



**UNIVERSITY OF ALLAHABAD
ALLAHABAD**

**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR
ENDED ON 31ST MARCH, 2016**

Separate Audit Report of Comptroller and Auditor General of India on the accounts of University of Allahabad, Allahabad for the year ended 31 March, 2016

We have audited the attached Balance Sheet of the University of Allahabad, Allahabad (University) as at 31 March, 2016, the Income and Expenditure Account and the Receipt and Payments Account for the year ended on that date, under Section 19 (2) of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 read with Section 32 (1) of the University of Allahabad Act, 2005, These financial statements are the responsibility of the University's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. This Separate Audit Report contains the comments of the Comptroller and Auditor General of India (CAG) on the accounting treatment only with regard to classification, conformity with the best accounting practices, accounting standards and disclosure norms, etc. Audit observations on financial transactions with regard to compliance with the Law, Rules and Regulations (Propriety and Regularity) and efficiency cum performance aspects, etc., if any, are reported through Inspection Reports/CAG's Audit Reports separately.

3. We have conducted our audit in accordance with the auditing standards generally accepted in India. The standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit includes examining, on a test basis, evidences supporting the amounts and disclosure in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of financial statements. We believe that our audit provides a reasonable basis for our opinion.

4. Based on our audit, we report that:

(i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;

(ii) The Balance Sheet, Income and Expenditure Account and Receipt and Payments Account dealt with by this report have been drawn up in the format of financial

Statement for Central Higher Educational Institutions prescribed by MHRD, Government of India except mentioned in comment no. A.1,B.3,B.4 and B.5.

(iii) In our opinion, proper books of accounts and other relevant records have been maintained by the University as required under Section 32 (1) of the University of Allahabad Act, 2005 in so far as it appears from our examination of such books.

(iv) We further report that:

(A) Balance Sheet

Fixed Assets (Plan, Non-Plan, Project and Self – financing) ₹ 13168.85 lakh

(A.1) The University did not compute depreciation on the straight line method as per format prescribed by MHRD. It also did not take into account the rates prescribed in the said format for calculating the depreciation. It is the contravention of instructions/ format prescribed by MHRD format. The University should recalculate the Depreciation on the basis of MHRD format retrospectively and its impact should be disclosed in Notes to Accounts.

(A.2) The University received books of ₹ 2.52 lakh as gift during the year 2015–2016 but did not capitalise it under sub-head 'Books' of 'Fixed Assets'. This resulted in understatement of 'Fixed Assets' and 'Capital Fund' by ₹ 2.27 lakh each. The depreciation of ₹ 0.25 lakh was also undercharged.

(A.3) University capitalised ₹ 297.87 lakh under the sub-head 'Book' (Plan ₹ 297. 51 lakh and Non-Plan ₹ 0.36 lakh) of 'Fixed Assets' (Schedule 4). However, as per information provided by the Library, they had purchased books of ₹ 128.00 lakh during the year 2015-2016. Thus, there was a difference of ₹ 169.87 lakh between two sets of figures which needs to be reconciled.

(B) Income and Expenditure Account (Plan Account)

(B.1) The University received non-recurring grant of ₹ 3030.00 lakh during the year 2015-16 for creation of capital assets (under the XII Plan: ₹ 3000 lakh and for B.Voc. Programme: ₹ 30.00 lakh) but it was treated as income in the Income and Expenditure Account. This resulted in overstatement of 'Income' and 'Surplus' by ₹ 3030.00 lakh each.

(B.2) The University classified ₹ 3.33 lakh incurred on liveries under the head 'Staff Payment & Benefit' (Schedule-15) instead of 'Administrative and General' (Schedule-17) as prescribed in format of account approved by MHRD. This resulted in

overstatement of 'Staff payment & Benefit' (Schedule-15) and understatement of 'Administrative and General Expenditure' (Schedule -17) by ₹ 3.33 lakh each.

(B.3) The University classified ₹ 1031.85 lakh, incurred on Salary and Honorarium under the head 'Academic Expenses' (Schedule-16) instead of 'Staff Payment & Benefit' (Schedule-15) as prescribed in format of account approved by MHRD. This resulted in overstatement of 'Academic Expenses' (Schedule-16) and understatement of 'Staff Payment & Benefit' (Schedule-15) by ₹ 1031.85 lakh each.

