

## COLLEGE OF ENGINEERING, KARUNAGAPALLY

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- BANK RECONCILIATION STATEMENT

PROJECT INSTITUTIONS UNDER STATE PROJECT FACILITATION UNIT, KERALA



**K. VENKATACHALAM AIYER & Co.**  
**CHARTERED ACCOUNTANTS**

No. XVI/ 118K, Second Floor,  
 ADITHYA COMMERCIAL ARCADE  
 Near Axis Bank, Nagampadam,  
 KOTTAYAM, Kerala - 686 001

Tel • (0481) 2564794, 3201843, Fax • 2561457  
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**TECHNICAL EDUCATION QUALITY IMPROVEMENT PROGRAMME (TEQIP II)**  
**MANAGEMENT LETTER**

**COLLEGE OF ENGINEERING, KARUNAGAPALLY**

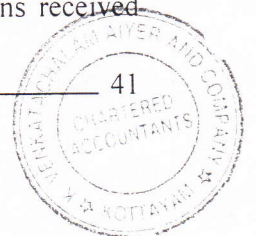
To

The Director,  
 State Project Facilitation Unit Kerala,  
 Directorate of Technical Education,  
 Trivandrum

We have audited the *Project financial statements of College of Engineering, Karunagapally, Kerala under TEQIP Phase II* for the year ending 31st March, 2014 and have issued our consolidated report dated 26.09.2014. The matters involving the internal accounting control structure and its operations that we consider to be material weakness in accordance with the standards referred to above have been dealt with in our audit report.

The following observations were examined during the course of the audit on the accounting records, systems and control:

1. The Project Institution follows Cash System of Accounting for accounting the activities of *TEQIP Phase II*.
2. We have noticed that, the documentations in respect of transactions effected at the Project Institution under TEQIP Phase II need to be improved.
3. We have noticed that the institution maintains "Four Funds" but not accounted transactions fully in the books of accounts (tally). So we are not in a position to identify the transactions in these accounts. As per the Confirmations received





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from the bank, Faculty Development Fund has a balance of Rs 34,070/- , Equipment Replacement Fund has a balance of Rs NIL , Maintenance Fund has a balance of Rs NIL- and Corpus Fund has a balance of Rs Nil-as on 31.03.2014.

4. Reconciliation between unspent balance as per Utilization Certificate and Closing cash and bank balances are as follows.

Unspent Balance as per Utilization Certificate	Rs	55 57 975.00
Less : Net Current Asset Excluding Cash & Bank	Rs	1 60 600.00
Add : Contribution from Project Institution	Rs	-
Less : Cash in Hand	Rs	-
<b>TOTAL</b>		<b>53 97 375.00</b>

**Balance as per Bank statement**

a. SBT A/c 67219137689	: Rs	53 97 375.00
b. Corpus Fund *	: Rs	
c. Equipment Replacement Fund *	: Rs	
d. Faculty Development Fund *	: Rs	
e. Maintenance Fund *	: Rs	
<b>TOTAL</b>		<b>53 97 375.00</b>

5. During the course of audit it was observed that the FMR submitted by the institution for the year ended March 2014 doesn't tallied with the actual expenditure incurred till the end of March 2014. The details of which are as follows :

Total expense as per FMR	: Rs 197.64 Lakhs
Total expense as per Books	: Rs 197.32 Lakhs







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6. Other Observations are furnished in Annexure I.

**For K VENKATACHALAM AIYER & CO**

Chartered Accountants

Firm Reg No: 004610S

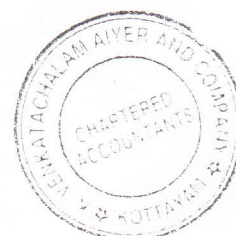
**CA M G SURESH KUMAR B.Sc,FCA,DISA(ICA)**

