

ROYAL EDUCATIONAL SOCIETY AND RESEARCH CENTRE, AKKIKAVU,

P.O. CHIRAMANANGAD, THRISSUR-680604

INTERNAL AUDIT REPORT

Period covered : 01-01-2020 to 31-12-2020

Date of the report :

No. of segments : 3

Name of the segments : 1. Royal Educational Society
2. Royal Engineering College
3. Khaleej Pravasi Infrastructure Ltd

Adverse features which
Require immediate attention : As are discussed in each point.

Contents enclosed : 1. Cash flow statements for one Year
separately.

2. Trial Balance for one Year separately.

3. Report on -purchase department.

- Stores department.
- Transport department.
- Tax Deducted at Source.

4. Annexure on-

- Loans and Advances
- Depositors
- Vehicle Loan and Mechanical Term Loan
- Sundry Creditors (Khaleej)
- Sundry Creditors-Suppliers
- Fixed Assets
- Cost of running Vehicles
- Fee receivable

ROYAL EDUCATIONAL SOCIETY

Audit Report

1. Cash

As per the books of account, it is noted that there is no cash balance as on **31st December, 2020.**

2. Bank

The bank accounts are properly maintained with bank statements and are produced for rectification. They are either tallied or reconciled.

*** Fixed Deposit**

There is no fixed deposit for the Year ended of December 2020.

3. Fixed assets

During the Year of **2020** there is no addition of fixed assets. The purchase register is to be updated with each purchase or disposal.

4. Deposits

Receipts are issued for deposits received. While giving back the deposits from members, the original receipts which are issued to the depositors are collected and cancelled. A letter for transfer of advances to deposits may be obtained from the concerned individual.

5. Temporary Advance

There is temporary advance of Rs 3058,500.00 and no repayment during the Year of **2020**.

Advance

• Asharaf	2,00,000.00
• Hussain Mohammed U	8,00,000.00
• Hyder Ali K M	2,90,000.00
• Mohammed Ali C V	1025000.00
• Mohammed V	1,00,000.00
• Moidunny N V	4,85,000.00
• Salim V P	285,000.00
• Shamsudheen V K	4,00,000.00

6. Income

This is not an income generating unit. But the income is accounted on receipts basis.

7. Expenses

Vouching –No Mistakes Found.

8. Inter firm transactions

The inter-firm transactions are properly accounted and the current month transactions are tallied.

ROYAL COLLEGE OF ENGINEERING AND TECHNOLOGY

Audit Report

1. Cash

As per the books of account, it is noted that the cash balance is held for the month of 31st December 2020 is at Rs. 92606.80 Debit balance.

2. Bank

The bank accounts are properly maintained with bank statements and are produced for verification. They are either tallied or reconciled.

Bank with reconciliation

- **Federal Bank Main Account 7987** with an amount of **0.00**
- **Federal Bank Account 7979** with an amount of **0.00**
- **ICICI SB 075601000293** with an amount of **0.00**
- **SBI 10411663504** with an amount of **0.00**

3. Vehicle and MT Loans

There is a remittance of Rs. 364031.00 Vehicle loan & MT loan.

4. Fixed Assets

There is a purchase of fixed assets of Rs 6,82,100.00 for the Year 2020.

5. Discontinued Students

Receivables are to be received and steps should be taken to collect the same. The follow up action is to be strengthened. A total of old outstanding for more than 3 months in the receivable are given in the annexure as attached. A total of Rs. 19,56,092.00 has Debit balance in receivable account during 2010-2014 and Rs. 1,60,341.00 upto 2009.

The necessary steps for the speedy disposal of the above items are under process

6. Loans and Advances

There are long outstanding items; a total of Rs. 2,08,782.9 was outstanding for more than 3 months in Part-I and in Part-II. The follow up action should be initiated. Recover the amount from respective parties. The details are explained in annexure.

7. Direct Income

Fee refunds are shown under the same head. All fee refunds are made by cheque only. The fees due from the students are accounted in fee received account.

The Details of fees receivable from the students joined during the respective year up to 2019-2020 is given below;

Department	Students Joined during this year					TOTAL
	2015-16	2016-17	2017-18	2018-19	2019-20	
AE & I	73471.00	460507.00				533978.00
CSE	(49193.00)	1844125.00	1099923.90	1605785.00	1144516.00	5645156.90
ECE	44259.00		264675.00	514450.00	156275.00	979659.00
CE	(509409.00)	1351213.00	1210796.00	1390170.00	934800.00	4377570.00
EC		595458.00				595458.00
EEE	42825.00	543388.00	371740.00	375550.00	124250.00	1457753.00
ME	(265163.75)	1875253.00	1370079.00	1413300.00	751175.00	5144643.25
M.TECH			(11326.00)	482950.00		471624.00
LET				28150.00		28150.00
OTHER FEE		375928.00	780406.00			1156334.00
TOTAL	(663210.75)	7045872.00	5086293.90	5810355.00	3111016.00	20390326.15

8. Indirect Income Canteen

Rent for the month of December 2019 deducted from the payment made to Canteen.

9. Expenses

Vouching – NIL

10. Incomes

Vouching - NIL

11. Inter Firm Transfer

The inter-firm transactions are properly accounted and the current month transactions are tallied.

12. Provident Fund

Provident fund payable for the month of **December 2020** is **Rs.69,310.00** was paid on 14/01/2021.

13. ESI

ESI payable for the month of **December 2020** is **Rs.23,008.39** was paid on 14/01/2021.

ROYAL COLLEGE OF ENGINEERING AND TECHNOLOGY

AUDIT REPORT

Purchase Department

1. The purchase register format is followed by the purchase department and the system is satisfactory.

The following purchases has not been passed through Purchase department even though actual purchase has been made by the respective departments.

<u>Sl. No</u>	<u>Date</u>	<u>Asset</u>	<u>Amount</u>	<u>Department</u>	<u>Remarks</u>
1.		Nil	Nil	Nil	

Note: The policy procedure of purchase is violated on the above transactions.

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AUDIT REPORT

Transport Department

1. Log book are signed by the supervisor.
2. The information regarding filling of fuel on vehicles are properly recorded on the concerned date.
3. There are clerical mistakes in entry in Log book of the vehicles like signature of the driver missing, entry mistake, date of entry and journey details etc.

Sl.No	Date	Bus. no	Reading as per transport register	Actual reading	Remarks
	Nil	Nil	Nil	Nil	Nil

ROYAL COLLEGE OF ENGINEERING AND TECHNOLOGY

AUDIT REPORT

Stores Department

1. There is an issue procedure prevailing in the stores department but the issue is not made according to the issue procedure in most cases.
2. No adequate control procedures maintained in the issue of stationary and consumables from the stores department.
3. The stock Register in the department is not updated and could not be verified.