

FTS/2643/2011
GOA SARVA SHIKSHA ABHIYAN

Govt. of Goa

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सब पढ़ें सब बढ़ें

No. GSSA/10-11/324/1252

Date: 22/12/2010

To,
Shri Arun Sharma,
Under Secretary,
Govt. of India,
Ministry of Human Resource Development,
Department of School Education and Literacy,
Shastri Bhavan
New Delhi 110 115

Sub:- Audited Accounts and Audit Report for the year 2009-10- Sarva Shiksha Abhiyan, Goa.

Sir,

With reference to your D.O. No. 17/1/2010-SSA(DIS) dated 7/12/2010, it is to inform you that the Audit of the Accounts for the year 2009-10 is carried out by the Statutory Auditors (Chartered Accountants) duly appointed by Goa Sarva Shiksha Abhiyan. The Audited Statements and the Audit Report for the year 2009-10, SSA-Goa is submitted herewith for your further needful. The Annual Report 2009-10 will be submitted soon separately.

Yours faithfully,


(Suresh B. Vernekar)
(Chief Accounts Officer)

Encl. As above
(39 Pages)


10/11

SoL (FF/15)

18.1.11
Sh.A

Sh. Ved K. Bob
Sr. Consultant
EDCK

(114)

19/1/2011

AUDITOR'S REPORT

We have audited the attached Balance Sheet of **GOA SARVA SHIKSHA ABHIYAN** as at 31st March 2010 and also the attached Receipts and Payments Account and Income and Expenditure account for the year ended on that date. These financial statements are the responsibility of the management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain a reasonable assurance about, whether the financial statements are free of material misstatement. An audit 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 the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion and, we report that:

- a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of the audit.
- b. In our opinion proper books of accounts as required have been kept by the society so far as it appears from our examination of the books of accounts.
- c. The Balance Sheet, Receipts and Payments Account and Income and Expenditure Account referred to in these report is in agreement with the books of accounts.
- d. In our opinion and to the best of our information and according to the explanations given to us, and **subject to our comments and observations in annexure to this report** the said accounts give a true and fair view.

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- i) In the case of Balance Sheet, of the state of affairs of the Society (Matching Grant and Additional Grant) as at 31st March 2010, and
 - ii) In the case of (Matching Grants) of the deficit for the year ended 31st March, 2010.
 - iii) In the case of Income and Expenditure Account (Additional Grants) of the surplus for the year ended 31st March, 2010,
 - iv) In case of Receipt & Payment Account (Matching Grant and Additional Grant) for the year ended on same

FOR SUBHASH B. JOSHI & ASSOCIATES

CHARTERED ACCOUNTANTS



CA. SUBHASH B. JOSHI
PROPRIETOR

MEM. NO: 041393

Place: Panaji, Goa

Date: 17/12/2010

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GOA SARVA SHIKSHA ABHIYAN
PORVORIM - GOA.

ANNEXURE TO AUDIT REPORT

1. As per information and explanation given to us we came across that GSSA is not in practice to obtain balance confirmation with bank under "Girl Child Motivation Scheme", however the amount invested is treated as expenses, but SSA is supposed to maintain and reconcile the balance of unclaimed FDs.
2. An amount of ₹26,32,000.00 was shown expended during the year on "Girl Child Motivation Scheme" although the payment was actually released to the bank only on 06/08/2010. The delay in releasing the cheque is against the practice of generally accepted accounting principles.
3. There is large number of journal entries on 31/03/2010, vouchers of the same are not found in a serial order neither numbering is done on the vouchers as well as in the books of accounts which shows lack of proper internal control over books of accounts.
4. As per information and explanation given to us we have observed that 55.23% of total Loans and Advances amounting ₹6,28,79,941.25 i.e. ₹3,47,33,173.00 is pertaining since Financial Year 2007-08, in our opinion this discrepancy shows inefficient follow up after disbursement of advances particularly in case of advances given to PWD as we observed that out of above mentioned amount outstanding for 3 years, 96.23% is with the same Government department. We are of opinion that the quantum of large outstanding advances over three years amounting ₹3.47 crores has either resulted into understatement of expenditure due to non-obtaining of Utilisation Certificate or amounts being irrecoverable.
5. In case the advance given to Directorate of Education amounting ₹75,00,000.00 UC had been obtained for ₹60,00,000.00 only. As per the information and explanation given to us we have observed the same grant is actually the reimbursement of the salaries already paid by the Directorate to the teachers so we are of opinion that the SSA should have obtained the UC for the full amount in time to book the expenditure for the current year i.e. 2009-10.
6. There are 3 entries under the head 'Other Advances' (Schedule 'D') amounting ₹1,80,249.00. It is explained to us the same amounts have been wrongly debited by the bank; however correspondence is in process to recover the same. Effective efforts were needed for timely recovery of the same amount.
7. As per the information and explanation given to us we have observed that Statutory Payments in case of Tax Deducted at Source has been remitted late to the concerned authorities on quite a few occasions. Such practice must be avoided.
8. We have visited & verified the records of the following Village Education Committee's to whom ₹1,00,000 or more has been released in 2009-10.