Partner | Membership No:212795

Date : 26.09.2014

Place : KOTTAYAM





	<p>Fund equal to at least 0.5% (total 2%) of annual total recurring expenditure of the institution.</p> <p>During the course of audit it was observed that the college not accounted these bank accounts in Tally.</p>	
4	<p>In 100% cases, only Flight tickets were made available for verification of travelling expenses claimed. Taxi Charges and 2<sup>nd</sup> A/c train tickets claimed were not attached in any case. Thus, the authenticity of expenses claimed cannot be certified.</p>	<p>As per Government rules Train journey in II Class A/c is permissible and also Taxi Charges at the rate fixed vide G.O. can be availed. So, those who availed the permissible rates were not insisted to submit the tickets. But, if the actual fare of taxi was more, then proof was insisted.</p>







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**TECHNICAL EDUCATION QUALITY IMPROVEMENT PROGRAMME (TEQIP II)**  
**UTILIZATION CERTIFICATE**

**COLLEGE OF ENGINEERING, KARUNAGAPALLY**

a) Opening Balance as on 1st April 2013	: Nil
b) Funds received from	
i) Grant received from SPFU	: Rs 2 50 00 000
c) Interest earned on grant available for TEQIP Only during the year (31st March 2014)	: Rs 2 90 336
d) Other Income	: NIL
e) Expenditure	: Rs 1 97 32 361
<b>Unspent Balance</b>	<b>: Rs 55 57 975</b>

Certified that a sum of Rs.2 50 00 000 ( Rupees Two Crores Fifty Lakhs ) only was received by The College of Engineering Karunagapally, for the financial year 2013-14 from State Government. It is also certified that out of the above-mentioned funds of Rs.2 50 00 000 ( Rupees Two Crores Fifty Lakhs ) only a sum of Rs. 1 97 32 361 (Rupees One Crore Ninety Seven Lakhs Thirty Two Thousand Three Hundred and Sixty One) only has been utilized by the Institution during the year for the purpose for which it was sanctioned. It is further certified that an unspent balance of Rs. 55 57 975 (Rupee Fifty Five Lakhs Fifty Seven Thousand Nine Hundred and Seventy Five) only is being carried forward for utilization in the next year.





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We further certify that the conditions on which the grant was sanctioned have been fulfilled and where there have been any deviation from the sanctioned amount it is with prior approval of the concerned authority. We have exercised reasonable checks to see that money has been actually utilized for the purpose for which it was sanctioned.

**For K VENKATACHALAM AIYER & CO**

Chartered Accountants

Firm Reg No: 004610S

**CA M G SURESH KUMAR B.Sc, FCA, DISA(ICA)**

Partner | Membership No: 212795

Date : 26.09.2014

Place : KOTTAYAM





## TECHNICAL EDUCATION QUALITY IMPROVEMENT PROGRAMME (TEQIP) II

PROJECT INSTITUTIONS UNDER STATE PROJECT FACILITATION UNIT, KERALA

BALANCE SHEET AS AT 31.03.2014  
COLLEGE OF ENGINEERING, KARUNAGAPALLY

(Amount in Rs)

S.No	PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
A	<b>SOURCE OF FUNDS</b>		
	<b>GENERAL FUND</b>		
	Opening balance	-	-
	Less : Exces of Expenditure over Income	-	-
	Add : Excess of Income Over Expenditure	5,557,975.00	-
		<b>55 57 975.00</b>	-
	<b>TOTAL</b>	<b>55 57 975.00</b>	-
B	<b>APPLICATION OF FUNDS</b>		
	1) FIXED ASSETS	-	-
	2) Work-In-Progress-Scheme work under Implementation	-	-
	3) A.Current Assets , Loans and Advances		
	a. Cash Balance	-	-
	b. Bank balance	53 97 375.00	-
	c. Advance for Capital goods	-	-
	d. Loans and Advances	160,600.00	-
		<b>5,557,975.00</b>	-
	B. Less: Current Liabilities		
	a. Earnest Money Deposit	-	-
	b. Performance Security	-	-
	c. Statutory Liabilities	-	-
	d. Advance by Institutions	-	-
		-	-
	Net Current Assets (A-B)	55 57 975.00	-
	<b>TOTAL</b>	<b>55 57 975.00</b>	-

For SPEU , KERALA

V GOPA KUMAR  
(Director)

2014

LINDSEY THOMAS  
(Finance Officer)

For K VENKATACHALAM AIYER &amp; Co.

