

INDEPENDENT AUDITOR'S REPORT

To,

Ghaziabad Branch of CIRC of ICAI

Report on the Audit of the Financial Statements

Disclaimer Opinion:

We have audited the financial Statements of Ghaziabad Branch of CIRC of the Institute of Chartered Accountants of India ("the Branch") situated at A-12, II Floor, Yamunotri Complex, Ambedkar Road, Ghaziabad - 201001, which comprise the Balance Sheet as at March 31st, 2023, the Statement of Income and Expenditure for the year ended March 31st, 2023.

In our Opinion, and best to our information and according to the explanations given to us, the aforesaid financial statements are prepared in all material respects in accordance with the Chartered Accountants Act, 1949, and give a true and fair view in conformity with the accounting principles generally accepted in India of the states of affairs of the Branch as at March 31st, 2023, its deficit for the year ended except for the matters described in the Basis for Disclaimer of Opinion section of our report.

We have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for Disclaimer of opinion

- 1) The following Financials statement line items are subject to confirmation as at March 31st, 2023:
 - a) Balances for various Inter unit branches and divisions cumulative amounting to Rs. 1,03,54,422.46 Dr. and Rs. 8,85,73,845.30 Cr. (refer Annexure 1 in the checklist for details).
 - b) Receivables amounting to Rs. 33,03,468.70 (refer Annexure 2 in the checklist for details).
- 2) No details are provided to us with respect to TDS receivable under head 'other assets' amounting to Rs. 8,04,480.18 as at March 31st, 2023.
- 3) Reports regarding monthly/quarterly physical verification of Property, Plants and Equipment's are not available on records. Hence, we cannot form an opinion on the same.
- 4) Other Liabilities includes Rs. 7,71,687/- which is unreconciled and no details was furnished in this respect and remained unverified. Hence, we cannot form an opinion on the same.

EMPHASIS OF MATTER

We draw your attention towards:

1. We have been informed that no insurance of the fixed assets has been taken by the Branch. And if any insurance is done at ICAI Head office level same has also not been communicated or confirm to us.
2. During the audit, we have observed that the unique asset identification number was not allotted to all the fixed assets.
3. We have been informed that, there is no formal written employee agreement between branch and employees employed by the branch



Our opinion is not modified in respect of this matter.

OTHER MATTER

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of these financial statements in accordance with the Chartered Accountants Act, 1949 that give a true and fair view of the state of affairs, financial performance of the Branch in accordance with the accounting principles generally accepted in India, including the Accounting Standards issued by the Institute of Chartered Accountants Of India. This responsibility also includes maintenance of adequate accounting records for safeguarding of the assets of the Institute and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management is responsible for assessing the Institute's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Institute or to cease operations, or has no realistic alternative but to do so.

The management is responsible for overseeing the Institute's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatement can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to

- a) 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.
- b) In our opinion, proper books of account have been kept by the Branch so far as appears from our examination of those books. (Refer our opinion para also.)
- c) Balance Sheet and Statement of Income and Expenditure dealt with by this Report are in agreement with the books of accounts.

For GAUR & ASSOCIATES
Chartered Accountants
FRN: 005354C

S. K. Gupta
Partner

M. No. 016746

UDIN: 23016746BGRW6Z5663

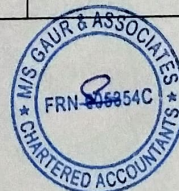


Annexure A

Particulars	Auditor's Observations	Auditee's Comments	Auditors Remarks on Auditee's Comments
1. Whether books are being maintained in online Tally ERP Cloud on regular basis and financial statements are prepared from the books of accounts maintained in on-line Tally only.	Yes, Books are maintained in online tally. And as informed to us the books are updated on weekly basis by the branch. However, we come across many multiple entries which are pending for confirmation from ICAI, HO, Officials.		
2. Whether inter unit balances with Head Office / Regional Councils/ Decentralized offices/ Branches are duly reconciled. Details of inter unit balances to be reported.	The inter unit balances with Head Office / Regional Councils/ Decentralized offices/ Branches are subjected to confirmation. Annexure 1 has been attached for the same. (Refer main audit report for details)		
3. Whether the concerned unit is regular in depositing statutory dues i.e., provident fund, employees' state insurance, TDS, GST and any other Statutory dues to the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues on the balance sheet date.	1) As Informed to us ESI & PF laws are not applicable to the Branch. 2) TDS has generally been deducted and deposited during the period of audit. 3) As informed the compliance of GST Is dealt at the nodal office. 4) As informed No other statutory dues are applicable on branch.		
4. Whether the concerned unit has complied with requirements of Micro, Small and Medium Enterprises Development (MSMED), Act 2006.	As Informed to us MSME laws are not applicable to Branch.		
5. Whether the concerned unit is complying with the Standard Operating Procedures (SOP). Departure / noncompliance with (SOP) be reported	On test check basis of the transactions selected, we have noticed the SOP's prescribed by the Institute are compiled by the management.		
6. (A) Whether the concerned unit is maintaining Fixed Assets			



