



SENGUNTHAR ARTS AND SCIENCE COLLEGE
(Affiliated to Periyar University, Salem and Approved by AICTE, New Delhi)
An ISO 9001:2015 Certified Institution
Recognized under section 2(f) and 12(B) of the UGC Act 1956
Accredited by NAAC
TIRUCHENGODE – 637 205



Financial Management and Resource Mobilization

6.4.1 Internal and External Financial Audits (Academic Year : 2021-22)



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S.Nivethan
Chartered Accountant

INDEPENDENT AUDITOR'S REPORT

TO,

THE TRUSTEES OF SENGUNTHAR EDUCATION TRUST

Report on the Financial Statements

We have audited the accompanying financial statements of SENGUNTHAR EDUCATION TRUST, which comprise the Balance Sheet as at 31/03/2021, the Statement of Income and expenditure, for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Emphasis of Matter

We draw attention to notes to the financial results which describes the uncertainties and the impact of Covid-19 pandemic on the Trust operations and results as assessed by the management. Our opinion is not modified in respect of this matter.

Responsibility of Management and Those Charged with Governance (TCWG)

The Board of Trustees is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and Receipt and payment of the Trust in accordance with the accounting principles generally accepted in India

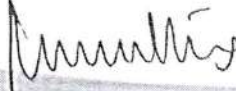
This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Trust Act for safeguarding of the assets of the Trust

Management's Responsibility for Internal Audit

The Board of Trustee is responsible for establishing and maintaining Internal Audit based on the internal control. These responsibilities include the design, implementation and maintenance of

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adequate internal audit system that were operating effectively for ensuring the orderly and efficient conduct of its business.

Since there is an effective internal audit team auditing the financial statements which commensurate with the statutory Audit.

Auditor's Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Trust as at 31/03/2021, and its Income for the year ended on that date

Date: 25-12-2021

Place: TIRUCHENGODU

FOR S NIVETHAN



Chartered Accountant
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Internal Audit Report for the half year 2021			
PARTICULARS	AMOUNT	PARTICULARS	AMOUNT
To Opening Stock	246643	By Application Fees	52225
To Electricity Charges	410144	By Terms Fees	345375
To Diesel & oil Charges	346727	By Books Fees	822267
To Bank Commission	9847	By Bus Fees	1607585
To interest Expenses	166093	By Internal Exam fees	932244
To Salary Expenses	2409790	By Students Group Insurance	134700
To Vehicle Tax And Insurance	938815	By Interest received	989874
To General expenses	209277	By Readmission Fees	71330
To Telephone Expenses	14587	By Placement fees	117758
To Vehicle Maintenance	457822	By Students function fees	209860
To Interest Satellite fess	62379	By Sports Fees	42302
To Employer contribution to PF	564894	By Other income	131682
To Repairs and Maintenance	21240	By ID card fees	19070
To Workers Food	255754	By Miscellaneous Fees	71276
To NAAC Work Expenses	32600	By Discount Received	299780
To Advertisement Expenses	29000	By Previous Fee Collection	157504
To Bonus Expenses	75009	By Projected Fees	26250
To Land Property Tax	132350	By Lab Fees	39613
To Women Day Expenses	7660	By Tower Rent	23400
To NCC Training Camp Expenses	11787	By Degree convocation	36300
To Lab Maintenance	86069	By Breakages Fees	121450
		By Closing Stock	236642
Total	6488487	Total	6488487

Finance Committee

1.Mr.S.Sekar (Asst.Professor in B.Com(CA))

2.A.S.Arunachalam(Asst.Professor in Business Administration)

3.R.U.Vignesh(Asst.Professor in Commerce)