Chartered Accountants

CA M G SURESH KUMAR B.Sc FCA DISA(ICA)  
Partner | Membership No: 212795

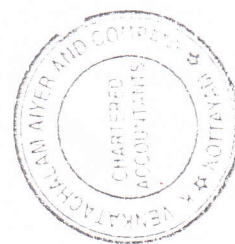
## TECHNICAL EDUCATION QUALITY IMPROVEMENT PROGRAMME (TEQIP) II

PROJECT INSTITUTIONS UNDER STATE PROJECT FACILITATION UNIT, KERALA

### INCOME AND EXPENDITURE ACCOUNT FOR THE PERIOD ENDED 31.03.2014


COLLEGE OF ENGINEERING, KARUNAGAPALLY

EXPENDITURE	AMOUNT (IN RS)		INCOME	AMOUNT (IN RS)	
	31.03.2014	31.03.2013		31.03.2014	31.03.2013
<b>To 1.1.1</b>					
Improvements in teaching, training and learning facilities :					
1.1.1A - Equipment	97 56 789.00		By Grant From SPFU	2 50 00 000.00	
1.1.1B - Furniture	.00		By Interest Received	2 90 336.00	
1.1.1C - Books & LR's & Software	16 35 371.00				
1.1.1D - Minor Items	-				
1.1.1E - Civil Works	980.879.00				
<b>To 1.1.2</b>					
Providing Assistantships for increased enrolment in existing and new PG programmes in Engineering disciplines.	1,812,000.00				
<b>To 1.1.3</b>					
Enhancement of Research & Development and institutional consultancy activities.	8 37 355.00				
<b>To 1.1.4</b>					
Faculty and staff development for improved competence based on Training Needs Analysis.	24 05 278.00				
<b>To 1.1.5</b>					
Enhanced interaction with Industry	2 00 233.00				
<b>To 1.1.6</b>					
Institutional Management Capacity	2 84 264.00				



To 1.1.7	Implementation of Institutional academic			
To 1.1.8	Academic support for weak students	1 12 360.00		
To 1.1.9	Incremental Operating Cost	3 08 803.00		
	1.1.9A - Salaries	3 02 348.00		
	1.1.9B - Consumables	1 85 883.00		
	1.1.9C - Operation & Maintenance	9 10 798.00		
	To Excess of Income over Expenditure	5,557,975.00		
	<b>Total</b>	<b>2 52 90 336.00</b>	<b>2 52 90 336.00</b>	<b>-</b>

For SPFU, KERALA

  
**Dr. V GOPA KUMAR**  
 (Director)

  
**LINDSEY THOMAS**  
 (Finance Officer)

For K VENKATACHALAM AIYER &amp; Co.

Chartered Accountants

CA M G SURESH KUMAR B.Sc FCA DISA(ICA)

