

CHAPTER-7

AUDIT

Closing of Accounts

101. Accounts will be closed at the end of each month and balance sheet prepared. Bank pass books will be updated every month.

102. Reconciliation statement will be prepared by the Accountant every month and reflected in the columnar cash books. Accounts will be closed latest by 5th of next month and submitted for Chairman countersignature by 10th of each month.

Quarterly Certificate

103. Director/Principal will render a certificate as given below at the end of each quarter:-

(a) Accounts of the college are being maintained as per accounting procedure and rules and regulations.

(b) The original Fixed deposits are held in the _____ bank locker or kept under fire proof safe fixed to the wall with proper lock in one of the unit's quarter guard. These have been physically checked and their total value corresponds to that reflected in the cashbook.

OR

The Fixed deposits are held under my personal custody.

(c) All interest warrants which are due for encashment have been deposited in the bank.

(d) Bank reconciliation has been carried out and there is no discrepancy.

(e) Expenditure has been incurred on authorized items in accordance with the rules.

(f) Items purchased have been taken on ledger charge.

Quarterly Audit

104. The columnar cashbook/cash accounts will be audited every quarter by the Quarterly Audit Board ordered by the Station/Formation HQ. The columnar cashbook will be put up to Chairman alongwith the observations of audit board and actions taken as per his directions.

Annual Audit

105. Annual audit of the college accounts will be carried out by a firm of Chartered Accountant/Auditors nominated by Managing Committee. The Chartered Accountant will carryout physical check of fixed deposit receipts and reflect the same in audit report.

Surprise Check of Accounts

106. Surprise check of accounts may be ordered by Chairman Institute Managing Committee, Patron and Chairman Board of Administration (BOA) any time and will be carried out by a team of officials nominated by them. The observations of the audit team alongwith comments/ recommendations will be submitted to the authority who had ordered the same.

Annual Statement of Accounts

107. Annual statement of accounts will be prepared every year and attached to the Annual Report of College duly attested by auditors. Actions taken on the observations of the CA are also to be attached. Annual statement of accounts will be forwarded to HQ AWES by the college concerned by 31 August.

Employment of Chartered Accountant

108. The college will employ a Chartered Accountant (CA) for a period of three years after approval of the Institute Managing Committee. The CA firm will be changed every three years and it will be ensured that the same Chartered Accountants are not engaged in excess of the above period.

Settlement of Audit Objections/Observations

109. Actions will be taken on the audit objections/observations in accordance with the directions of the Chairman. A monthly progress report on settling the audit objections/observations will be put up to Chairman till all audit objections/observations are settled.

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Principal
Army College of Nursing
Jalandhar Cantt