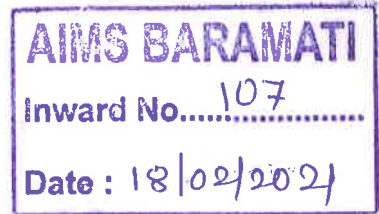


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***V. A. Dudhedia & Co.***  
***Chartered Accountants***



**INDEPENDENT AUDITORS' REPORT**

To,  
The Director,  
Anekant Education Society's  
Anekant Institute of Management Studies,  
Baramati

**1. Report on the Financial Statements:**

We have audited the attached Financial Statements of **Anekant Institute of Management Studies, Baramati** which comprises the Balance Sheet as at March 31, 2020 and Income and Expenditure Account for the year ended, which we have signed under reference to this report and the annexure to this report attached herewith.

**2. Management's Responsibility for the Financial Statements:**

The Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Trust in accordance with the Accounting Standards as issued by the Accounting Standards Board, Institute of Chartered Accountants of India; Bombay Public Trust Act, 1950; Societies Registration Act, 1860; and circulars issued by Government of Maharashtra – Education Department in this regard. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**3. Auditor's Responsibility:**

- 3.1** Our responsibility is to express an opinion on these financial statements based on our audit. We have conducted our audit in accordance with the Standards on Auditing and other authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

3.2 An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Society's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.


3.3 We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### 4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the accompanying financial statements read with the significant accounting policies followed by the College give a true and fair view in conformity with the accounting principles generally accepted in India subject to Annexure attached herewith.

- i) In the case of Balance Sheet of the state of affairs of the College as on 31st March, 2020 and
- ii) In the case of Income & Expenditure A/c, of the surplus of the College for the year ended on that date.

**For, M/s. V.A. Dudhedia & Co.**  
**Chartered Accountants**  
**Firm Registration No. 112450W**

  
**V.A. Dudhedia**  
**(Partner)**

**Membership No.: 013989**

**Place: Pune**

**Date: 04/02/2021**

## ANNEXURE TO AUDIT REPORT

### 1. Fees Receivable as on March 31, 2020:

As per Information received, following are the details of Fees Receivable as on March 31, 2020:

#### ➤ Fees receivable from Government:

Sr. No.	As On	Amount Receivable
1	31 March 2020	60,37,733.75
2	31 March 2019	58,18,336.75

#### ➤ Fees Receivable from Students:

Sr. No.	As On	Amount Receivable
1	31 March 2020	27,06,213.5
2	31 March 2019	34,74,062.7

*Follow-up should be taken for recovery of such outstanding dues at the earliest.*

### 2. TDS not deducted and Short deduction:

- I. TDS to be deducted at the time of payment or credit whichever is earlier. When the TDS is made on advance payments that can be adjusted while booking the bill against that advance payment whether in the same financial or in the next financial year.

Sr. No.	Head	Amount	Remarks
1.	Audit Fees	30365	TDS Not Deducted

- II. As per the provision of the TDS of income tax act the TDS should be deducted on the amount of bill without GST. But during the course of audit it is observed that the TDS is deducted on total bill amount and not on amount without GST.

### 3. Daily Wage Payments:

Various workers are working in the college for providing Gardening and Sweeping Services. They are not on payroll of college. They are paid for their services on monthly basis. Any document supporting the compliance of Minimum Wages Act was not available for verification like appointment process or remuneration etc.

#### **4. Employee Provident Fund Contribution of Daily Wages Payment:-**

As per definition of an employee u/s- 2(f) of the Employees Provident Funds and Miscellaneous Provisions Act, 1952 means any person who is employed for wages in any kind of work, manual or otherwise, in or in connection with the work of an establishment, the contractors as engaged must pay the provident fund contributions and in case of non-payment, the principal employers are held liable.

During the courses of audit it was observed that our establishment receives services from contractor's i.e. Balaji Security Service. It is suggested that management should periodically review whether principal employer has paid provident fund of the employee.

#### **5. Physical Verification of Assets:**

As per information received, the management is not conducting the physical verification of the assets during the financial year. It is advised that the verification should be done immediately at the year end and the report of physical verification conducted by the management should be ready for verification at the time of audit.

#### **6. Fixed Asset Register:**

Fixed Asset Register is *not updated with the depreciation entries. It does not contain the details of location of the asset, deletion of asset if any etc.*

Details of depreciation fund should be shown in the register for proper presentation so as to show the actual depreciated value in the register. Asset balance as on the year end shown in register should match with the balance shown in books of accounts. The Fixed Asset Register should also mention the details about location of the asset, deletion and scrap of asset etc. The Fixed Asset Register should be maintained asset wise so as to match the balances asset wise as shown in books.

#### **7. Numbering on asset purchased:**

It was observed during the audit that numbering on the assets purchased during the year was not updated only year of purchase is mention. It is advised to the college to update the numbering on the assets on timely basis so as to keep track of assets purchased with the fixed asset register maintained.

#### **8. Interest accrued**

Interest accrued on fixed deposit should be recorded on timely basis and especially at the year end. Interest accrued, for the year ended March 2020, was recorded during the audit process. Such entries should be updated on timely basis as soon as the interest gets accrued. Similarly the entry should be reverse when the actual interest received by the entity but during the audit it is observed that the entry for the interest accrued not reverse when the actual interest received . Because of this mistake the amount of the accrued interest account in more than the actual Interest accrued as on 31 march 2020. It is advice to the admin that calculation to be done for the accrued interest and excess amount should be transfer to profit & loss account.

#### **9. Accounting Records:**

The vouchers in voucher files have not been numbered according to the entries in the accounting software. Book-keeping should be consistent with its accounting in order to avoid clerical errors and give a proper trail for corroborative evidence for the transactions entered in books of accounts.

#### **10. Changes made during the audit:**

Following are some of the changes which were made during the process of audit. Such points should be updated/cleared immediately after the end of Financial Year.

##### **a. Prepaid expenses:**

Expenses made in advance for the next Financial year was recorded earlier in the current financial year considering them as the expenses of F.Y.2019-20. Such prepaid expenses are bifurcated and recorded under the head prepaid expenses. It is advisable to follow mercantile system of accounting and make such bifurcation at the time of booking of expenses itself.

##### **b. FD Interest :**

Interest accrued on fixed deposit should be recorded on timely basis and especially at the year end. Interest accrued, for the year ended March 2020, was recorded during the audit process.

**c. Depreciation Entries:**

Depreciation calculation is made and entries were updated in books. Such entries should be updated immediately after the end of Financial Year.

We are thankful for the co-operation received from the administrative staff during our audit.

**For, M/s. V.A. Dudhedia & Co.,  
Chartered Accountants  
Firm Registration No. 112450W**

**V.A. Dudhedia  
(Partner)**

**Membership No.: 013989**

**Place: Pune**

**Date: 04/02/2021**

