APPENDIX-C

AUDIT REPORT

To,

The Mission Director,
State Health Society,
RNTCP
6th Floor, B & C wing, Vikas Bhawan-II
Civil lines New Delhi

Introduction

We have audited the accompanying expenditure statements/financial statements of the RCH Program Phase-II, Routine Immunisation, Pulse Polio Immunisation and Additionalities under NHM including National Urban Health Mission (NUHM) and all the National Disease Control Programmes i.e. RNTCP-II financed under World Bank Credit No.IDA 5376-IN, Leprosy, IDD, IDSP and NDVCP (World Bank Cr. No. 2964-IN) and all Non-Communicable Disease Control Programmes i.e NPCB, NPCDCS, NTCP, NPCD (Deafness), NPHE, NMHP, NOHP etc. implemented through the State Health Society as of 31st March, 2016.

Our responsibility is to express an opinion on these financial statements based on our audit.

Scope

We conducted our audit in accordance with standards on auditing issued by the Institute of Chartered Accountants of India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principle used and significant estimates made by management, as well as evaluating the overall financial statement presentation. In forming our opinion we have relied upon the audit findings/observations in Eleven District Health Society and State Health Society’s Financial Statements, which have been audited by us. We believe that our audit provides a reasonable basis for our opinion.
Opinion

a. The statements of account dealing with this report include funds received from World Bank under RNTCP-II (Credit No. IDA 5376-IN), and funds received from Government of India and State Government.

b. The audited financial statements includes funds received from World bank under RNTCP II(Credit No. IDA 5376-IN) Claimed under different expenditure head and we further certified that control over payment of contractual staff is adequate and expenditure are eligible for financing under Credit No. IDA 5376-IN.

c. We have obtained all the informations and explanations which to the best of our knowledge and belief were necessary for the purpose of our examination.

d. In our opinion, proper books of account have been kept by the State Health Society, so far as appears from our examination of the books.

e. The statements of account dealt with this report are in agreement with the books of account.

f. Financial Statements of the State is the consolidated Financial Statements of the State & District Health Societies.

g. We draw attention to the followings:

   i. Fixed assets purchased by units are treated as expenditure and not shown as fixed assets of the society.

   ii. Fixed assets purchased for state & districts health societies are capitalized as fixed assets with equivalents credit to Fixed Assets reserve Fund A/c.

   iii. As per accounting policies of the society, no depreciation is charged on fixed assets.

   iv. Customized Tally accounting packaged is not implemented at state and distinct health societies.

   v. Inter office accounts reconciliation process is not in existence at state and district health societies.

h. In our opinion and to the best of our information and according to the explanations given to us the said Consolidated accounts of the State and District Societies, gives the information in the manner so required and give a true and fair view:-

[Signature]
1. In the case of the balance sheet, of the State of affairs of the Society as at 31st March, 2016.

2. In the case of the Income and Expenditure Account of the excess of income over expenditure / deficit of income over expenditure for the year ended 31st March 2016.

3. In case of Receipts and Payments Account of the receipts and payments during the year ended 31st March 2016.

i. In addition with respect to FMR/SOEs, adequate supporting documentation has been maintained to support claims to the World Bank for reimbursements of expenditures incurred;

j. The expenditures so claimed are eligible for financing under the Credit Agreement; and

k. Procurement of goods and services has been carried out as per the Procurement manual by Central TB Division and other concerned division of the Govt. of India.

Place: New Delhi
Date: 11/03/2017

for M/s K.K. & Associates
Chartered Accountants
FRN – 005299N

CA K.K. Goel
(Partner)
M. No. - 015002