(B.4) The University classified ₹ 1.19 lakh, incurred on Field Study Student/ Research, under the head 'Other Expenses' (Schedule-21) instead of 'Academic Expenses' (Schedule-17) as prescribed in format of account approved by MHRD. This resulted in overstatement of 'Field Study Student/Research' (Schedule 21-Other Expenses) and understatement of 'Academic Expenses' (Schedule-17) by ₹ 1.19 lakh each.

(B.5) The University classified ₹ 131.21 lakh under the head 'Other Expenses' (Schedule-21) instead of 'Academic Expenses' (Schedule-17) as prescribed in format of account approved by MHRD. This resulted in overstatement of 'Other Expenses' (Schedule-21) and understatement of 'Academic Expenses' (Schedule-17) by ₹ 131.21 lakh each.

(B.6) Non-reconciliation of difference of ₹ 1.00 lakh between the two sets of figures of closing balance of Account No. 262537 and corresponding figure shown in the annual account for the year 2014-15. This was also pointed out through observation No. C-5 in previous year's SAR but no remedial action was taken.

(C) General

(C.1) No provision was made on actuarial basis for retirement benefits by the University.

(C.2) In annual accounts of the University for assessing rate of depreciation, residential portion and academic area were not segregated.

(D) Grants-in-aid

During 2015-16, the University received ₹ 290.54 crore (Non-Plan ₹ 242.72 crore Plan ₹ 36.10 crore and Project ₹ 1171.93 lakh) as Grants-in-aid from MHRD and generated other income to the tune of ₹ 23.49 crore (Non-Plan ₹ 14.72 crore, Plan ₹ 2.90 crore, Project ₹ 0.69 crore and Self Financing Course ₹ 5.18 crore) from internal resources.

Taking opening balance of ₹ 115.37 crore (Non-Plan ₹ 22.87 crore, Plan ₹ 75.91 crore, Project ₹ 14.32 crore and Self Financing Course ₹ 2.27 crore), the total funds available worked out to ₹ 429.40 crore (Non-Plan ₹ 280.30 crore, Plan ₹ 114.91 crore, Project ₹ 26.73 crore Self Financing Courses ₹ 7.45 crore), the University utilised ₹ 306.07 crore (Non-Plan ₹ 265.57 crore, Plan ₹ 27.62 crore, Project ₹ 8.16 crore and Self Financing Courses ₹ 4.71 crore) leaving a balance of ₹ 123.33 crore (Non-Plan ₹ 14.73 crore, Plan ₹ 87.29 crore, Project ₹ 18.57 crore and Self Financing Courses ₹ 2.74 crore) as on 31 March, 2016.

v. Subject to our observation in the preceding paragraphs, we report that the Balance Sheet, Income and Expenditure Account and Receipts and Payments Account dealt with by this report are in agreement with the books of accounts.

vi In our opinion and to the best of our information and according to the explanations given to us, the said financial statements read together with the Accounting Policies and Notes on Accounts, and subject to the significant matters stated above and other matters mentioned in Annexure to this Audit Report give a true and fair view in conformity with accounting principles generally accepted in India:

a. In so far as it relates to the Balance Sheet, of the state of affairs of the University as at 31 March, 2016; and

b. In so far as it relates to Income and Expenditure Accounts of the Plan, Non-Plan, Project and Self Financing Courses Collectively of the 'surplus' for the year ended on that date.

For and on behalf of the C&AG of India

Place: Lucknow

Date: 19/01/2017

Principal Director of Audit (Central)

Annexure

1. Adequacy of Internal Audit System

Although the University has an internal audit wing but it was confined to pre-auditing of vouchers. No internal audit of departments/Sections was carried out during 2015-16. Moreover, no internal audit manual has been prepared by the University.

Therefore, internal audit system was inadequate.

2. Adequacy of Inter Control System

Internal control System in the University was characterised by the following deficiencies:

- Non-appointment of a regular Registrar, Finance Officer and Controller of Examination during the year 2015-16.
- Non-holding of meeting of Court during the year 2015-16, consequently, the annual account could not be submitted before the Court in contravention of Section 32 (2) and 21 (2) of the University of Allahabad Act, 2005.
- Non-adjustment/recovery of Loans and Advance of ₹ 4068.45 lakh (Non-Plan ₹ 2598.63 lakh + Plan ₹ 1469.82) at the end of March, 2016.
- Non-closure of 19 inoperative bank accounts (Non-Plan) as no transactions involving them has taken place for quite some time.