Register and assets purchased during the period are properly recorded in register,	Unique asset identification number is not allotted on all the fixed assets		
(B) Whether Fixed Assets purchased during the year have been allowed unique identification code and same have been updated in Fixed Assets Register as well.			
(C) Whether fixed asset have been Physically verified by management at reasonable interval and any material discrepancies noticed on such verification, if any, have been properly dealt with in the books of accounts.	Records related to Physical verification of fixed assets is not available on records. Fixed Assets does not disclose because of depreciation at Net Book Value		
(D) Whether the capital items purchased by concerned unit are out of the capital grant released by Head Office and only for the purpose it was sanctioned. Provide details of exception	Capital expenditure is towards the construction of the new branch building, in respect to this building the payment made to contractor and architect have not been made from earmarked fund rescue, but funds are raised from the ICAI HO by the branch through IUT's memo. (Inter unit transaction) for payment to contractors and architect.		
(E) Whether the title deeds of immovable properties are held in the name of the Institute. If not, provide the details thereof.	As informed, original title deeds of immovable property kept the H.O		
(F) In case, the branch is not having its own premises and carrying on its activity from rented / leased premises, verify whether the Rental / Leased Expenses are within specified limit i.e.,	Information about any limit for rental expense has not been provided to us. Hence the same cannot be ensured by us.		
7. (A) Whether the expenditure towards Seminar & Conference are properly accounted for and met out of the source	On test check basis, it has been noticed that expenditure towards Seminar & Conference are properly accounted		



generated by way of participation fee and Seminar /CPE Grant released by Head Office			
(B) Whether separate ledger account is being maintained for each of the Seminar / Conference / Workshop / any other program organized during the period,	On test check basis we have noticed that separate ledger account is being maintained for each of the Seminar Conferences / Workshop / any other program organized during the period,		
(C) Also, report whether such accounts are reconciled and not remained open for long and close within 60 days from the closure of such program.	No such logs exist for the closure of such accounts hence same cannot be confirmed. However, we have been given an understanding that same is followed.		
(D) Whether any non-educational program/ activity is organized by the concerned unit and expenses recorded in books of accounts. If yes, provide program wise deficit generated from non-educational program / activities and total deficit from non-self-supporting non educational program / activities.	Yes, non-educational activity was organized by the unit, but no deficit has arisen from the same.		
(E) Whether the amount recoverable in respect of any seminars & programs (like Advertisements, Sponsorship etc.) have been recovered within reasonable time, if not aging analysis of such recoverable be given	Information about such aging analysis figures has not been provided to us, hence the same cannot be ensured by us. (Refer main audit report for details)		
8. Whether the fund of the concerned unit is applied either directly or indirectly for making any payment to the members of the Managing Committee except to reimburse them any expenses incurred by them in connection with the business of the	On test check basis, we have noticed that no such payment was made directly and indirectly to the Managing Committee of concerned unit.		



Managing Committee of concerned unit. If yes, Provide details.			
9. (A) Whether investments are earmarked corresponding to funds to be earmarked for specific purpose and the same are in agreement. If not, mention reason for the same.	Funds have been earmarked for the building construction amounting to Rs. 2,07,99,301.		
(B) In case, any amount is transferred from/to Capital reserve, general reserve or/and approved by the managing committee of the concerned unit.	No such transfer has been made from/to capital reserve, general reserve or/and earmarked funds.		
(C) Whether such funds are utilized only specific purpose for which the same are appropriated.	Earmarked funds have not been utilized during the audit period.		
10. Whether concerned unit is printing and publishing newsletters except e-newsletter. The income and expenditure generated from newsletter publication during the year should be reported.	Branch is publishing e- newsletter only.		
11. Whether all the revenue grants received and receivable as per the entitlement of the concerned unit duly accounted for in the books of accounts.	Such grants are recognized by the branch only after intimation from the head office. Therefore, they are duly accounted for.		
12. Whether Capital Grants is recognized only on receipt basis.	No such grant received during the Period of audit.		
13. Whether material departure noticed while comparing the actual income and expenditure with the budget estimates approved by the Council. If yes, submit the report of the same.	On test check basis Budgeted income / expenditure are not provided to us. Hence no comments in regards of departure. (If any)		