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Internal Audit Report for the half year 2022			
PARTICULARS	AMOUNT	PARTICULARS	AMOUNT
To Opening Stock	246643	By Application Fees	52225
To Electricity Charges	410144	By Terms Fees	4845375
To Diesel & oil Charges	546727	By Books Fees	822267
To Bank Commission	9847	By Bus Fees	4607585
To interest Expenses	206093	By Internal Exam fees	932244
To Salary Expenses	9609790	By Students Group Insurance	134700
To Vehicle Tax And Insurance	938815	By Interest received	989874
To General expenses	209277	By Readmission Fees	71330
To Telephone Expenses	14587	By Placement fees	117758
To Vehicle Maintenance	457822	By Students function fees	209860
To Interest Satellite fess	82379	By Sports Fees	42302
To Employer contribution to PF	584894	By Other income	131682
To Repairs and Maintenance	57240	By ID card fees	19070
To Workers Food	355754	By Miscellaneous Fees	71276
To NAAC Work Expenses	52600	By Discount Received	299780
To Advertisement Expenses	29000	By Previous Fee Collection	157504
To Bonus Expenses	95009	By Projected Fees	26250
To Land Property Tax	152350	By Lab Fees	39613
To Women Day Expenses	17660	By Tower Rent	23400
To NCC Training Camp Expenses	14787	By Degree convocation	36300
To Lab Maintenance	97069	By Breakages Fees	121450
		By Closing Stock	436642
Total	14188487	Total	14188487

Finance Committee

1. Dr. S. Sekar

(Head & Assistant Professor, Department Of Commerce CA)

2. A. Arunachalam

(Head & Assistant Professor, Business Administration)

3. R. U. Vignesh

(Head & Assistant Professor, Department Of Commerce)

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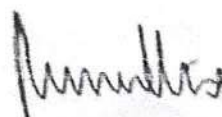
SENGUNTHAR EDUCATION TRUST

SALEM ROAD, NEIKKARAPATTI POST, TIRUCHENGODU TALUK, NAMAKKAL DISTRICT

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED ON: 31.03.2022

Particulars	Amount in Rs	Particulars	Amount in Rs
To Opening Stock	4,73,285	By Application Fees	1,00,350
To ID Card Fee Collection	12,670	By Admission Fees	9,67,560
To Electricity charges	9,11,142	By Term Fees	2,55,69,977
To Lorry Freight charges	7,800	By Books Fees	18,24,160
To Diesel & Oil expenses	49,16,583	By Bus Fees	37,30,351
To Bank Commission	9,438	By Seminar Conference & Convergence	1,48,550
To Interest Expenses	54,443	By Internal Exam Fees	16,27,885
To Bonus Expenses	1,69,934	By Interest received	20,32,390
To Salary Expenses	1,47,03,482	By Students Group Insurance	2,49,430
To Postage Expenses	6,195	By Tower rent	46,800
To Printing & Stationery Expenses	2,60,457	By Readmission Fees	18,576
To Vehicle Tax And Insurance	13,14,781	By Establishment Fees	1,75,860
To General Expenses	3,76,690	By Breakages fees	84,385
To Telephone Expenses	27,609	By Lab Fees	2,76,420
To Vehicle Maintenance	17,76,513	By Library Fees	2,54,375
To Internet & Satellite Fees	1,72,051	By Degree Convocation	2,40,150
To Employer contribution to PF	26,39,442	By Placement Fees	1,43,072
To Travelling Expenses	66,681	By Students function Fees	2,71,770
To Repairs and Maintenance	4,90,604	By Sports Fees	1,29,010
To Water Expenses	1,06,200	By Other income	1,01,838
To Building Insurance Expenses	28,910	By Fine Fee Collection	33,700
To Lab Maintenance	76,091	By Library Cards Fees	800
To Library Fees	1,49,538	By University Sports & Library Fees	1,97,700
To Garden Expenses	14,500	By Miscellaneous Fees	1,11,324
To Courses Continuance Affiliation Fee	1,35,700	By Discount Received	62,104
To NAAC Work Expenses	5,00,766	By Student Consurtium Exam	840
To Sports Expenses	8,580	By Projected Fees	30,600
To Land Property Tax	2,64,700	By Duplicated Fee	500
To Advertisement expenses	1,07,554	By University Rank Holder	2,900
To Text books & Note Purchases	6,05,241	By Library Fine Fees	400
To NCC Training Camp Expenses	48,094	By Yoga Courses Fee Collection	8,320
To AICTE Affiliation Fee	60,000	By Room Rent Received	74,500
To Audit Fee	25,000	By Closing stock	3,01,113
To Internal Exam Expenses	1,05,179		
To Professional Fee Expenses	84,960		
To Staff Wellfare Expenses	5,55,623		
To Student Consurtium Exam Expenses	2,000		
To Excess of Income over Expenditure	75,49,274		
Total	3,88,17,710	Total	3,88,17,710


