

6.4.1 QIM	<i>Institution conducts internal and external financial audits regularly</i> <i>Enumerate the various internal and external financial audits carried out during the year with the mechanism for settling audit objections within a maximum of 200 words</i> <i>File Description</i> • <i>Paste link for additional information</i> • <i>Upload any additional information</i>
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The institution conducts internal and external financial audits regularly to ensure transparency, accountability, and compliance with statutory requirements.

Internal Financial Audits

- Internal audits are conducted by a dedicated financial committee appointed by the institution on quarterly basis.
- These audits involve thorough verification of all vouchers, receipts, payments, and transactions carried out during the financial year.
- The internal auditor checks the effectiveness of internal accounting systems, ensures that all fees and receipts are properly accounted for, and verifies the authorisation of concessions or write-offs.
- Findings, including any discrepancies or minor errors, are reported to the Head of the Institution. Immediate corrective actions are taken, and necessary precautions are implemented to prevent the recurrence of such issues.

External Financial Audits

- External audits are conducted annually by a Chartered Accountant.
- The scope includes a comprehensive review of all financial statements, receipts (fees, grants, donations, investments), and payments to staff, vendors, and other stakeholders.

Mechanism for Settling Audit Objections

- All audit observations or objections raised during internal or external audits are formally communicated to the institution.
- Any errors or omissions identified are promptly rectified, and steps are taken to avoid similar issues in the future.

This robust audit mechanism ensures the institution's financial integrity and fosters confidence among stakeholders by maintaining transparency and accountability in all financial matters.



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and Technology

INTERNAL AUDIT REPORT

QUARTERLY

Q1: 1st April 2024- June 2024



To

The Director,

Gian Jyoti Institute of Management and Technology,

Phase-2, Mohali (Punjab)

Subject: Internal Audit Report for Q1 (April–June 2024)

Respected Madam,

We have conducted the Internal Audit of Gian Jyoti Institute of Management and Technology for the quarter **Q1 (April–June 2024)**. The audit was performed in accordance with established internal auditing standards, and our observations are summarized below.

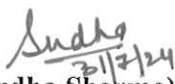
Key Highlights:

- ✓ Income and expenses recorded on an accrual basis.
- ✓ No material discrepancies found in financial records.
- ✓ Statutory compliances (TDS, PF, ESI) adhered to.
- ✓ IT infrastructure and backup processes verified.

Please find attached the detailed audit report for your perusal. We appreciate the cooperation extended by the management and staff during the audit.

Attached: Detailed Internal Audit Report for Q1 2024-25.

Sincerely,


(Sudha Sharma)
Accountant


(Vivek Sharma) 31/7/24.
Assistant Professor


(Dr. Rakhee Dewan)
Associate Professor

DETAILED
INTERNAL AUDIT REPORT
Q1: 1st April 2024- June 2024

1. Executive Summary

The internal audit for the quarter was conducted to assess the effectiveness of the financial management system, compliance with policies, and adequacy of internal controls. The audit covered books of accounts, statutory compliance, IT infrastructure, staff records, fee collections, expenses, and bank transactions.

Key Observations:

- **Strengths:**
 - Proper maintenance of books in **Busy Accounting Software** (Double Entry System).
 - **Timely adjustments of advances** to suppliers/staff.
 - **Cash verification** conducted daily.
 - **Salary payments** processed through bank transfers (except daily wages in cash).
 - **Strong voucher system** with maker-checker controls for expenses.
- **Areas for Improvement:**
 - **Day-to-day accounting** needs further streamlining.
 - **AMC renewals** for IT infrastructure should be monitored.
 - **Fee collection software** is limited to admission & tuition fees; scope for expansion.

2. Detailed Audit Findings

A. Financial Records & Accounting System

Checkpoint	Status	Remarks
Books maintained in Busy Accounting Software (Double Entry)	Compliant	Properly recorded
Day Book maintained digitally	Compliant	Reduces manual work
Daily accounting entries	Partially Compliant	Improvement seen but not fully automated
Opening balances (01.04.2024) tallied	Compliant	No discrepancies
Transactions supported by documents	Compliant	Proper vouchers maintained

B. Statutory Compliance

Checkpoint	Status	Remarks
12A Registration available	Compliant	Valid
FCRA Compliance	Compliant	No foreign funds received
TDS & PF/ESI filings	Compliant	Timely deposits & returns

