978,363.77		CURRENT ASSETS, LOANS AND ADVANCES		
				27,392,052.50	CURRENT ASSETS	0301	10,522,517.00
				18,732,390.50	LOANS AND ADVANCES	0401	6,911,179.00
<u>3,812.77</u>			<u>20,412,059.77</u>	<u>47,763,812.77</u>			<u>20,412,059.77</u>

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 Auditor

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 FC/FM/FO

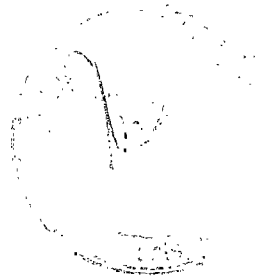
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 Project Director

General Fund

Schedule 01

Figures in Rupees

Particulars	As at 31-Mar-08 (Rs.)	As at 31-Mar-07 (Rs.)
Opening grant in aid	46,124,943.00	0.00
Add: Received during the year		
Pool Fund - World Bank	0.00	47,763,812.77
Grant from NACO to SACS	6,952,000.00	0.00
Less: Utilised during the year		
Grants utilised to the extent of revenue expenditure	34,303,753.00	0.00
Grants utilised to the extent of fixed asset expenditure	1,339,494.00	1,638,869.77
Closing grant in aid	17,433,696.00	46,124,943.00



Fixed Asset

Schedule 02

Figures in Rupees

Particulars	Opening Balance	Addition	Deletion	Closing Balance
Blood Bank Equipments (2203)	24,640.00	178,633.00	0.00	203,273.00
Civil Works (2201)	0.00	1,017,916.00	0.00	1,017,916.00
Equipment (Other) (2204)	0.00	49,837.00	49,837.00	0.00
Furniture, Fixtures & Supplies (2202)	1,004,521.05	1,044,705.00	901,760.00	1,147,466.05
Office Equipment (2206)	609,708.72	0.00	0.00	609,708.72
Grand Total	1,638,869.77	2,291,691.00	951,597.00	2,978,363.77

Funds from Other Sources

Schedule 03

Figures in Rupees

Particulars	Opening Balance	Grant Received	Grant Utilised Refunded	Closing Balance
Grand Total				



CURRENT ASSETS

Schedule 0301

Figures in Rupees

Particulars	As at 31-Mar-08 (Rs.)	As at 31-Mar-07 (Rs.)
Cash in hand	0.00	10,086.00
Bank 3	10,522,517.00	27,381,966.50
Total	10,522,517.00	27,392,052.50

LOANS AND ADVANCES

Schedule 0401

Figures in Rupees

Particulars	As at 31-Mar-08 (Rs.)	As at 31-Mar-07 (Rs.)
Advance to Others	287,117.00	556,100.00
Advance to NGOs	3,121,860.00	7,356,989.50
Advance to Staff	8,460.00	24,716.00
Advance to District Authorities	1,764,497.00	9,793,787.00
Advance to District Hospitals	192,000.00	1,000,098.00
Security Deposit (Paid)	1,200.00	1,200.00
Inter Unit Fund Transfer	1,536,045.00	0.00
Total	6,911,179.00	18,732,890.50



Tripura SACS - Pool Fund

[Draft]

Health Directorate Building Gurkhabasti, PO Kunjaban, Agartala West, Tripura - 799006

National AIDS Control Project - Phase III (Credit No. 3242-IN)

Income And Expenditure Account

For The Period From : 01-Apr-2008 To :31-Mar-2009

or 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.)
0.00	IEC		9,922,570.00	0.00	Other Income	28	461,234.00
0.00	Surveillance		1,100,575.00	0.00	Grants utilised to the extent of revenue expenditure		34,303,753.00
0.00	(LA)Non Reimbursable prior period expensable		401,422.00				
0.00	Kits and Other Lab Supplies	06	4,672,031.00				
0.00	Medicines	07	652,103.00				
0.00	Training and Workshops	08	431,560.00				
0.00	NGO Services	11	13,089,278.00				
0.00	Salary (Pay and Allowances)	13	1,785,795.00				
0.00	Maintenance Costs	14	4,700.00				
0.00	Operational Expenses	15	2,704,953.00				
<u>0.00</u>			<u>34,764,987.00</u>	<u>0.00</u>			

Other Income

Schedule 28

Particulars	As at 31-Mar-08 (Rs.)	As at 31-Mar-07 (Rs.)
Interest from Bank	461,234.00	0.00
Total	461,234.00	0.00

Kits and Other Lab Supplies

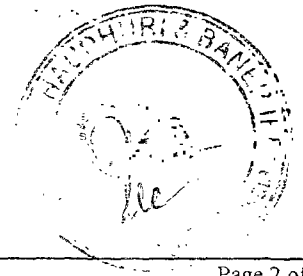
Schedule 06

Particulars	As at 31-Mar-08 (Rs.)	As at 31-Mar-07 (Rs.)
HIV Kits	3,505,691.00	0.00
Other Lab. Supplies	464,464.00	0.00
Blood Lab. Supplies	701,876.00	0.00
Total	4,672,031.00	0.00

Medicines

Schedule 07

Particulars	As at 31-Mar-08 (Rs.)	As at 31-Mar-07 (Rs.)
STI Drugs	652,103.00	0.00
Total	652,103.00	0.00



Training and ...