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SENGUNTHAR EDUCATION TRUST

SALEM ROAD, NEIKKARAPATTI POST, TIRUCHENGODU TALUK, NAMAKKAL DISTRICT

RECEIPTS AND PAYMENT ACCOUNT FOR THE YEAR ENDED ON: 31.03.2022

Receipts	Amount in Rs	Payments	Amount in Rs
To Opening Cash balance	1,16,505	By ID Card Fee Collection	12,670
To Opening bank balance	34,54,642	By Electricity charges	9,11,142
To Application Fees	1,00,350	By Lorry Freight charges	7,800
To Admission Fees	9,67,560	By Diesel & Oil expenses	49,16,583
To Term Fees	2,55,69,977	By Bank Commission	9,438
To Books Fees	18,24,160	By Interest Expenses	54,443
To Bus Fees	37,30,351	By Bonus Expenses	1,69,934
To Seminar Conference & Convergence Fee	1,48,550	By Salary Expenses	1,47,03,482
To Internal Exam Fees	16,27,885	By Postage Expenses	6,195
To Interest received	20,32,390	By Printing & Stationery Expenses	2,60,457
To Students Group Insurance	2,49,430	By Vehicle Tax And Insurance	13,14,781
To Tower rent	46,800	By General Expenses	3,76,690
To Readmission Fees	18,576	By Telephone Expenses	27,609
To Establishment Fees	1,75,860	By Vehicle Maintenance	17,76,513
To Breakages fees	84,385	By Internet & Satellite Fees	1,72,051
To Lab Fees	2,76,420	By Employer contribution to PF	26,39,442
To Library Fees	2,54,375	By Travelling Expenses	66,681
To Degree Convocation	2,40,150	By Repairs and Maintenance	4,90,604
To Placement Fees	1,43,072	By Water Expenses	1,06,200
To Students function Fees	2,71,770	By Building Insurance Expenses	28,910
To Sports Fees	1,29,010	By Lab Maintenance	76,091
To Other income	1,01,838	By Library Fees	1,49,538
To Fine Fee Collection	33,700	By Garden Expenses	14,500
To Library Cards Fees	800	By Courses Continuance Affiliation Fee	1,35,700
To University Sports & Library Fees	1,97,700	By NAAC Work Expenses	5,00,766
To Miscellaneous Fees	1,11,324	By Sports Expenses	8,580
To Discount Received	62,104	By Land Property Tax	2,64,700
To Student Consurtium Exam	840	By Advertisement expenses	1,07,554
To Projected Fees	30,600	By Text books & Note Purchases	6,05,241
To Duplicated Fee	500	By NCC Training Camp Expenses	48,094
To University Rank Holder	2,900	By AICTE Affiliation Fee	60,000
To Library Fine Fees	400	By Audit Fee	25,000
To Yoga Courses Fee Collection	8,320	By Internal Exam Expenses	1,05,179
To Room Rent Received	74,500	By Professional Fee Expenses	84,960
		By Staff Welfare Expenses	5,55,623
		By Student Consurtium Exam Expenses	2,000
		By Repayment Of Deposit Loan-TMBL-1	22,41,065
		By Purchase of Cellphone	13,500
		By Purchase of Library Books	11,991
		By Purchase of RO Plant	4,50,000
		By Purchase of NCC Store	36,401
		By Purchase of Lorry	9,00,000
		By Increase In College Building	50,000
		By Decrease In Capital	1,02,824
		By Decrease in Sundry Creditors	6,73,794
		By Increase In Deposit and Advances	15,66,204
		By Increase In Sundry Debtors, Receivable	22,53,111
		By Closing Cash at bank	29,47,636
		By Closing Cash in hand	46,066
Total	4,20,87,744		4,20,87,744