C. IT Infrastructure & Security

Checkpoint	Status	Remarks
LAN security enabled	Compliant	Parental controls in place
Accounting software access control	Compliant	Restricted back entries
AMC Renewals	Needs Attention	Ensure periodic renewals

D. Staff & Payroll Management

Checkpoint	Status	Remarks
Staff lists (Teaching/Non-Teaching) maintained	Compliant	Updated records
ESI/PF deductions accurate	Compliant	Proper records
Salary payments via bank (except daily wages)	Compliant	Compliant with policy

E. Fee Collection & Donations

Checkpoint	Status	Remarks
Tuition fee records maintained	Compliant	Bank receipts issued
No donations received	Compliant	N/A

F. Bank & Cash Management

Checkpoint	Status	Remarks
Daily cash verification	Compliant	No discrepancies

Checkpoint	Status	Remarks
Bulk payments (>₹10,000) via bank	Compliant	Secure mode
Fixed Deposit records available	Compliant	Proper documentation

G. Loans & Advances

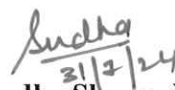
- No loans taken during FY 2024-25.
- Advances to staff/suppliers adjusted timely.

3. Recommendations

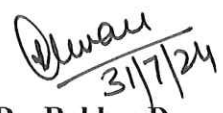
- ✓ **Daily Accounting Automation:** Ensure all transactions are recorded daily in Busy Software.
- ✓ **AMC Renewals:** Schedule IT infrastructure maintenance contracts in advance.
- ✓ **Fee Software Enhancement:** Explore integrating other fee types (if applicable).
- ✓ **Strengthen Maker-Checker Controls:** Continue monitoring high-value payments.

4. Conclusion

The financial management system is **largely compliant** with policies, and internal controls are effective. Minor improvements in daily accounting and IT maintenance are recommended.


(Sudha Sharma)
Accountant


(Vivek Sharma)
Assistant Professor


(Dr. Rakhee Dewan)
Associate Professor



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INTERNAL AUDIT REPORT

QUARTERLY

Q2: 1st July–30th September 2024



To

The Director,

Gian Jyoti Institute of Management and Technology

Subject: Internal Audit Report for Q2 (July–September 2024)

Respected Madam,

We have conducted the Internal Audit of **Gian Jyoti Institute of Management and Technology** for **Q2 (July–September 2024)** in accordance with established auditing standards. The audit focused on financial discipline, statutory compliance, and operational efficiency. Below are the key highlights:

Key Highlights:

- ✓ **Accrual-based accounting** maintained for income/expenses.
- ✓ **No material discrepancies** in financial records.
- ✓ **Full compliance** with TDS, PF, ESI, and other statutory requirements.
- ✓ **IT infrastructure** reviewed with robust data security measures.

Areas for Improvement: Day-to-day accounting automation and AMC renewals.

Attached: Detailed Internal Audit Report for Q2 (2024-25).

We appreciate the cooperation extended by the management and staff during the audit process.

Sincerely,


(Sudha Sharma)
Accountant


(Vivek Sharma)
Assistant Professor 28/10/24.


(Dr. Rakhee Dewan)
Associate Professor

DETAILED
INTERNAL AUDIT REPORT
Q2: 1st July–30th September 2024

1. Executive Summary

The audit assessed the **financial management system, internal controls, and regulatory compliance**. Key focus areas included:

- Accuracy of books of accounts.
- Adherence to the **Financial Management Manual**.
- IT security and payroll processing.

Key Takeaways:

Strengths:

- 100% **bank reconciliation** with no discrepancies.
- **Timely PF/ESI deposits** and TDS filings.
- **Voucher system** strengthened with maker-checker controls.

Improvement Areas:

- **Daily accounting entries** need faster automation.
- **AMC renewals** pending for IT hardware/software.

