

INTERNAL AUDIT OF JVVHOWA FUND FOR THE FY 2018-19

1. In pursuance of Jal Vayu Vihar House Owners' Welfare Association MOA and Bye Laws Chapter VI, para 7 (f) and Minutes of JVVHOWA AGM held on 15 Jul 2018, we carried out the internal audit of Jal Vayu Vihar House Owners' Welfare Association Fund for the period 01 Apr 2018 to 31 Mar 2019.
2. All the documents, bills/ vouchers have been made available to us for the purpose of the audit
3. As on 01 Apr 2018 the Association fund has the following cash assets ;
 - (a) Cash in hand - Rs 4007
 - (b) Cash in Andhra Bank - Rs 80107.67
 - (c) Cash in Bank of India - Rs 32495.24
 - (d) FDs - Rs 1,21,90,170
4. Some notable observations of the audit team are as under :
 - (a) Daily account sheet is not being signed by the Treasurer. Unless this is done, the document does not have legal sanctity.
 - (b) Month end account needs to be signed by Treasurer and one more member of the BOM as per Para 7 ©, Chapter VI of the Bye laws. This practice is not followed.
5. Proposal Register prescribed in Para 9 (c), Chapter VI of the Bye Laws is not being maintained. However a Work Register indicating the work details has been introduced. This register with suitable modifications may be dovetailed to meet the requirement prescribed in the Bye Laws.
6. CCTV equipment has become a part and parcel of our inventory and sizeable amount of funds are being spent on this count every FY. It is therefore essential to introduce this as a Sub Head in the Income and Expenditure Schedule 10.
7. Specific developmental works are undertaken by successive BsOM towards improvement of community living. These are normally new projects. Drip Irrigation Project, Creation of Poola Bata are two cases in point. It is recommended that separate budgetary heads be created during the financial year when the project is executed and all the expenditure towards that project be booked to that head. This will help in arriving at a correct financial picture of the project.
8. In amplification of the above point, Poola Bata project was conceived sometime in the beginning of the FY 2018-19. Cement, brickwork, masonry, arch, meshes, large size flower pots, two steel benches, purchase of red soil etc. are the components of the work. However, great deal of construction work has been booked under civil works near DU 71. This is tantamount to camouflaging the work package misleading the General Body.
9. Drip irrigation work at a cost of Rs 48,000/ was approved by the BOM at the fag end of Mar 2018. The project got executed during Jul 2018 when the AGM 2018 was already insight. Similarly, Poola Bata project was conceived in April 2018. Project estimates should have been made and approval of the General Body should have been obtained on 15 Jul 2018. Obtaining ex-post-facto sanction of the AGM in 2019 is nothing but forcing the General Body to ratify the fait accompli. Taking advantage of the latitudinarian AGM is unethical.

10. The BOM has obtained the approval of residents during the residents meeting in Aug 2018 for many works. It is heartening to see that most of them have been completed though some of them have spilled in to the FY 2019-20. The outgoing BOM is advised to list down all major works undertaken during their regime as a part of BOM's brief to be propagated among the general body. Also, wherever the expenditure exceeded Rs 50,000/, formal approval/ratification by the forthcoming AGM is to be sought instead waiting for the AGM 2020.
11. The effort put in by the BOM in developing greenery and maintenance of the green patches/parks has yielded rich dividends. Overall contribution of the BOM in maintaining and improving the colony is laudable.

DP Kothuri
Durga Prasad Kothuri 18/4/2019

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