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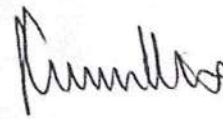
SALEM ROAD, NEKKARAPATTI POST, TIRUCHENGODU TALUK, NAMAKKAL DISTRICT

BALANCE SHEET AS ON: 31.03.2022

Liabilities	Sch	Amount Rs	Assets	Sch	Amount Rs
God's A/C		180	Land	3	8,88,050
Capital Fund	1	14,37,40,415	College Building	4	3,65,81,286
			Hostel Building	5	77,46,877
Deposit Loan-TMBL-1		0	Furniture & Fittings	6	12,61,110
			Cars	7	9,03,105
Sundry Creditors and Payables	2	15,39,130	Buses	8	3,27,98,715
			Lorries	9	10,01,707
			Vans	10	50,99,417
			Two Wheelers	11	84,875
			Machinery (General)	12	40,30,705
			Electrical Goods	13	3,61,508
			Computers	14	41,51,269
			Motor	15	1,90,114
			Machinery BES Dept.	16	1,74,992
			Machinery MB Dept.	17	10,83,093
			Machinery BIO Dept.	18	5,54,109
			Machinery (BIO Tech)	19	6,52,484
			Machinery (Botony)	20	31,609
			Library books	21	8,91,017
			Sports Materials	22	26,625
			New Borewell	23	3,06,055
			Cellphone Purchases	24	51,050
			RO Plant Water	25	4,50,000
			NCC Stores	26	36,401
			Deposits and Advances	27	3,56,17,025
			Sundry Debtors, Receivables	28	70,11,712
			Cash at Bank	29	29,47,636
			Closing Stock		3,01,113
			Cash in hand		46,066
Total		14,52,79,725	Total		14,52,79,725


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Financial Audit Policy

1. Purpose

The purpose of the institutional accounts is to be regularly audited by both internal and external statutory audits and to establish accuracy and genuinity of every transaction.

Main Source of Collection

- Admission fees
- tuition fees
- examination fees and sports fees etc

Types of Expenses / Payments

- Salary, allowances and provident fund contribution for teaching and non-teaching staff.
- Examination expenses
- Stationery & printing expenses
- Distribution of scholarships
- Purchase and repair of furniture & fixture
- Prizes
- Expenses on sports and games
- Festival and function expenses
- Library books
- Newspaper and magazines
- Medical expenses
- Audit fees and audit expenses
- Electricity expenses
- Telephone expenses
- Laboratory running & maintenance
- Laboratory equipment
- Building Repair & maintenance

2. Procedure

External Audit

External Audit is defined as periodic or specific purpose audit conducted by external (independent) qualified accountant(s).

Internal Audit

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Our Institution has deployed consistent internal audit in addition to the statutory external audit. Suitable institutional mechanisms are available to monitor the effective and efficient use of financial resources. The annual budget of revenue expenditure and capital expenditure are recommended annually and approved by the Board of Management. Results are compared and analyzed to the budget. Generally, the recurring expenses and capital expenditures are projected to be within the budgeted resources of the institution, thereby deficit budgeting is not encouraged. Our college has engaged in both internal and external audit to verify and certify the income, expenditure, stocking level of consumables and capital expenditure each year. The Internal Audit is carried by a team of staff members and a thorough check and verification of all the transactions that are carried out in each financial year.