Name of the VEC	Grant received towards	Amount sanctioned	Amount utilized	Remark
VEC Nagargaon, Goa	i. Constuction of Toilet ii. Varanda Grills iii. Child Friendly Elements iv. Electrification Rewiring v. Opening of Bank Account	₹ 90000.00 ₹ 105020.00 ₹ 40000.00 ₹ 20000.00 ₹ 1000.00	₹ 90000.00 ₹ Nil ₹ Nil ₹ Nil ₹ Nil	Unutilized balance as on 31.03.2010 is ₹1,39,422.00 including interest of ₹2078.00
VEC Navelim, Goa	i. Benches ii. Opening of Bank Account	₹ 60000.00 ₹ 1000.00	₹ 60000.00 ₹ Nil	Unutilized balance as on 31.03.2010 is ₹1994.00 including interest of ₹994.00
VEC Rivona, Goa	i. Constuction of Toilet ii. Benches iii. Varanda Grills iv. Electrification Rewiring	₹ 90000.00 ₹ 9408.00 ₹ 79060.00 ₹ 40000.00	₹ 90000.00 ₹ 9408.00 ₹ 61360.00 ₹ Nil	Unutilized balance as on 31.03.2010 is ₹57,700.00
VEC, Thivim, Goa	Audit verification could not be done in absence of submission of relevant data.			
VEC Dharbandora, Goa	i. Separate Girls Toilet ii. Child Friendly elements iii. Varanda Grills iv. Electrification Rewiring	₹ 120000.00 ₹ 160000.00 ₹ 37760.00 ₹ 20000.00	₹ 120000.00 ₹ Nil ₹ Nil ₹ 20000.00	Books were verified however Bank Statement was not presented for verification.

9. Compliance of Audit points raised in Audit Report for Financial Year 2008-09 -

Sr.No	Audit Comments	Remarks
1.	Funds released by GSSA are booked as advances first & then transferred to expense on receiving the utilization certificate. There is a lack of control in the system of monitoring the expenditure incurred by the various recipients of grants. UCs are not received in a timely manner and no reconciliation with regards to the Balances remaining unutilised is carried out.	: The discrepancy still exists for the year 2009-10. o/s
2.	GSSA General Body Meeting is required to be held twice a year. For the previous year ended 31.03.2008 the general Body has not met at all	: During the year 2009-10 the meeting was held for once only.
3.	GSSA is required to convene at least four Executive Committee Meetings during the year. However EC has met only twice during the year.	: During the year 2009-10 the meeting was held for thrice only.



4.	Discrepancies exist between the sanction and the disbursement of PAB (Project Approval Board). No communication exists for clarifying these differences.	:	It was explained that the differences are adjusted with the sanction of next year.
5.	It is mandatory to approve grants in EC meeting but EC meeting minutes does not specify the amount approved for particular type of grant.	:	Same practice had been continued by GSSA during this year as well. 75 ✓
6.	According to the Income Tax Act 1961, tax is required to be deducted on date of credit or payment whichever is earlier. However, in some cases tax is deducted on the date of payment. Thus causing late deduction as well as monthly late payment.	:	Tax is deducted at the time of releasing the payment and credit whichever is earlier but in few cases we have observed late remittance of tax to the appropriate authority.
7.	According to the terms of sanction of the advances for civil works, a physical progress report & details of expenses should be submitted by the VEC every month before 15 th of the month. However such progress reports & details of expenses are not submitted by any VEC every month.	:	VECs are directed to submit such reports but follow up is not proper, however one JE is appointed to monitor activity of each VEC every month.
8.	At the end of the month, the district wise abstract should be prepared showing monthly expenditure in respect of each district. This practice is not followed	:	District wise records are not maintained as the district offices are not set up. 75 ✓
9.	A consolidated register should also be maintained indicating the progressive expenditure from month to month in respect of each district. No such register is maintained	:	District wise records are not maintained as the district offices are not set up. 75 ✓
10.	In case of Civil Works, some of the utilization certificates were not supported by the adequate bills.	:	Bills are retained by VECs at their office, attested copies of bills along with UC having been obtained by Head Office.
11.	Certificate in respect of an amount disbursed to PWD (for Civil Works) of ₹ 4,04,88,318.00 (Out of Matching Grants) in the F.Y 2007-08 are still pending to be received. Also further amount of ₹2,99,10,452.00 (Out of Additional Grants) have been disbursed to PWD in the current year for which no utilization certificate is obtained. Efforts should be made to obtain the UC's on priority by following up with the relevant departments.	:	During the year the SSA had obtained some UCs amounting ₹70,63,318.00 against the old balances amounting ₹4,04,88,318.00 (Matching Grant), balance of ₹2,99,10,452 (Additional Grant) is still outstanding. During the year additional amount of ₹4,81,841.00 (Matching Grant) and ₹80,00,000 (Additional Grant) had been advanced to PWD. The Utilisation certificates in respect of outstanding balance of ₹3,39,06,841.00 (Matching Grant) and 75



