

Date: 24-05-2020

**JAL VAYU VIHAR HOUSE OWNERS WELFARE ASSOCIATION**  
**INTERNAL AUDIT REPORT FOR THE PERIOD FROM 01-07-2019 to 30-09-2019**

While verifying the book of Accounts of JVVHOWA for the period from 1-7-2019 to 30-9-2019 the following observation are made by the internal Audit team: -

1. It is noticed from the cash book for July 2019 that on 4-7-2019 an amount of Rs.50,000/- was deposited in Andhra Bank keeping a balance of Rs.101680/- in the office, the reasons for maintaining huge cash balance and not depositing total amount are not known the cash transactions of 4-7-2019 are shown here under

Cash opening balance on 4-7-2019	Rs. 147427.00
+ Receipts on 4-7-2019	<u>8513.00</u>
	155940.00
Expenditure On 4-7-2019	<u>4260.00</u>
Net balance available	151680.00

(-) cash deposited in Andhra bank - 50000.00

Available cash balance as the end of the day Rs. 101680 and the physical cash balance as recorded in the ash book is as follows: -

DENOMINATIONS				
2000	x	33	=	66000.00
500	x	45	=	22500.00
200	x	24	=	4800.00
100	x	56	=	5600.00
50	x	26	=	1300.00
20	x	14	=	280.00
10	x	120	=	1200.00
TOTAL			=	101680.00

2. As per the JVVHOWA Bye- Laws chapter VI clause 7 (e) " An amount not exceeding Rs. 10000/- may be retained in the safe custody of the 'Treasurer' for day to day payments"

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By violating the above the following cash balances are maintained, more over the 'Cash on hand and balances are not certified by the Treasurer and any one Manager of BOM from 1-7-2019 to 30-9-2019.

CLOSING BALANCES DATE WISE	
DATE	AMOUNT
06-07-2019	70723.00
07-07-2019	84362.00
09-07-2019	82318.00
10-07-2019	92955.00
11-07-2019	107850.00
14-07-2019	106175.00
18-07-2019	106413.00
19-07-2019	96263.00
20-07-2019	98687.00
21-07-2019	75578.00
30-07-2019	92333.00
31-07-2019	87373.00
12-08-2019	104204.00

On 13-8-2019 the receipts are Rs. 55875/- but an amount of Rs. 130000/- deposited in Bank the closing balance came down to. Rs.27824/-

3. As per the JVVHOWA Bye-Laws chapter VI clause 7 (b) "All payments in excess of Rs. 2500/- shall be made only by cheque signed by Treasurer and President/ Security"

By violating the above the following amounts are paid by cash to different parties during the period from. 1-7-2019 to 30-9-2019.

DATE	PAID TO	AMOUNT
03-07-2019	Dasharath	5000.00
03-07-2019	Pentaiiah	3300.00
03-07-2019	Santosh Kumar	5000.00
03-07-2019	Ramachander	4000.00
03-07-2019	Chinna	4000.00
04-07-2019	Dasharath	3000.00
06-07-2019	Dasharath	3000.00
06-07-2019	Unison Marketing services	5000.00
09-07-2019	Unison Marketing services	7626.00
13-07-2019	Thukaram	10000.00
13-07-2019	Shantha Kumar	3000.00
13-07-2019	Radha Krishna Xerox	5400.00
13-07-2019	Shantha Kumar	4000.00
13-07-2019	Indian Post	4000.00
16-07-2019	Radhya Krishna Sanitary	3742.00
19-07-2019	P Nageswara Rao	4000.00
19-07-2019	Shantha Kumar	3000.00

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DATE	PAID TO	AMOUNT
21-07-2019	A Venkatesh	4200.00
21-07-2019	Shanth Kumar	3000.00
21-07-2019	Nageswara Rao	6500.00
26-07-2019	Radha Krishna Xeros	2766.00
27-07-2019	Sai Cycle	3000.00
02-08-2019	Yohon	3300.00
02-08-2019	Chinna	3484.00
02-08-2019	Ramchander	4000.00
07-08-2019	Sai Ram Dress	5625.00
07-08-2019	PLD Engineering Works	3200.00
14-08-2019	Chand	30000.00
16-08-2019	Tiffin Center and etc	13188.00
23-08-2019	Pooja Electricals	4990.00
28-08-2019	Sampath	7290.00
01-09-2019	Chinna	3870.00
01-09-2019	Ramchander	4000.00
04-09-2019	Pentaiah	3300.00
16-09-2019	Nageswara Rao	3000.00
18-09-2019	B Vittal	2600.00
24-09-2019	Conservancy Staff	3000.00
28-09-2019	Deekshitta	4200.00

- It is noticed that an amount of Rs. 45000/- paid to Sri G. Bhaskar - Advocate on. 12-9-2019 towards filing of writ petitions, approval of the AGM for the appointment of a legal advisor, may be furnished to the internal Audit. Further, TDS to be made on payment of professional charges as per the income Tax rules.
- While scrutinizing the bank reconciliation statement of Bank of India as on 30<sup>th</sup> Sep 2019 it is noticed that the following amounts are credited by bankers to our Association account but the same are not taken cash book as on date.


DATE	AMOUNT	DATE	AMOUNT
03-07-2017	500.00	15-10-2018	3795.00
13-12-2017	1730.00	10-12-2018	1391.00
04-01-2018	1000.00	04-05-2019	1770.00
09-10-2017	1286.00	13-06-2019	1335.00
14-06-2017	1030.00	08-08-2019	573.00
14-06-2019	300.00	10-07-2019	1000.00
06-08-2018	800.00		
<b>TOTAL AMOUNT</b>			<b>16510.00</b>

Please pass necessary entries in the books immediately.




6) While verifying the minutes of BOM, it is noticed that minutes are not recorded properly, and the names of the members attended meeting was not recorded simple signatures are obtained on the bottom of the minutes. It is suggested to please paste the typed copies of minutes in the minutes book, with names of the members attended the meeting.

  
(T. Venkateswar Rao)

  
(URK. Prasad)