The above observation featured in the previous SAR also; in spite of this no corrective action was taken by the University to close them.

- Physical verification of fixed assets and inventories was not completed in time.
- Physical verification of library books was not carried out for more than ten years.

3. System of Physical Verification of Fixed Assets

Physical verification of fixed assets of various departments was stated to be under process during the year 2015-16. Further, physical verification of Library books had not been carried out for more than ten years and the value of books are being shown on hypothetical basis without taking in to account the value of lost/stolen/missing or

books destroyed in contravention the provisions of Rule 194 of GFR. This observation was pointed out in previous year's SAR but no corrective action was taken by the University as of date.

4. System of physical verification of inventory

Physical verification of inventories of some departments was reported to be under process during the year 2015-16.

5. Regularity in payment of statutory dues

The University is regular in payment of statutory dues.

Dy. Director of Audit (CE)

CONSOLIDATED BALANCE SHEET

NON PLAN

ALLAHABAD UNIVERSITY
ALLAHABAD
CONSOLIDATED BALANCE SHEET ON 31-03-2016

(Amount - Rs.)

SOURCES OF FUNDS		Current Year	Previous Year
Corpus/Capital Fund Designated/Earmarked Funds Current Liabilities & Provisions (Net of Contra Items)		3,512,507,928.01	3,444,365,459.03
		367,137,902.80	308,901,427.36
		264,677,144.89	288,963,206.64
	TOTAL	4,144,322,975.70	4,042,230,093.03
APPLICATION OF FUNDS			
Fixed Assets Tangible Assets Intangible Assets Capital Work-in-Progress Investments from Earmarked/Endowment Funds Long Term Short Term Investments-Other Current Assets Loans, Advances & Deposits (Net of Contra Items)			1,419,504,208.48
		1,316,884,541.97	
		1,235,842,838.00	
		163,747,415.00	1,100,432,998.00
			148,751,566.00
		273,688,228.15	57,282,141.00
		744,104,761.64	1,015,619,035.96
		410,055,190.94	300,640,143.59
	TOTAL	4,144,322,975.70	4,042,230,093.03
Significant Accounting policies			
Notes on Accounts & contingent Liabilities			

FINANCE OFFICER


ALLAHABAD UNIVERSITY
ALLAHABAD
BALANCE SHEET ON 31-03-2016

(Amount:-Rs.)

SOURCES OF FUNDS	Schedule	Current Year	Previous Year
Corpus/Capital Fund	1	527,141,347.31	653,026,075.07
Designated/Earmarked Funds	2	181,446,463.69	165,695,747.65
Current Liabilities & Provisions	3	387,293,681.27	284,310,757.64
TOTAL		1,095,881,492.27	1,103,032,580.36
APPLICATION OF FUNDS			
Fixed Assets			
Tangible Assets	4	464,985,458.68	512,665,885.68
Intangible Assets			
Capital Work-In-Progress	4	3,442,654.00	-
Investments from Earmarked/Endowment Funds	5	163,747,415.00	148,751,566.00
Long Term			
Short Term			
Investments-Others	6	29,392,431.00	6,507,511.00
Current Assets	7	174,450,452.00	200,677,396.09
Loans,Advances & Deposits	8	259,863,081.59	234,430,221.59
TOTAL		1,095,881,492.27	1,103,032,580.36
Significant Accounting policies	23		
Notes on Accounts & contingent Liabilities	24		


OFFICER

ALLAHABAD UNIVERSITY
ALLAHABAD

INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31-03-2016

(Amount-'Rs.')