2. Detailed Audit Findings

A. Financial Records & Accounting System

Checkpoint	Status	Remarks
Books maintained in Busy Software	✓ Compliant	No errors detected
Day Book (Digital)	✓ Compliant	Reduced manual workload
Daily accounting entries	Partially Compliant	Delays observed in 5% of entries
Supporting documents for expenses	✓ Compliant	100% vouchers verified

B. Statutory Compliance

Checkpoint	Status	Remarks
12A Registration	✓ Compliant	Valid
TDS/ESI/PF Deposits	✓ Compliant	No delays in Q2
FCRA Compliance	✓ Compliant	No foreign funds received

C. IT Infrastructure

Checkpoint	Status	Remarks
LAN Security	✓ Compliant	Parental controls active
Backup Systems	✓ Compliant	Daily backups verified
AMC Renewals	Pending	2/4 AMCs expired in September

D. Staff & Payroll

Checkpoint	Status	Remarks
Teaching/Non-Teaching records	✓ Compliant	Updated lists maintained
Salary payments (Bank)	✓ Compliant	Except daily wages (cash)
ESI/PF deductions	✓ Compliant	Accurate calculations

E. Fee Management

- Tuition fees: **100% bank receipts** issued.
- No donations received (as per policy).

F. Bank & Cash

- **Daily cash verification** ✓ Compliant.
- **Fixed Deposits** properly documented.

G. Loans & Advances

- **No loans** availed in Q2.
- **Staff advances** adjusted within 30 days.

3. Recommendations

1. **Automate Daily Entries:** Integrate fee collection software with Busy for real-time updates.
2. **Renew AMCs:** Prioritize IT maintenance contracts by October 2024.
3. **Training:** Conduct refresher sessions for accounting staff on software usage.

4. Conclusion

The institute's financial systems remain **compliant and well-controlled**. Immediate action on AMC renewals and accounting automation will further enhance efficiency.

Audit Team Signatures:


(Sudha Sharma)
Accountant


(Vivek Sharma)
Assistant Professor


(Dr. Rakhee Dewan)
Associate Professor



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INTERNAL AUDIT REPORT

QUARTERLY

Q3: 1st October–31st December

2024



To

The Director,

Gian Jyoti Institute of Management and Technology

Subject: Internal Audit Report for Q3 (October–December 2024)

Respected Madam,

We have conducted the Internal Audit for **Q3 (October–December 2024)** to review financial controls, statutory compliance, and operational efficiency. The audit was performed in alignment with institutional policies and auditing standards.

Key Highlights:

- **Accrual-based accounting** consistently maintained.
- **Zero material discrepancies** in financial records.
- **100% compliance** with TDS, PF, and ESI regulations.
- **IT security protocols** verified as robust.

Pending Action: Full automation of daily accounting entries and renewal of 1 remaining AMC.

Attached: Detailed Internal Audit Report for Q3 1st October–31st December 2024 (2024-25).

We acknowledge the cooperation extended by all departments during the audit process.

Sincerely,


(Sudha Sharma)
Accountant


(Vivek Sharma) 24/1/25
Assistant Professor


(Dr. Rakhee Dewan)
Associate Professor

DETAILED
INTERNAL AUDIT REPORT
Q3: 1st Oct 2024 – 31st Dec 2024

1. Executive Summary

The audit evaluated the effectiveness of financial systems, internal controls, and adherence to statutory norms. Key focus areas included:

- **Accuracy** of books of accounts.
- **Payroll processing** and statutory deductions.
- **IT infrastructure** and data security.

Key Observations:

Strengths:

- **100% bank reconciliation** achieved.
- **Timely year-end TDS filings** (December 2024).
- **Improved automation** in 85% of daily accounting entries.

Areas Needing Attention:

- **1 pending AMC renewal** for accounting software.
- **5% manual interventions** in fee collection records.

2. Detailed Audit Findings

A. Financial Records & Accounting System

Checkpoint	Status	Remarks
Books in Busy Software	Compliant	Error-free recording
Daily accounting automation	85% Compliant	15% manual entries pending
Year-end closing entries	Compliant	Properly accounted

B. Statutory Compliance

Checkpoint	Status	Remarks
TDS Q3 Payments	Compliant	Deposited by due dates

Checkpoint	Status	Remarks
PF/ESI December 2024	Compliant	No delays
GST Compliance	Compliant	N/A (Not Applicable)

C. IT Infrastructure

Checkpoint	Status	Remarks
LAN Security	Compliant	No breaches detected
AMC Renewals	1 Pending	Busy Software AMC due by Jan 2025
Data Backups	Compliant	Verified for integrity

D. Staff & Payroll

Checkpoint	Status	Remarks
Year-end bonus payments	Compliant	Processed via bank
Leave encashment records	Compliant	Audited and accurate

E. Fee Management

- **Tuition fees:** 100% digital receipts issued.