Annexure 1 – Inter Unit Balances

S. No.	Particulars	Amount (Dr.)	Amount (Cr.)
1.	Pubn Current A/c Ghaziabad of CIRC - 130101417		5,997.00
2.	Pubn Current A/c ICAI Payable-130101417		25,930.00
3.	Current Account- Delhi DCO- 610117002	94,73,762.46	
4.	Current A/c Ghaziabad of CIRC -610117417		25,45,335.61
5.	Current Account-GMCS 2- 610117417		48,000.00
6.	Current Account-GMCS- 610117417		6,000.00
7.	Current Account-Grants- 610117417	1,82,768.00	
8.	Current Account-ITT- 610117417		3,50,750.00
9.	Current Account-Orientation- 610117417		2,44,500.00
10.	Current Account-Seminars - 610117417	3,98,740.00	
11.	Intra-Inter-Unit-CIRC-610127001	2,99,152.00	
12.	Intra-Inter-Unit-Kanpur DCO-610127001		3,81,568.49
13.	Building Grant-Ghaziabad of CIRC-610104417		7,69,49,069.00
14.	Capital Grant -Ghaziabad of CIRC -610102417		78,14,595.20
15.	Current Account -Kanpur DCO-610117005		2,02,100.00
Total		1,03,54,422.46	8,85,73,845.30

Annexure 2 – Receivables Outstanding's

S. No.	Particulars	Amount	Due From	Remarks
1.	Other Receivables (No Others Details Available)	33,03,468.70	As on 30.09.2016	Outstanding For More Than 2 Year
Total		33,03,468.70		



Ghaziabad Branch of CIRC of ICAI
Balance Sheet

1-Apr-2022 to 31-Mar-2023

ICA I_Ghaziabad_CIRC_New - as at 31-Mar-2023		ICA I_Ghaziabad_CIRC_New - as at 31-Mar-2023	
Liabilities		Assets	
Capital Account-11	42916157.41	Fixed Assets-21	80594251.55
Reserves & Surplus-1101	42916157.41	Tangible Assets-2101	80594251.55
Earmarked Funds-110102	12649486.53	Airconditioner-210103	304307.16
Reserves-110101	30266670.88	Computer-210109	3085149.18
Loans (Liability)		Electrical Installation & Fittings-210102	50742.70
Current Liabilities-12	9533550.21	Furniture & Fixtures-210104	631459.50
Duties & Taxes-1201	298173.16	Land & Building-210101	75540527.97
Direct Tax-120101	233972.74	Office Equipment-210108	982065.04
Indirect Tax-120102	532145.90	Investments-22	29453122.00
Sundry Creditors-1203	8453177.37	General Investment-2201	29453122.00
Expenses Payable-Parties-120303	8412337.37	General Investment-FD with Bank-220101	8653821.00
Expenses Payable-Staff-120301	40840.00	General Investment-Others-220102	20799301.00
Other Liabilities-1205	771687.00	Current Assets-23	10857791.40
Other Payable-120502	771687.00	Deposits (Asset)-2301	60000.00
Provisions-1206	606859.00	Security Deposit-230101	60000.00
Provisions for Expenses-120601	606859.00	Loans & Advances (Asset)-2302	25000.00
Branch / Divisions-13	78219422.84	Other Advances-230203	25000.00
Branch/Division Transfer-1301	31927.00	Sundry Debtors-2303	20000.00
Publication Current A/c-130101	31927.00	Receivables-230301	20000.00
Inter Head Balances- BS-81	78187495.84	Cash-in-Hand-2304	13848.00
Inter Head- BS-8101	78187495.84	Cash-230401	13848.00
Building Grant-810104	76949069.00	Bank Accounts-2305	5035333.52
Capital Grant-810102	7814595.20	Bank - Main Account-230501	5035333.52
Current Account-810117	6658584.85	Other Assets-2306	5703609.88
Regional Intra-Inter Unit A/c-810127	82416.49	Interest Accrued-Investment-230601	858123.00
Suspense A/c-14		Other Receivable-230603	4041006.70
		TDS Receivable-230606	804480.18
		Excess of expenditure over income	9763965.51
		Opening Balance	885107.00
		Current Period	8878858.51
Total	130669130.46	Total	130669130.46

CA. Manish Aggarwal
Chairman

CA. Ankit Goel
Secretary

CA. Abhay Kansal
Treasurer

Refer our audit report of even date

For Gaur & Associates

S.K. GUPTA
(Partner)

M.No. 016746

UDIN : 23016746BWRW6Z5663

Date : 15.05.2023
Place : Ghaziabad



Ghaziabad Branch of CIRC of ICAI
Income and Expenditure Statement
1 Apr 2022 to 31-Mar-2023

