

To

Rural Institute of Social & Economic Empowerment

NH 5, Vallur Village

Ongole (M)

Dear Sir/Madam,

Sub: Internal Audit Report for the period 01.04.2018 to 30.09.2018

With reference to the above subject, I inform your good self that kindly find the Internal Audit Report for the quarter ending 30th September 2018

Thanking You,

Yours Faithfully,



**M/s RURAL INSTITUTE OF SOCIAL & ECONOMIC
EMPOWERMENT**

**INTERNAL AUDIT REPORT
FOR THE PERIOD 1st April 2018 to 30th September 2018**

ADDRESSE:

M/S RURAL INSTITUTE OF SOCIAL & ECONOMIC EMPOWERMENT
VALLUR VILLAGE
ONGOLE (M)

REPORTED BY:

Team of Internal Auditors

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INTRODUCTION

Internal Audit seeks to independently review the integrity and reliability of Financial and Operating information and verify and provide assurance on the functioning of internal control systems instituted by the management of M/s Rural Institute of Social & Economic Empowerment to achieve the following objectives:

- Reliability and Integrity of Financial and Operational Information.
- Effectiveness and Efficiency of operations.
- Accurate Internal and External Financial Reporting.
- Safeguarding of assets.
- Compliance with Laws, Regulations and Contracts.

We have conducted our audit in accordance with Standards on Auditing (SA's) issued by the Institute of Chartered Accountants of India. These Standards require that we plan and perform the internal audit to obtain reasonable assurance as to report the management about accounting system and related internal control.

OBJECTIVES OF INTERNAL AUDIT

The Internal Audit has the following objectives:

- To verify the correctness, accuracy and authenticity of the financial accounting and statistical records presented by the management.
- To confirm that the Liabilities incurred by the organization in respect of its valid and legitimate activities.
- To comment on the effectiveness of the internal control system and the internal check system in force and to suggest ways and means to improve these systems.
- To facilitate the early detection of Misstatement.
- To examine the protection afforded to assets held by the organization and use of them for its business activities.
- To identify the authorities responsible for purchase of assets and other items as well as disposal of assets.
- To ensure that the standard accounting practices which have been followed by the organization are strictly followed.

OVERVIEW OF THE AUDIT APPROACH

The Audit Plan has been envisaged by:

- Taking account of the risks identified by our audit team through scrutiny of various internal documents, past records, and various rounds of discussion with the key personnel of the organization.
- Using internal auditor's experience working with your organization and related industry that require management's attention.
- Discussing all identified risks and other relevant issues with the organization management to identify the potential scope of Internal Audit
- Discussing all the identified areas having insufficient controls and require management specific attention.

Scope and Observations

- During the course of the audit, we have verified all the board resolutions along with minutes of the meetings. Verified the decisions taken by the management with the actual implementation of the decision
- In some of the cases, the timelines have been exceeded and those reported to the management and steps have been taken accordingly towards implementation
- During the course of the audit, we have verified the entire admission procedure, billing procedure, fees collection, mess facilities and hostel facilities, charge out of expenses for the students. The flaws, improvements points, observations etc were communicated to management and necessary rectification has been taken care during the course of the audit
- Verified the caution money deposit collected from the students and refund of the same. No material mistakes were notified from our end
- during the course of our audit, verified the records maintained with examination department and no material mistakes were notified
- all of our observations have been reported and rectification entries were passes wherever necessary.



To

Rural Institute of Social & Economic Empowerment

NH 5, Vallur Village

Ongole (M)

Dear Sir/Madam,

Sub: Internal Audit Report for the period 01.10.2018 to 31.03.2019

With reference to the above subject, I inform your good self that kindly find the Internal Audit Report for the quarter ending 31st March 2019

Thanking You,

Yours Faithfully



**M/s RURAL INSTITUTE OF SOCIAL & ECONOMIC
EMPOWERMENT**

**INTERNAL AUDIT REPORT
FOR THE PERIOD 1stOctober 2018 to 31st March 2019**

ADDRESSE:

M/S RURAL INSTITUTE OF SOCIAL & ECONOMIC EMPOWERMENT
VALLUR VILLAGE
ONGOLE (M)

REPORTED BY:

Team of Internal Auditors

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- Discussing all identified risks and other relevant issues with the organization management to identify the potential scope of Internal Audit
- Discussing all the identified areas having insufficient controls and require management specific attention.

Scope and Observations

- During the course of our audit, we have verified the following records which are being maintained with the accounts department:
 - ✓ student's ledger
 - ✓ Fees collection register
 - ✓ fund ledgers
 - ✓ Caution money register

All of our observations based on the verification of above records were reported and rectified during the course of our audit

- As part of the year end activities, the following were being verified by us and no material flaws/mistakes were identified. Rectifications were passed as and when identified
 - ✓ Utilities
 - ✓ Promotional expenses
 - ✓ Repairs and maintenances
 - ✓ Financial expenses
 - ✓ Research and development cost
 - ✓ Library expenses

- ✓ Depreciation
- ✓ Debtors and creditors
- ✓ Planning for year end activities and planning for admission procedures
- ✓ Inspection reports of licensing authorities such as AICTE, MCI, affiliation universities
- ✓ Placement and training programs offered