Schedule 08

Particulars	As at 31-Mar-08 (Rs.)	As at 31-Mar-07 (Rs.)
Training	431,560.00	0.00
Total	431,560.00	0.00

NGO Services

Schedule 11

Particulars	As at 31-Mar-08 (Rs.)	As at 31-Mar-07 (Rs.)
NGO Services for Priority Interventions	13,089,278.00	0.00
Total	13,089,278.00	0.00

Salary (Pay and Allowances)

Schedule 13

Particulars	As at 31-Mar-08 (Rs.)	As at 31-Mar-07 (Rs.)
Salary	1,785,795.00	0.00
Total	1,785,795.00	0.00

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Maintenance Costs

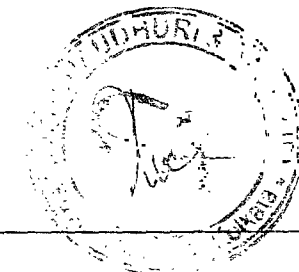
Schedule 14

Particulars	As at 31-Mar-08 (Rs.)	As at 31-Mar-07 (Rs.)
Equipment Maintenance	4,700.00	0.00
Total	4,700.00	0.00

Operational Expenses

Schedule 15

Particulars	As at 31-Mar-08 (Rs.)	As at 31-Mar-07 (Rs.)
Travelling Expenses	263,857.00	0.00
Telephone/Communication Expenses	44,427.00	0.00
Miscellaneous Expenses	1,913,413.00	0.00
Printing & Stationery	38,140.00	0.00
Advertisement (Other than IEC)	57,526.00	0.00
Water and Electricity Charges	30,803.00	0.00
Audit Fees	30,000.00	0.00
Contingency	326,787.00	0.00
Total	2,704,953.00	0.00



Tripura SACS - 1 Fund

[Draft]

Health Directorate Building Gurkhabasti, PO Kunjaban, Agartala West, Tripura - 799006

National AIDS Control Project - Phase III (Credit No. 3242-IN)

Receipt And Payment Account

For The Period From : 01-Apr-2007 To :31-7-2007

es for the us Period Rs.)	RECEIPTS	Schedule Reference	Figures for the current Period (Rs.)	Figures for the previous Period (Rs.)	PAYMENTS	Schedule Reference	Figures for the current Period (Rs.)
	Opening Balance:			0.00	LOANS AND ADVANCES	17	12,770,934.50
0.00	Cash in hand		10,086.00	0.00	FIXED ASSETS	16	1,563,171.00
0.00	Balance with Bank	30	27,381,966.50	0.00	Kits and Other Lab Supplies	18	4,672,031.00
22,052.50	GENERAL FUND	13	6,952,000.00	0.00	Medicines	19	652,103.00
0.00	Other Income	40	461,234.00	0.00	Training and Workshops	20	263,912.00
				0.00	Salary (Pay and Allowances)	25	2,120,243.00
				0.00	Maintenance Costs	26	4,700.00
				0.00	Operational Expenses	27	1,467,166.00
				0.00	IEC		763,509.00
				0.00	Surveillance		5,000.00
					Closing Balance:		
				10,086.00	Cash in hand		0.00
				27,381,966.50	Balance with Bank	31	10,522,517.00

GENERAL FUND

Schedule 13

Particulars	As at 31-Mar-08 (Rs.)	As at 31-Mar-07 (Rs.)
Pool Fund - World Bank	0.00	27,392,052.50
Grant from NACO to SACS	6,952,000.00	0.00
Total	6,952,000.00	27,392,052.50

Balance with Bank

Schedule 30

Particulars	As at 01-Apr-07 (Rs.)	As at 01-Apr-07 (Rs.)
Bank 3	27,381,966.50	0.00
Total	27,381,966.50	0.00

Other Income

Schedule 40

Particulars	As at 31-Mar-08 (Rs.)	As at 31-Mar-07 (Rs.)
Interest from Bank	461,234.00	0.00
Total	461,234.00	0.00

LOANS AND ADVANCES

Schedule 17

Particulars	As at 31-Mar-08 (Rs.)	As at 31-Mar-07 (Rs.)
Advance to Others	579,547.00	0.00
Advance to NGOs	9,953,490.50	0.00
Advance to Staff	144,205.00	0.00
Advance to District Authorities	1,803,928.00	0.00
Advance to District Hospitals	289,764.00	0.00
Total	12,770,934.50	0.00

