

Separate Audit Report (F.Y. 2012-13)

Separate Audit Report of the Comptroller & Auditor General of India on the Accounts of All India Institute of Medical Sciences, Raipur (Chhattisgarh) for the year ended 31 March 2013.

We have audited the attached Balance Sheet of All India Institute of Medical Sciences (AIIMS), Raipur (Chhattisgarh) as at 31 March 2013, the Income & Expenditure Account and Receipt & Payment Account for the year ended on that date under Section 19 (2) of the Comptroller and Auditor General's (Duties, Powers & Conditions of Service) Act, 1971 read with section 18 (2) of the AIIMS Act, 1956 and the AIIMS (Amendment) Act, 2012. These financial statements are the responsibility of the AIIMS's management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. This Separate Audit Report contains the comments of the Comptroller and Auditor General of India (CAG) on the accounting treatment only with regard to classification, conformity with the best accounting practices, accounting standards and disclosure norms, etc. Audit observations on financial transactions with regard to compliance with the Law, Rules & Regulations (Propriety and Regularity) and efficiency-cum-performance aspects, etc., if any, are reported through Inspection Reports/CAG's Audit Reports separately.

3. We have conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit includes examining, on a test basis, evidences 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 presentation of financial statements. We believe that our audit provides a reasonable basis for our opinion.

4. Based on our audit, we report that:

- (i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- (ii) The Balance Sheet, Income & Expenditure Account and Receipt & Payment Account dealt with by this report have been drawn up in the format approved by the Ministry of Finance, Government of India.

(iii) In our opinion, proper books of accounts as required under section 18(1) of the AIIMS Act, 1956 and other relevant records have been maintained by the AIIMS, Raipur in so far as it appears from our examination of such books.

(iv) We further report that:

A Balance Sheet

Liabilities

A.1.1 Current Liabilities & Provisions (Schedule-2)-` 4.12 lakh

The AIIMS has neither deducted the employee's contribution nor made provision of ` 7.02 lakh for the Institute's share of pension contribution under the New Pension Scheme. This resulted in understatement of provisions and expenditure by ` 7.02 lakh. AIIMS, Raipur has also not provided for other retirement benefits on actuarial valuation basis as required under AS-15 and instructions contained in the Uniform Format of Accounts (UFA).

Assets

A.2.1 Fixed Assets (Schedule-3)- ` 60.21 lakh

No depreciation on fixed assets has been provided with corresponding reduction of capital accounts. Consequently the Capital fund and Assets accounts were overstated by ` 6.21 lakh and Expenditure understated by the same amount.

Non-charging of depreciation was also not in consonance with Institute's Significant Accounting Policies (point no. 5 of Schedule-13) wherein it has been disclosed that depreciation on assets was to be provided on Written Down Value method as per rates specified in Income Tax Act, 1961.

B. Income & Expenditure Account

Expenditure

B.1 Other Administrative Expenses etc. (Schedule -11) 1.47 crore

This includes ` 12.78 lakh being payment made (31st December 2012 and 1st February 2013 and 11th March 2013) on behalf of students to M/s Shree Sai Services for providing hostel mess services. This amount was received back in June 2013 from students and recouped to AIIMS fund. As the expenditure does not pertain to AIIMS, Raipur it should not have been taken in the Income and Expenditure account. This

resulted in overstatement of Expenditure and understatement of Sundry Debtors by ₹ 12.78 lakh.

Effect of Audit Comments on Accounts

The net impact of the comments given in the preceding paras is that the Assets, Liabilities and Expenditure were understated by ₹ 6.57 lakh, ₹ 0.81 lakh and ₹ 0.45 lakh respectively.

D Grant-in-aid

Out of the GIA of ₹ 17.50 crore received during the year (₹ 1.00 crore received during February 2012 for 2011-12), the Institute could utilize a sum of ₹ 4.07 crore leaving a balance of ₹ 13.43 crore as unutilized grant as on 31st March 2013. Further, the Institute had internal receipts of ₹ 12.41 lakh during the year which remained unutilised as on 31st March 2013.

(v) Subject to our observations in the preceding paragraphs, we report that the Balance Sheet, Income & Expenditure Account and Receipt and Payment Account dealt with by this report are in agreement with the books of accounts.

(vi) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements read together with the accounting policies and Notes on Accounts and subject to the significant matters stated above and other matters mentioned in Annexure to this audit report give a true and fair view in conformity with accounting principles generally accepted in India:

- a. In so far as it relates to the Balance Sheet, of the state of affairs of the All India Institute of Medical Sciences, Raipur as at 31 March 2013; and
- b. In so far as it relates to the Income and Expenditure Account of the surplus for the year ended on that date.

For and on behalf of the C & AG of India

Place: - New Delhi

Date: - 25.09.2014



Director General of Audit

Annexure to Audit Report**1. Adequacy of Internal Audit System:**

Internal audit of AIIMS, Raipur has been conducted during 21.01.2014 to 31.01.2014 by the Internal Audit Wing of office of the Chief Controller of Accounts, New Delhi. The Institute has submitted its reply on 28th April 2014 on the audit paras.

2. Adequacy of Internal Control System:

The internal control system was found to be inadequate due to:-

- (1) Long term/short term plans and targets along with budgets were not prepared.
- (2) Meetings of the Governing Body was to be conducted once in a quarter at such place, date and time as may be decided by the Chairman but the Governing Body was not formed till the end of the year.
- (3) Basic record of payments i.e. payment vouchers have not been prepared in the prescribed and printed form and have not been numbered and arranged serially.
- (4) Cash book has not been maintained in prescribed form and was not closed regularly.
- (5) Expenditure control register and Sanction register have been not maintained.

3. System of Physical Verification of Fixed Assets:

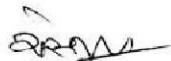
The stock registers for fixed assets have not been maintained in proper format i.e. GFR Form-40. Stock entries have neither been signed by any authority nor physical verification made till date by the Institute.

4. Physical Verification of Inventories:

Stock register of Inventories have not been maintained nor physical verification of such inventories made by the Institute during the year.

5. Regularity in payment of statutory dues:

No irregularity was noticed in the payment of statutory dues.


Audit Officer/AMG-II