

SANTOSH

Deemed to be University



6.4.3 Institution conducts internal and external financial audits regularly

Policy on internal and external audit mechanisms

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(Established u/s 3 of the UGC Act, 1956)

DEPARTMENT OF FINANCE & ACCOUNTS

ROLE:

Finance is one of the major pillars of the organisation and an essential ingredient to a successful business. Nowadays, a finance department has a broad range of roles to carry out within or outside an organization. The performance and success of any Organisation greatly depend on how well the finance is handled. Keeping a close watch on the financing function is very important for the smooth operation of the Organisation

Department of Finance & Accounts

List of Team Members		
Sl.No.	Name	Designation
1	Mr. J. Kamalakannan	Finance Officer
2	Mr. G. Arivazhagan	Taxation Manager
3	Mr. M. Ilaiyaraja	Executive - Accounts
4	Mr. R. Thiruneelakandan	Executive - Accounts
5	Mr.N. Murugan	Executive - Accounts
6	Mr. Dharmendra Joshi	Executive - Accounts
7	Mr. Marreddy Hari Teja	Executive - Accounts
8	Mr. R. Karthi	Executive - Accounts
9	Mr. S. Kannan	Executive - Accounts

10	Mr. Poovalingam	Executive - Accounts
11	Mr. Rahul Goswami	Executive - Accounts
12	Mr. Kapil Dev	Executive - Accounts
13	Mr. Badal Sharma	Executive - Accounts
14	Mr. Pradeep Kumar	Executive - Accounts
15	Mr. A. Muthu Kumar	Filing Incharge
16	Mr. Balaji	Executive - Accounts
17	Mr. Velmani	Finance & Accounts
18	Mr. Ananda Krishan	Finance & Accounts
19	Mr. Ram Kumar Verma	Finance & Accounts
20	Mr. Manoj Kumar Kushwah	Finance & Accounts

2. FUNCTIONS OF FINANCE DEPARTMENT

a. Bookkeeping:

Bookkeeping is the most basic function of our finance department. It involves the day-to-day recording, analysis and interpretation of our financial transactions. This will include the tracking of all expenses (purchases, payments etc.)

b. Management of Cash Flow:

- 1) It is the duty of the finance department to manage all cash flows and outflows of our Organisation.
- 2) To ensure that, the institutions receives its fee collection from the students on time.
- 3) It ensure that there are enough funds available to meet the day-to-day running expenses of the institution.

c. Budgets and forecasting:

In this function, the finance department works with our managers to prepare the budgets and forecasts and also give feedback with regards to the financial standing of the Trust.

This information can be used to fulfil the cash needs of each department, plan asset purchase and expansions at minimum cost before they become necessary.

Finance department can also use past records from respective departments to make better budget and forecast over long-term and short-term time horizons.

e. Financial Reporting and analysis

Financial reporting and analysis is the function that takes raw accounting entries and transforms them into meaningful, usable and comparable financial statements.

The finance department contributes to our organizational growth by measuring and reporting on regular bases, key numbers that are vital to the success of the Trust. This will likely include a summary of all funding sources, expenditures and reserves available for future use (excluding those already committed and budgeted for current period) some non-financial information.

3. POLICIES

Basis of Accounting and Revenue Recognition:

Tuition Fee, Hostel Fee, Hospital Collections, Sale of Medicines, Voluntary Contribution are recognized as income in the year of

receipt, all other receipts and expenses are accounted for on accrual basis.

4. ASSETS

Tangible Assets are stated at historical cost and depreciation is separately taken to the Balance Sheet as depreciation reserve.

Role of Finance Department in University for its activities

- Provision of professional advice and direction.
- Delivery of management reporting that enables senior and managers to effectively manage their activities.
- Statutory **financial** and fiscal reporting.
- Processing transactions related to income, expenditure, capital projects and financing.

Training Programs

- People Joining the Finance Department have to undergo Orientation Programme before Joining
- The finance department through its able leadership provide valuable insight of accounting function.
- New people joining the organisation are made conversant with Tally software.
- They are made familiar with MS-word & MS-Excel

Auditing Policy:

Internal Accounting Policy

1. In terms of internal audit policy, trust has engaged M/s. Kothari Mehta & Co., Chartered accountant firm to check and advise on the accounting records, internal control system, Revenue leakage, statutory compliances etc on day to day basis.
2. Whatever deficiency they found on the accounting procedures, effectiveness of defined internal control system, lack of statutory compliances along with their suggestions and desired action for improvement thereof are advised by them on regular basis.
3. Internal audit team interacted with the management of the trust at the intervals of every 15 days where they advise how to improve accounting systems, processes of vouchers, statutory compliances, etc
4. For every internal audit meeting, minutes of every discussed matters are prepared.
5. Head of finance section is responsible to effective execution of all the advised matters.

External Accounting Policy

- 1) External audit process is clearly defined for auditing of university books of accounts annually.
- 2) External audits are conducted in accordance with rules set forth by the State laws, coupled with Rules framed by State/Central Government practices.
- 3) External audit includes verification of all statutory commitments and compliance of the same carried out on an elaborate way taking into the reports of the regular internal audit.
- 4) Apart from this all financial transactions including statutory compliances and filing of such returns in time are verified and certified.
- 5) External auditors discuss observations and findings with the Finance team who may provide any additional information in response to the queries.
- 6) External audit is closed with final debriefing wherein the audited accounts are signed off basis auditor's satisfaction.
- 7) All the financial audited reports for the past five years are available with the Finance Officer of the university.

By the mechanism of adopting both internal and external audit, the accuracy of the financials are achieved and maintained. The report by the audit team is immediately corrected and precautionary steps are

taken to avoid such errors in the future, thereby adhering to standard accounting practices.



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