Audited financial reports, when approved by the Board of Directors, will be distributed to legal authorities, as required.

Maintenance of Accounts of Educational Institutions

Audit of Income of Educational Institutions

The following points need to be considered by an Auditor while conducting audit of the Income of Educational Institutions –

- Fees and charges received on account of admission fees, tuition fees, sports fees, examination fees etc. should be verified based on the approved fees structure.
- Verification of counterfoil copies of fees receipt with fees received register should be done.
- Prescribed conditions by the State Government and the University Grants Commission should be verified whether fulfilled or not.
- Cash book should be verified with counterfoil of receipt book and fees register.
- Fees receivable and actual fees received should be reconciled.
- Charges and fees received and receivable should be examined on account of hostel accommodation, mess, housekeeping and clothing, etc.
- Cash book should be verified with the donation received register.
- Donation received should be accounted for according to the nature of donation means careful distinction should be there for revenue nature donation and capital nature donations; the same procedure is to be followed for Grants received.
- The purpose and utilization of grant should be same.
- Investment register and cash book should be verified for income received on account of interest on investment and dividends, etc.

Audit of Expenses of Educational Institutions

The following points need to be considered by an Auditor while conducting audit of Expenses of Educational Institutions –

- Electricity expenses, telephone expenses, water charges, stationery and printing, purchase of sports items should be properly verified with quotation, purchase bills, inward register and Bills received from service providers, etc. All purchases should be authorized by appropriate person.
- In case where hostels purchase food items, provisions, clothing, etc. should be properly verified.
- Verification of Tax Deducted at Source, Employee State Insurance and Provident Fund should be checked. It is also very important that all deducted amount should be deposited in

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appropriate Government accounts well within time without any default. These can be verified from relevant bank Chelan's.

- Payment made on account of salary should be verified from terms of appointment and increment policy. Auditor should verify the computation of salary and check whether all required deductions are made out of it or not like advance salary, loan installment, absence from duty, ESI (Employee State Insurance), PF (Provident Fund), etc. The Net Salary Payable amount will be verified from cash book and bank pass book for salary paid.
- Terms and conditions, cash book, voucher and receipts should be the basis for the verification of scholarship paid.
- Appropriate provision should be made on account of outstanding payments.



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Resource Mobilization Policy

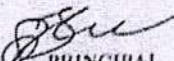
The Resource mobilization policy focuses on achieving the goals and target of the institution ensuring accountability and transparency. The harmonized Governing body coordinates and monitors the optimal utilization of the funds for the promotion of learner-centric ecosystem.

- The Institution is a centrally managed non-profit organization with honorary governing body members which ensures the income generated is spent optimally in the institution itself
- Funds are provided to meet the infrastructure requirement of the institution while starting new programmes and centers
- The management provides financial supports to seminars/workshops/expert talks/Association activities/Faculty Development programmes
- The extracurricular activities of the students are a major concern and adequate funds provide for Sports and Cultural activities
- Scholarships and free ships to the deserving students
- Provident fund(PF) and road safety insurance benefits are provided to the Management appointed staffs
- Financial Resources of the institution are
 - Tuition fee
 - Hostel Fee
 - Alumni Contribution
 - Bus maintenance fees
 - Exam fees
- Tuition fee is used for the infrastructure and academic activities
- Government funds are optimally used for which it is sanctioned


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- Transparency and accountability is ensured by conducting an annual audit of the statements
- The institution has a strong financial advisory board for Management of accounts and all the accounts sanctioned are audited internally as well as externally. On behalf of the Management, all daily transactions are verified by the financial advisor of the college.
- The audit report issued by the auditor with utilization certificate and all necessary ratified accounts are submitted to the concerned sanctioned authorities.


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