

**STATE MANAGEMENT COMMITTEE OF SDI
FOR MAHARASHTRA STATE**

AUDIT REPORT FOR F.Y 2010-11

AUDITOR
SARDA SONI ASSOCIATES
CHARTERED ACCOUNTANT



Sarda Soni Associates

CHARTERED ACCOUNTANTS

Manoj Jain B.Com(Hons), FCA, ACS

STATUTORY AUDIT REPORT Independent Auditor's Report

To,

Chief Executive Officer

**State Management committee of SDI for Maharashtra State
Mumbai, Maharashtra.**

Report on Financial Statements

We have audited the accompanying statements of expenditure of the **State Management committee of Skill Development Initiative for Maharashtra State, Mumbai, Maharashtra** which comprise of the Balance Sheet as of 31st March, 2011, Income and Expenditure Account and Receipt and Payment Account for the year then ended, a summary of significant accounting policies..

Management's Responsibility for the Financial Statements:

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position in the prescribed format and the as per the accounting principles generally accepted in India, including the accounting standards issued by the Institute of Chartered Accountants of India (ICAI). This responsibility includes the design, implementation, and maintenance of internal controls relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility:

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of risk of material misstatement of the financial statements, whether due to fraud or error. In making those assessments, the auditor considers internal control relevant to the Society's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the

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appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the presentation of the financial statements. We have conducted financial audit of the scheme and not the performance audit of the scheme. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion

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

Opinion:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our examination.
- b) In our opinion, proper books of account have been kept by the Society, so far as appears from our examination of the books.
- c) The statements of account dealt with this report are in agreement with the books of account.
- d) In our opinion and to the best of our information and according to the explanations given to us the said accounts of the Society, gives the information in the manner so required and give a true and fair view:-
 1. In the case of the balance sheet, of the State of affairs of the Society as at 31stMarch, 2011.
 2. In the case of the Income and Expenditure Account of the NIL excess of income over expenditure / deficit of income over expenditure for the year then ended.
 3. In case of Receipts and Payments Account of the receipts and payments during the year then ended.

Place : Mumbai

Date:

As per our report on even dated

**For Sarda Soni Associates
Chartered Accountants**



Manoj Kumar Jain
Partner
(CA Manoj Kumar Jain)
MNo.120788
FRN No. 117235

State Management Committee of Skill Development Initiative for Maharashtra State

Receipts & Payments Account for the Year Ended 31-03-2011

| Amount in Rupees | | | | | | | |
|-----------------------------------|------------------------------------|--------------|----------------------------------|-----------------------------------|------------------------|--------------|----------------------------------|
| Previous Yr. At 31-03- 2010 | Receipt | Sch. Ref. | Current Yr. At 31-03- 2011 | Previous Yr. At 31-03- 2010 | Payment | Sch. Ref. | Current Yr. At 31-03- 2011 |
| 0.00 | Opening Balance | | 0.00 | | | | |
| | - Cash | | | | | | |
| | - Bank | | | | | | |
| 0.00 | Grants | | | | | | |
| | - Funds received on behalf of Gol | | 47987369.00 | 0.00 | | | |
| | - VTP Registration charges - State | | 4000.00 | 0.00 | | | 47991369.00 |
| | | | | | Closing Balance | | |
| | | | | | - Cash | | |
| | | | | | - Bank - UBI | | |
| 0.00 | Total | | 47991369.00 | 0.00 | Total | | 47991369.00 |

As per our report on even dated

Place : Mumbai

Date:

For Sarda Soni Associates
Chartered Accountants



Partner

(CA Manoj Kumar Jain)

MNo.120788

FRN No. 117235

For State Management Committee of SDI for Maharashtra State

Chief Executive Officer and Member Secretary

State Management Committee of Skill Development Initiative for Maharashtra State

Balance Sheet as on 31-03-2011

| | | Amount in Rupees | | | | | |
|-----------------------------------|---------------------------------------------------------------------------------------------------|------------------|----------------------------------|-----------------------------------|-------------------------------------------------|--------------|----------------------------------|
| Previous Yr. At 31-03- 2010 | Liabilities | Sch. Ref. | Current Yr. At 31-03- 2011 | Previous Yr. At 31-03- 2010 | Assets | Sch. Ref. | Current Yr. At 31-03- 2011 |
| 0.00 | Society Fund Account - Opening Balance - Add:- During Year - Less:- Utilised During year | | 0.00 | 0.00 | Fixed Assets | | 0.00 |
| 0.00 | Fixed Asset Reserve Fund | | 0.00 | | Current Assets | | 0.00 |
| 0.00 | Unspent Grants - Funds received on behalf of Gol - VTP Registration charges - State | | 47987369.00 4000.00 | 0.00 0.00 | Cash and Bank Balance - Cash - Bank - UBI | | 0.00 47991369.00 |
| 0.00 | Current Liabilities | | 0.00 | | | | |
| 0.00 | Total | | 47991369.00 | 0.00 | Total | | 47991369.00 |

As per our report on even dated

Place : Mumbai

Date:

For Sarda Soni Associates
Chartered Accountants



Partner

(CA Manoj Kumar Jain)

MNo.120788

FRN No. 117235

For State Management Committee of SDI for Maharashtra State

(Signature)
Chief Executive Officer and Member Secretary

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS.
FINANCIAL YEAR 2010-11
STATE MANAGEMENT COMMITTEE OF SKILL DEVELOPMENT INITIATIVE FOR
MAHARASHTRA STATE**

A. SIGNIFICANT ACCOUNTING POLICIES:

1) BASIS OF ACCOUNTING:

The accounts are prepared under the Historical Cost Convention in accordance with the guidelines issued by Government of Maharashtra. The accounting is done on cash basis.

2) MAINTENANCE OF BOOKS OF ACCOUNT:

The books of Account are maintained under the Double Entry System of Accounting on cash basis in Tally ERP9 Accounting package.

3) REVENUE RECOGNITION:

3.1) Recognition of Income

i) Grants in aids

a) Amount of grant received by Society (SMC of SDI for Maharashtra State) is taken into Income/ Revenue of a particular year to the extent of expenditure incurred only against the particular grant.

b) Grants-in-Aids are taken into account on actual receipt basis (Cash Basis).

c) The Grants-in-Aids received by Society (SMC of SDI for Maharashtra State) are taken on receipt side of the Receipt & Payment A/C and on income side in the Income & Expenditure A/C.

d) The Grant-in-Aid to the extent of remain unutilized at the end of the financial year is shown as liability in the Balance Sheet.

ii) Interest Income

a) The interest earned is shown separately.

b) Interest earned is treated as Grants-in-aids and is utilized for the same purpose for which approved by Governing Council.

iii) Other Receipts



Revenue from the sale of tender/ bid forms, bank interest etc. are recognized on receipt basis. Where miscellaneous income cannot be identified with any expenditure head the same is credited to Income and Expenditure Account.

4) FIXED ASSETS:

- I. Fixed Assets are accounted for at direct cost including cost attributable to bring the asset into use.
- II. Only those articles are treated as assets of the society which are procured, used and installed in the Office of the Society and are capitalized in the balance sheet of the society.

5) DEPRECIATION:

Depreciation on fixed assets is not provided as per the guidelines.

Fixed assets are disposed off/ condemned as per the provisions under General Financial Rules (GFR) of State/UT Governments or GOI on becoming the assets obsolete.

