

**OFFICE OF THE SARVA SHIKSHA ABHIYAN
STATE MISSION AUTHORITY OF
MEGHALAYA ::: SHILLONG**

Phone No. (0364)-2502315/ 2226062
Fax No. (0364)-2225356/ 2225038
E mail : ssasmam@yahoo.com
Kennelworth Road, Laitumkhrach,
Shillong- 793003.
Meghalaya.

No. MEGH/SSASMAM/FIN/24/2008/25

Dated Shillong the 7th March 2008

**From, Shri W. Synrem, IES
State Project Director, SSASMAM &
Director of Elementary and Mass Education
Meghalaya, Shillong.**

**To, Shri. K.R. Meena
Dy. Secretary (EE), Govt. of India,
Ministry of Human Resource Development,
Deptt. of School Education & Literacy
Shastri Bhavan, New Delhi – 110001.
E-mail : ssafinance@gmail.com, dseekrm@rediffmail.com**

Sub: Audited Accounts and Audit Report for the year 2006-07-SSA-Meghalaya.

Ref: D.O. No. 17/2/2007-SSA(DIS) dated 14th February 2008.

Sir,

With reference to your letter on the subject mentioned above, our clarification on the observation raised by you on the audited accounts of 2006-07 are as follows.

| Observation | Clarification |
|---|--|
| A consolidated annual financial statement in the format at Annexure XVIII of the Manual on Financial Management & Procurement has not been furnished. The same may please be furnished. | Financial Statement for the year 2006-07 in the format at Annexure XVIII is enclosed. |
| The procurement Audit Certificate is not in the format sent to your Office under my D.O. letter No. 15/2/2003-SSA(PR) dated 29 th September 2006. A revised Audit Certificate may be sent. | The CA Firms have already furnished the procurement audit certificate in the existing format. Since no specific cases of deviation from procurement procedure indicating amount involved has been reflected in the Audit Report, the Society may be exempted from furnishing Procurement Audit Certificate in the revised format for the year 2006-07. |



**OFFICE OF THE SARVA SHIKSHA ABHIYAN
STATE MISSION AUTHORITY OF
MEGHALAYA ::: SHILLONG**

Phone No. (0364)-2502315/ 2226062
Fax No. (0364)-2225356/ 2225038
E mail : ssasmam@yahoo.com
Kennelworth Road, Laitumkhrah,
Shillong- 793003.
Meghalaya.

| | |
|---|---|
| <p>The following items charged to the Income & Expenditure Account included in the activity wise expenditure statement (FMR III) do not constitute expenditure.</p> <p>a. Amount transfer to KGBV Rs. 416000</p> <p>b. Fund Released to IGNOU Rs. 107520</p> <p>c. Depreciation Rs. 2230404</p> <p>d. Advances to sub-districts Rs. 160992765</p> | <p>a. The Release of State Share was all inclusive, i.e., SSA, NPEGEL and KGBV. As there was no separate sanction for KGBV, the Society appropriated Rs. 416000.00, being the 25 % matching share from the all inclusive State Share Released and transferred to the KGBV account being maintained separately. Rs. 416000.00, was therefore, charged to the Expenditure of the SSA Account, and corresponding Receipt of the KGBV Account for 2006-07 which has been furnished separately under No. MEGH/SSASMAM/FIN/11/2006/14 dated 29th January 2008.</p> <p>b. Rs. 107520.00 was the expenditure incurred to meet Course Fee of Teachers undertook CPE Course of IGNOU. In the FMR III the amount has been included against Teachers Training. Since the amount is not a transfer of funds, it is charged as Expenditure.</p> <p>c. The Fixed Assets is taken on written down value for which depreciation of Rs. 2230404 was charged as Expenditure in the Income & Expenditure Statement.</p> <p>d. Advances to sub-districts is not charged to Income and Expenditure Statement but included in the FMR III to match the total of the FMR III to that of the Payment side of the Receipt and Payment Accounts as in previous years.</p> |
| <p>FMR-I, II have not been provided.</p> | <p>FMR I and II for the year 2006-07 are enclosed herewith.</p> |



**OFFICE OF THE SARVA SHIKSHA ABHIYAN
STATE MISSION AUTHORITY OF
MEGHALAYA ::: SHILLONG**

Phone No. (0364)-2502315/ 2226062
Fax No. (0364)-2225356/ 2225038
E mail : ssasmam@yahoo.com
Kennelworth Road, Laitumkhrah,
Shillong- 793003.
Meghalaya.

| | |
|--|---|
| The amount utilized Rs. 65.43 crores represents the total funds released to Districts and sub district levels, schools, etc., irrespective of actual expenditure incurred by them. They have not verified the end use of the funds. Whereas as per Para 72(1) of the Manual on Financial Management & Procurement, Fund released to the districts & sub districts level are to be classified as advance and the same are to be indicated as such in the Books of Accounts. Further these advances are to be adjusted based on the expenditure statement / utilization certificate. | Utilization Certificate of Rs. 65.43 crores is based on the Receipts and Payments Account vide Para 101.15 of the Manual on Financial Management & Procurement. The advances to sub districts of Rs. 160992765.00 is included in the Utilization Certificate of Rs. 65.43 crores. Advances made to the sub-districts are being adjusted based on the Expenditure Statement / Utilization Certificate. Until receipt of expenditure statement / utilization certificate, the amount being reflected in the Balance Sheet as Advanced Outstanding. Govt. of India Ministry of Human Resource Development, Department of School Education and Literacy had already issued Utilization Certificate 2006-07 for Rs. 65.43 crores vide No. 11-7/2006-EE-3 dated 13 th February 2008. |
| Grants in aid as disbursed continue to be written off as expensed in the year of release. | Fund advanced to the sub districts are shown as payments in the Receipts and Payments Account and not as expenses in the Income and Expenditure Account without receipt of Utilization Certificates. |
| Improvement in maintenance of Fixed Asset Register is suggested. | Efforts are on to maintain Fixed Assets Register in all levels from Schools to Districts. |

In view of the position clarified above, the Society may kindly be exempted from submitting Revised Account Statements. The Society is making all out efforts for proper maintenance of accounts as per the procedures laid down in the Manual for Financial Management and Procurement.

Yours faithfully,

**State Project Director, SSASMAM &
Director of Elementary and Mass Education
Meghalaya, Shillong.**