FIXED ASSETS

Schedule 16

Particulars	As at 31-Mar-08 (Rs.)	As at 31-Mar-07 (Rs.)
Civil Works	987,916.00	0.00
Furniture , Fixtures & Supplies	346,785.00	0.00
Blood Bank Equipments	178,633.00	0.00
Equipment (Other)	49,837.00	0.00
Total	1,563,171.00	0.00



Kits and Other Lab Supplies

Schedule 18

Particulars	As at 31-Mar-08 (Rs.)	As at 31-Mar-07 (Rs.)
HIV Kits	3,505,691.00	0.00
Other Lab. Supplies	464,464.00	0.00
Blood Lab. Supplies	701,876.00	0.00
Total	4,672,031.00	0.00

Medicines

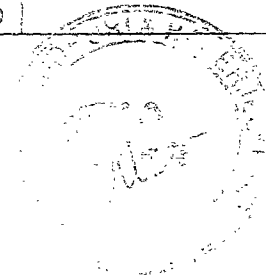
Schedule 19

Particulars	As at 31-Mar-08 (Rs.)	As at 31-Mar-07 (Rs.)
STI Drugs	652,103.00	0.00
Total	652,103.00	0.00

Training and Workshops

Schedule 20

Particulars	As at 31-Mar-08 (Rs.)	As at 31-Mar-07 (Rs.)
Training	263,912.00	0.00
Total	263,912.00	0.00



Salary (Pay and Allowances)

Schedule 25

Particulars	As at 31-Mar-08 (Rs.)	As at 31-Mar-07 (Rs.)
Salary	2,120,243.00	0.00
Total	2,120,243.00	0.00

Maintenance Costs

Schedule 26

Particulars	As at 31-Mar-08 (Rs.)	As at 31-Mar-07 (Rs.)
Equipment Maintenance	4,700.00	0.00
Total	4,700.00	0.00



Operational Expenses

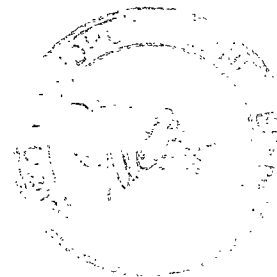
Schedule 27

Particulars	As at 31-Mar-08 (Rs.)	As at 31-Mar-07 (Rs.)
Travelling Expenses	263,857.00	0.00
Telephone/Communication Expenses	44,427.00	0.00
Miscellaneous Expenses	1,014,913.00	0.00
Printing & Stationery	25,640.00	0.00
Advertisement (Other than IEC)	57,526.00	0.00
Water and Electricity Charges	30,803.00	0.00
Audit Fees	30,000.00	0.00
Total	1,467,166.00	0.00

Balance with Bank

Schedule 31

Particulars	As at 31-Mar-08 (Rs.)	As at 31-Mar-07 (Rs.)
Bank 3	10,522,517.00	27,381,966.50
Total	10,522,517.00	27,381,966.50



TRIPURA STATE AIDS CONTROL SOCIETY
Akhaura Road, Agartala, Tripura (West).

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO THE ACCOUNTS:

- 1) Grant in Aid to State: Cash grant received from Govt. and other sources is treated as liability and is released to the extent of the expenditure incurred net of any interest or other income. Grant funds used for purchase of fixed assets has been transferred to a Capital Grant (fixed asset) fund for capitalised. Grant funds released to SACs in a year end, but received by SACs in the next financial year are treated as grant unutilised funds.
- 2) Grant-in-Aid (Fixed Asset): Grant-in-aid in kind received from MHC such as ART drugs, equipments, test kits and delivered to various units are not accounted for by SACs either as receipt or expenditure/ fixed assets but physical control in way of a fixed asset register or inventory register has been maintained by the SACs.
- 3) Funds to procurement Agency: Funds advanced to the procurement agency for purchase of drugs, equipments, consumables are accounted for receipt or delivery of the goods with MIV or the designated sampling units.
- 4) Program Management Expenditure: Accounted for on cash basis.
- 5) IEC: Funds transferred to MHC agency will be treated as advance and considered as expenditure on settlement of advance.
- 6) Fixed Assets:
 - a) Equipments purchased by SACs for installation and use at various peripheral units are charged to expenditure as per the receipt of these assets does not meet with SACs; however, physical control in way of a fixed asset register is maintained by SACs.
 - b) Assets installed in SACs are treated as fixed assets. For no depreciation has been provided on these assets as per replacement when required will be funded by the Govt. or Government of India or the concerned.
- 7) Expenditure on peripheral units: This is treated as liability and control of the peripheral units is maintained by the SACs. The expenditure on these units is accounted for as state liability and not as expenditure of the Government of Tripura or of India.
- 8) Funds advanced to MHC for carrying out projects are treated as advance and liability on expenditure incurred in the project.

Approved and signed for the Board of Directors
Date: 15/05/2019