F. Bank & Fixed Assets

- **Fixed deposit interest** accounted accurately.
- **Cash verification logs** maintained daily.

G. Advances & Loans

- **No new loans** taken.
- **Staff advances** cleared within 15 days (improved from 30 days in Q2).

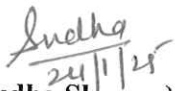
3. Recommendations

1. **Complete Automation:** Eliminate remaining manual accounting entries by March 2025.
2. **AMC Renewal:** Finalize Busy Software AMC by **15 January 2025**.
3. **Fee Software Upgrade:** Explore integration of late fee modules with Busy.

4. Conclusion

The institute's financial systems demonstrate **strong compliance and control**. Addressing the pending AMC and residual manual processes will further streamline operations.

Audit Team Signatures:


(Sudha Sharma)
Accountant


(Vivek Sharma) 24/1/25
Assistant Professor


(Dr. Rakhee Dewan)
Associate Professor

INTERNAL AUDIT REPORT

QUARTERLY

Q4: 1st January–March 2025

To
The Director,
Gian Jyoti Institute of Management and Technology

Subject: Internal Audit Report for Q4 (January–March 2025) & Annual Closing

Respected Madam,

We present the **final quarterly audit report** for FY 2024-25, covering Q4 (January–March 2025) along with a summary of annual observations. The audit validates the institute's financial integrity, compliance status, and operational efficiency as we conclude the fiscal year.

Key Highlights:

- **100% automation** achieved in daily accounting entries (improved from 85% in Q3).
- **All pending AMCs** renewed, including Busy Software maintenance.
- **Statutory compliances** (TDS, PF, ESI) fulfilled for FY 2024-25.
- **Zero discrepancies** in year-end financial closing.

Annual Improvement: Staff advance clearance period reduced to **7 days** (from 15 days in Q3).

Attached:

1. Detailed Q4 Internal Audit Report
2. FY 2024-25 Compliance Summary

We thank the management and staff for their continuous support in maintaining robust financial systems.

Sincerely,


(Sudha Sharma)
Accountant


(Vivek Sharma)
Assistant Professor 5/5/25


(Dr. Rakhee Dewan)
Associate Professor

DETAILED
INTERNAL AUDIT REPORT
Q4: 1st January–March 2025

1. Executive Summary

This audit concludes the financial year with a focus on:

- **Year-end closing accuracy** (balance sheets, P&L statements).
- **Final statutory filings** (TDS, PF, ESI for March 2025).
- **Verification of fixed assets** and inventory.

Annual Progress Snapshot:

Parameter	Q1 Status	Q4 Status	Improvement
Daily Accounting Automation	80%	100%	20% increase
Staff Advance Clearance	30 days	7 days	76% faster
Pending AMCs	4	0	100% resolved

2. Detailed Q4 Findings

A. Financial Closing (FY 2024-25)

Checkpoint	Status	Remarks
Balance Sheet Reconciliation	Compliant	Tallied with ledger
P&L Statement Finalization	Compliant	Audited by CA
Depreciation Accounting	Compliant	As per Companies Act

B. Statutory Compliance

Checkpoint	Status	Remarks
March 2025 TDS Payment	Compliant	Deposited on 7th April 2025
PF/ESI Annual Return	Compliant	Filed before due date

Checkpoint	Status	Remarks
GST Audit	N/A	Not applicable

C. IT Infrastructure

Checkpoint	Status	Remarks
Busy Software AMC	Compliant	Renewed on 10th Jan 2025
Cybersecurity Audit	Compliant	No vulnerabilities found

D. Staff & Payroll

- Final salary payments processed via bank (including arrears).

E. Fee Management

- 98% fee collection documented with digital receipts.
- Outstanding dues below 1% (within tolerance limit).

F. Fixed Assets & Inventory

- Physical verification completed; 100% match with records.
- Obsolete equipment written off as per policy.

3. Recommendations for FY 2025-26

1. **Digital Transformation:** Implement AI-based expense tracking tools.
2. **Staff Training:** Quarterly workshops on updated accounting standards.
3. **Green Initiatives:** Shift to paperless approvals for petty cash.

4. Conclusion

The institute has demonstrated **exceptional financial discipline** in FY 2024-25, with all audit targets met. The focus for FY 2025-26 should be on **sustainability** and **digital innovation**.