Partner | Membership No: 212795



Date : 26.09.2014  
 Place : Kottayam



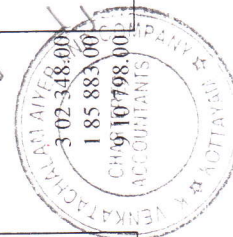
# TECHNICAL EDUCATION QUALITY IMPROVEMENT PROGRAMME (TEQIP) II

PROJECT INSTITUTIONS UNDER STATE PROJECT FACILITATION UNIT, KERALA

## RECEIPTS AND PAYMENTS ACCOUNT FOR THE PERIOD ENDED 31.03.2014

COLLEGE OF ENGINEERING, KARUNAGAPALLY


RECEIPTS	AMOUNT (IN RS)		PAYMENTS	AMOUNT (IN RS)	
	31.03.2014	31.03.2013		31.03.2014	31.03.2013
To Opening balance :					
1. Cash in Hand	-		By 1.1.1	97 56 789.00	
2. Balance with Banks :			Improvements in teaching ,training and learning facilities :		
a. SBT A/c 67219137689	-		1.1.1A - Equipment	.00	
b. Corpus Fund	-		1.1.1B - Furniture	16 35 371.00	
c. Equipment Replacement Fund	-		1.1.1C - Books & LRs & Software	-	
d. Faculty Development Fund	-		1.1.1D - Minor Items	980.879.00	
e. Maintenance Fund	-		1.1.1E - Civil Works		
To Interest Received	2 90 336.00		By 1.1.2	1,812,000.00	
To Security Deposit			Providing Assistantships for increased enrolment in existing and new PG programmes in Engineering disciplines.		
To Grant Received from SPFU	2 50 00 000.00		By 1.1.3	8 37 355.00	
To Sale of Bid documents			Enhancement of Research & Development and institutional consultancy activities.		
To VAT on Sale of Tender forms			By 1.1.4	24 05 278.00	
To EMD			Faculty and staff development for improved competence based on Training Needs		
To Registration fee collected			By 1.1.5	2 00 233.00	
To Contribution From Project Institution			By 1.1.6	284,264.00	
			Enhanced interaction with Industry		
			Institutional Management Capacity enhancement		
			By 1.1.7	1 12 360.00	
			Implementation of Institutional academic reforms		
			By 1.1.8	3 08 803.00	
			Academic support for weak students		
			By 1.1.9		
			Incremental Operating Cost		
			1.1.9A - Salaries	3 02 348.00	
			1.1.9B - Consumables	1 85 883.00	
			1.1.9C - Operation & Maintenance	CH 9 10 798.00	




<b>Total</b>	<b>2 52 90 336.00</b>	<b>.00</b>	<b>Total</b>	<b>2 52 90 336.00</b>	<b>.00</b>
			By Advance to Staff	1 60 600.00	
			By EMD Returned		
			<b>By Closing balance :</b>		
			1. Cash in Hand		
			2. Balance with Banks :		
			a. SBT A/c 67219137689	53 97 375.00	
			b. Corpus Fund *	-	
			c. Equipment Replacement Fund *	-	
			d. Faculty Development Fund *	-	
			e. Maintenance Fund *	-	


\*We have noticed that the institution maintains "Four Funds" but not accounted transactions fully in the books of accounts (tally). So we are not in a position to identify the transactions in these accounts. As per the Confirmations received from the bank, Faculty Development Fund has a balance of Rs 34,070/-, Equipment Replacement Fund has a balance of Rs Nil, Maintenance Fund has a balance of Rs Nil- and Corpus Fund has a balance of Rs Nil-as on 31.03.2014.

For SPFU, KERALA

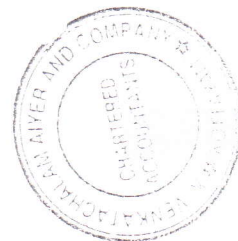
  
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 (Finance Officer)

For K VENKATACHALAM AIYER & Co.  
 Chartered Accountants

  
**CA M G SURESH KUNAR B.Sc FCA DISA(ICA)**  
 Partner | Membership No: 212795

Date : 26.09.2014  
 Place : Kottayam



**TECHNICAL EDUCATION QUALITY IMPROVEMENT PROGRAMME [TEQIP]  
PHASE – II**

**STATEMENT OF SOURCES AND APPLICATION OF FUNDS  
REPORT FOR THE YEAR ENDED 31.03.2014**

**COLLEGE OF ENGINEERING, KARUNAGAPALLY**

In Rs.Lakhs

Particulars	Current Year	Previous Year	Project to Date
<b>(A) Opening Balance</b>	-		
<b>(B) Receipts</b>			
a). Funds from Government through Budget (These will include external assistance received by Government for the project)	250.00		250.00
b). Funds received directly by Project Implementing authority through external assistances	-		-
c). Cost share by Private Unaided Institutions for Component I	-		-
d). Interest Received	2.90		2.90
e). Other Amount Received (Net of Payments)			-
f). Advance From Institutions	-	-	-
<b>Total Receipts</b>	<b>252.90</b>	-	<b>252.90</b>
<b>(C) Total Sources (A+B)</b>	<b>252.90</b>	-	<b>252.90</b>
<b>(D) Expenditure</b>			
Expenditure by Component			
A. Improving Quality of Education	197.32		197.32
B. Improving System Management	-	-	-
<b>Total Expenditures</b>	<b>197.32</b>	-	<b>197.32</b>
<b>(E) Advance for Expenditures</b>	1.61		
<b>Closing Balance, (C-D-E)</b>	<b>53.97</b>	-	