Particulars	Sch.	Current Year	Previous Year
INCOME			
Academic Receipts	9	118,642,195.00	156,355,886.00
Grants & Donations	10	2,427,158,369.00	1,889,062,771.00
Income from investments	11	3,440,983.00	
Interest earned	12	6,478,987.00	8,393,221.00
Other Incomes	13	19,998,373.44	13,200,616.86
Prior Period Income	14	1,239,400.00	
TOTAL (A)		2,576,958,307.44	2,067,012,494.86
EXPENDITURE			
Staff Payments & Benefits	15	2,174,075,897.42	1,912,835,457.84
Academic Expenses	16	195,718,120.00	226,748,584.00
Administrative and General Expenses	17	155,650,784.00	127,391,029.00
Transportation Expenses	18	8,210,698.00	7,047,955.00
Repairs & maintenance	19	20,015,997.00	21,699,657.00
Finance costs	20	-	-
Depreciation	4	60,422,994.00	92,677,948.00
Other Expenses (Excluding depreciation)	21	88,748,544.78	107,114,700.10
Prior Period Expenses	22		
TOTAL (B)		2,702,843,035.20	2,495,585,338.94
Balance being excess of Income Over expenditure (A- B)		-	-
Transfer to/from Special Reserve (Specify each)			
Building Fund		-	-
Others (Specify)		-	-
Balance being surplus/(Deficit) Carried to Capital Fund		(125,884,727.76)	(428,572,844.08)
Significant Accounting policies	23		
Notes on Accounts & contingent Liabilities	24		


 OFFICER

PLAN

ALLAHABAD UNIVERSITY

ALLAHABAD

BALANCE SHEET ON 31-03-2016
(Relevant to Plan Grant)

(Amount: Rs.)

SOURCES OF FUNDS	Schedule	Current Year	Previous Year
Corpus Fund/Capital fund	1	2,761,023,348.77	2,586,414,294.13
Designated/Earmarked/Endowment Funds	2	-	-
Current Liabilities & Provisions	3	18,366,141.55	4,652,449.00
TOTAL		2,779,389,490.32	2,591,066,743.13
APPLICATION OF FUNDS			
Fixed Assets			
Tangible Assets	4	658,147,550.29	727,916,955.30
Intangible Assets			
Capital Work-In-Progress	4	1,232,400,184.00	1,100,432,998.00
Investments from Earmarked/Endowment Funds	5		
Long Term			
Short Term			
Investments-Other	6	244,295,797.15	50,774,630.00
Current Assets	7	497,564,008.53	649,008,237.33
Loans, Advances & Deposits	8	146,981,950.35	62,933,922.00
TOTAL		2,779,389,490.32	2,591,066,743.13
Significant Accounting policies	23		
Notes on Accounts & contingent Liabilities	24		


FINANCE OFFICER

ALLAHABAD UNIVERSITY
ALLAHABAD

BALANCE SHEET ON 31-03-2016
(Relevant to Research Projects)

(Amount in 'Rs.')

CAPITAL FUND AND LIABILITIES	Schedule	Current year	Previous Year
CAPITAL FUND			
Balance B/d :		134,778,383.00	134,778,383.00
Add: Grant utilised for creation of assets		45,238,959.00	
Less: Depreciation on assets		25,734,117.00	
		154,283,225.00	
EARMARKED FUNDS / UNUTILISED GRANTS :			
Grants yet to be utilised	1	185,691,439.11	143,205,679.71
TOTAL		339,974,664.11	277,984,062.71
ASSETS			
FIXED ASSETS	2	154,283,225.00	134,778,383.00
CURRENT ASSETS	3	185,691,439.11	143,205,679.71
TOTAL		339,974,664.11	277,984,062.71

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FINANCE OFFICER

ALLAHABAD UNIVERSITY
ALLAHABAD
CONSOLIDATED BALANCE SHEET ON 31-03-2016
(RELEVANT TO INSTITUTE OF PROFESSIONAL STUDIES)

SOURCES OF FUNDS	Schedule	Current Year	Previous Year
Corpus Fund/Capital fund	1	70,060,006.93	70,146,706.83
Designated/Earmarked/Endowment Funds			
Current Liabilities & Provisions			
TOTAL		70,060,006.93	70,146,706.83
APPLICATION OF FUNDS			
Fixed Assets			
Tangible Assets	2	39,468,308.00	44,142,984.00
Intangible Assets			
Capital Work in progress			
Investments-Earmarked			
Investments-Other	3	27,381,539.93	22,727,722.83
Current Assets	4	3,210,159.00	3,276,000.00
Loans, Advances & Deposits			
TOTAL		70,060,006.93	70,146,706.83
Significant Accounting policies	23		
Notes on Accounts & contingent Liabilities	24		