Annexure: FY 2024-25 Milestones

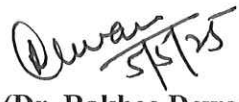
5% cost savings achieved through bulk payment optimizations.

Fee collection efficiency improved to 99.8% (from 98.5% in FY 2023-24).

Audit Team Signatures:

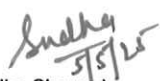

(Sudha Sharma)
Accountant


(Vivek Sharma)
Assistant Professor 5/5/25


(Dr. Rakhee Dewan)
Associate Professor

GIAN JYOTI EDUCATIONAL SOCIETY (REGD) MOHALI
(UNIT: GIAN JYOTI INSTITUTE OF MANAGEMENT & TECHNOLOGY)
INCOME AND EXPENDITURE ACCOUNT FOR THE PERIOD
FROM 01.04.2024 TO 31.03.2025

EXPENDITURE	Amount (Rs.)	INCOME	Amount (Rs.)
To Staff Payments & Benefits		<u>Academic Receipts</u>	
To Salary to Staff	30285956.00	By Uniform receipts	1354500.00
To Employer contribution to ESI	65970.00	By Tution Fees	27526927.94
To Employer contribution to PF	226614.00	By Other Institutional Charges	13055219.56
To Stipend Charges	136337.00	By University Processing fees	626000.00
<u>Academic Expenses</u>		<u>Other Income</u>	
To Conference Expenses	37607.00	By Grant in Aid-Director Youth Mohali	35000.00
To Advertisement & Publicity	3828352.86	By 18th International Conference	14000.00
To NCC / NSS Expenses	11485.00	By Faculty Development Program (FDP)	14000.00
To AICTE processing charges	203000.00	By 20th GJNCM Meet	28500.00
To NAAC Processing fees	890000.00	By Online examination fees	3266970.80
To NAAC Charges	307229.44	By Admission Fees Cancellation	252500.00
To PTU General Exp	3500.00	By Rent Received	762708.00
To Carriculum Activities	98200.00	By Interest received on FDR	2378261.70
To Faculty Development Program (FDP)	23917.00	By Interest Received on Saving	189718.00
To Fire Safety	46295.00	<u>Value Added Course</u>	
To First Aid Training	3000.00	By Functional English	5000.00
To Membership & Subscripion	104653.50	By Vedic Maths	6500.00
To Uniform A/c	65187.00	By MS Office Program Fees	30000.00
To Referral / Incentive charges	209881.00	By ACCA Knowledge Level Fees	20000.00
To Student welfare & Development	762619.77		
To Staff welfare expenses	445711.98		
To Student Scholarships	5289537.00		
To Sodashi Events	85443.00		
To 20th GNCM Meet Expenses	13800.00		
To Postage & Telegram	2907.00		
To Gian Mgt Journal	574374.00		
To Online Examination Charges	1744500.00		
To Bank Charges	8268.39		
To Books, Newspaper & Periodicals	13756.00		
To African Meet Expenses	185277.20		
To University Processing Charges	1270380.00		
<u>Administrative and General Expenses</u>			
To Water & Electricity Expenses	812.00		
To Fees & Taxes (TDS & ESI Demand)	85209.00		
To Freight & Forwarding Charges	1350.00		
To Function/Festival expenses	700641.40		
To Telephone and Internet Exp.	460554.92		
To Printing & Stationery	899375.67		
To Travelling Expenses	40456.00		
To Legal & Professional Charges	595877.00		
To Consumable Charges	25815.00		
To Balances roundoff	1.49		
To Interest on TDS	13195.00		
<u>Repair & Maintenance</u>			
To Repair & Maintenance (Building)	539242.31		
To Repair & Maintenance (General)	225319.91		
To Generator Maintenance	30922.04		
To Transport Expenses	10000.00		
To Vehicle Maintenance A/c	196995.81		
To Insurance Charges	138514.00		
To Office Maintenance	472911.57		
To Software Maintenance	23610.00		
To Computer Maintenance	58498.46		
To Depreciation	4339997.87		
Total Expenses	55803058.59	Total Income	49565806.00
		Excess of Expenditure Over	6237252.59
		Income	
Total	55803058.59	Total	55803058.59


 (Sudha Sharma)
 Accountant


 (Vivek Sharma)
 Assistant Professor
 5/5/25


 (Dr. Rakhee Dewan)
 Associate Professor