# TECHNICAL EDUCATION QUALITY IMPROVEMENT PROGRAMME [TEQIP]

## PHASE – II

### COLLEGE OF ENGINEERING, KARUNAGAPALLY

#### Reconciliation of Claims to Total Application of Funds

Report for the year ended 31.03.2014

Bank Funds Claimed During the Year (A)

Total Expenditure made during the year (B)

Less: Outstanding bills (C)

Ineligible expenditures (D)

(a) Seed Money

(b) Others

Expenditures not claimed (E)

Total Eligible Expenditures Claimed (F)=(B)-(C)-(D)-(E)

World Bank Share @ 60 % of (F) above (G)

Schedules	Amt (Rs.Lakhs)		
	Current Year	Previous Year	Project to date
I	113.59	-	113.59
	197.32	-	197.32
II			
III			
	8.00	-	8.00
	-	-	-
IV			
	189.32	-	189.32
	113.59	-	113.59

CFAO

Project Director

Date : 26/09/2014

Date : 26/09/2014

Note:

The ineligible expenditure of Rs. 8.00 lacs refers to Seed Money given to Staff for Research & Development. This was wrongly shown as expenditure in the Project Financial statements.



**TECHNICAL EDUCATION QUALITY IMPROVEMENT PROGRAMME (TEQIP) II**  
**PROJECT INSTITUTIONS UNDER STATE PROJECT FACILITATION UNIT, KERALA**  
**BANK RECONCILIATION STATEMENT**  
**COLLEGE OF ENGINEERING, KARUNAGAPALLY**

Month March-14  
 Bank's Name State Bank of Travancore  
 A/c Number 67219137689

Sl.No	Particulars	Amount Rs.	Amount Rs.
A	Balance as per Bank Statement		55 43 444.00
B	Add: (i) Amount Deposited but not Credited by Bank (ii) Amount debited but not taken to Cash Book	- -	
C	Sub total (A+B)		55 43 444.00
D	Less: (i) Cheques issued but not presented in the bank (ii) Amount credited by bank but not taken to Cash Book	1 46 069.00 -	
E	Balance as per Cash book (C - D)		53 97 375.00

List of Cheques not presented in the Bank as per D	Amount Rs	Date of Encashment
Cheque No. 379147	2 062.00	18.06.2014
Cheque No. 379117	1 705.00	03.05.2014
Cheque No. 379146	2 269.00	03.05.2014
Cheque No. 379171	1 636.00	20.05.2014
Cheque No. 379118	1 705.00	02.04.2014
Cheque No. 379163	6 432.00	02.04.2014
Cheque No. 379148	200.00	03.04.2014
Cheque No. 379158	614.00	03.04.2014
✓ Cheque No. 234194	1 094.00	21.04.2014
Cheque No. 379160	18 489.00	03.04.2014
Cheque No. 379165	1 189.00	03.04.2014
Cheque No. 379162	29 986.00	04.04.2014
Cheque No. 379151	17 862.00	05.04.2014
Cheque No. 379159	2 800.00	05.04.2014
Cheque No. 379149	5 000.00	08.04.2014
Cheque No. 379161	12 894.00	08.04.2014
Cheque No. 379168	1 636.00	09.04.2014
Cheque No. 379128	23 884.00	12.04.2014
Cheque No. 379116	1 705.00	12.04.2014
Cheque No. 379169	1 636.00	12.04.2014
Cheque No. 379115	1 705.00	16.04.2014
Cheque No. 379152	1 644.00	16.04.2014
Cheque No. 379164	1 189.00	16.04.2014
Cheque No. 379170	1 636.00	16.04.2014
Cheque No. 379166	1 189.00	21.04.2014
Cheque No. 379167	1 872.00	21.04.2014
Cheque No. 234201	2 036.00	26.04.2014
<b>TOTAL</b>	<b>1 46 069.00</b>	