ICAI_Ghaziabad_CIRC_New - 1-Apr-2022 to 31-Mar-2023		ICAI_Ghaziabad_CIRC_New 1-Apr-2022 to 31-Mar-2023	
Particulars		Particulars	
Opening Stock		Sales Accounts-31	
Purchase Accounts-41		Direct Incomes-32	14790809.57
Direct Expenses-42	20094391.44	Fees Received-3201	5289300.00
Employee Benefit Expenses-4202	1791274.34	Class Room Training Income-320104	5289300.00
Salary Pension & Other Allowances-420201	1697820.00	Income Support Services-3204	4925695.28
Staff Welfare-420203	93454.34	Income Support Services-320401	4925695.28
Operating Expenses-4204	6491514.59	Inter Head Balances- IE-51	1568711.00
Audit Fees-420420	144000.00	Inter Head- IE-5101	1568711.00
Class Room Training - Adv ITT-420425	95240.00	BOS Related Grants Grant-510114	500000.00
Class Room Training - GMCS 2-420426	550166.00	Staff & Admin Exp Grant-510104	1068711.00
Class Room Training - GMCS-420414	88851.00	Seminars Participation Fees-3202	3007103.29
Class Room Training - ITT-420416	833234.00	Seminar Income-320201	3007103.29
Class Room Training - Orientation-420415	1038205.00	Indirect Incomes-33	571257.36
Other Expenses-420423	2081189.09	Other Income-3301	571257.36
Postage and Telephone-420407	52653.71	Interest Received on Investment-330101	535873.00
Professional Expenses-420413	5100.00	Other Income-330104	35384.36
Rent Rates & Taxes-420408	1404722.00	Closing Stock	
Repair & Maintenance-420411	107077.83	Excess of expenditure over income	8878858.51
Technology Expenses-420406	40127.98		
Travelling & Conveyance-420409	50948.00		
Printing and Stationery-4203	185676.90		
Printing & Stationery-420301	185676.90		
Seminar and Programs-4201	11625835.61		
CA Day-420103	281098.00		
Seminar Expenses-420101	7908480.12		
Seminar Students Exp-420102	3308368.28		
Sports & Tournament-420105	121889.21		
Yoga Day-420104	5000.00		
Indirect Expenses-43	4148624.00		
Depreciation-4301	4146624.00		
Depreciation-Intangible Assets-430102	14106.00		
Depreciation-Tangible Assets-430101	4132518.00		
Total	24240925.44	Total	24240925.44

CA. Manish Aggarwal
Chairman

CA. Ankit Goel
Secretary

CA. Abhay Kansal
Treasurer

Refer our audit report of even date

For Gaur & Associates

S.K GUPTA
(Partner)

M.No. - 016746



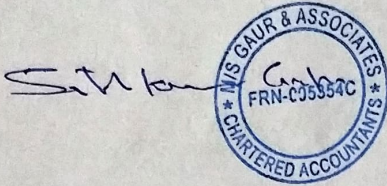
Date : 15.05.2023
Place : Ghaziabad

VDIN- 23016746BhRW6Z5663

GHAZIABAD BRANCH OF CIRC OF ICAI

Schedule of Fixed Assets & Depreciation as on 31-Mar-23

S.no.	Name of Fixed Assets	Rate	WDV on 01-04-2022	Additions first half	Additions 2nd half	Sale During the year	Total	Depreciation 365 days	WDV as on 31-Mar-23
1	LAND - FREE HOLD	0%	1,74,90,017.00	-	-	-	1,74,90,017.00	-	1,74,90,017.00
2	BUILDINGS	5%	5,18,59,083.97	92,46,717.00	-	-	6,11,05,800.97	30,55,289.85	5,80,50,511.12
3	ELECTRIC INSTALLATIONS & FIX	10%	56,380.70	-	-	-	56,380.70	5,638.00	50,742.70
4	Computers, Laptop & Software	40%	26,493.18	-	38,33,940.00	-	38,60,433.18	7,75,284.21	30,85,148.97
5	AIR CONDITIONER	15%	3,58,008.16	-	-	-	3,58,008.16	53,701.00	3,04,307.16
6	Furniture & Fixtures	10%	7,01,621.50	-	-	-	7,01,621.50	70,162.00	6,31,459.50
7	Office Equipment	15%	11,53,379.57	58,382.71	9,745.76	67,000.00	11,54,508.04	1,72,442.93	9,82,065.11
	SLM						14,106.00	14,106.00	-
8	Mobile App	33%	14,106.00	-	-	-	-	-	-
	Total		7,16,59,090.08	93,05,099.71		67,000.00	8,47,40,875.55	41,46,623.99	8,05,94,251.56



CA. Manish Aggarwal
Chairman

CA. Ankit Goyal
Secretary

CA. Abhay Kansal
Treasurer