



THE AMERICAN COLLEGE, MADURAI

(An Autonomous Institution Affiliated to Madurai Kamaraj University)

Re-accredited (Cycle 3) by NAAC with Grade “A+” CGPA 3.47 on a 4 point scale

6.4. Financial management & Resource Mobilization

6.4.1. Internal Audit Report

Criterion VI

Governance, Leadership and Management

THE GOVERNING COUNCIL OF THE AMERICAN COLLEGE, MADURAI

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2022

I. SIGNIFICANT ACCOUNTING POLICIES

1. ACCOUNTING SYSTEM:

The College follows cash system of accounting and recognize Income and Expenditure on cash basis.

2. REVENUE RECOGNITION

- i) Fee collections are accounted in the books of accounts on actual collection basis and expenses are accounted on payment basis.
- ii) Interest income is recognized on the time basis determined by the amount outstanding and the rate applicable and where no significant uncertainty as to measurability or collectability exists.
- iii) Scrap sales has been recognized as revenue on the basis of Collection.

3. FIXED ASSETS & DEPRECIATION:

- i) The Cost of Fixed assets comprise of its acquisition cost which is inclusive of freight, duties, levies, and all incidentals attributable to bringing the asset to its working condition. Further any trade discounts and rebates are deducted in arriving at the cost.
- ii) The intangible assets are separately acquired and are capable of being measured reliably. The cost of intangible asset comprises the purchase price including import duties, if any and other non-refundable taxes or levies and any directly attributable cost on making the asset ready for its intended use.
- iii) Depreciation on Fixed Assets have been charged in accordance with the rates specified as per Income tax Rules, 1961 under written down value method. 50% of normal depreciation rate has been charged on the fixed assets purchased during the year and used less than 180 days.

4. FOREIGN CURRENCY TRANSACTIONS

All Foreign Currency Transactions are recorded at the rate prevailing on the date of transactions.

5. RETIREMENT BENEFITS:

Provident Fund for Government Approved Staff are deducted by the Regional Joint Director of Collegiate Education and remitted to the Government directly.



Attested
[Signature]

Dr. M. DAVAMANI CHRISTOBER
Principal & Secretary
The American College
Madurai-625 002



II. NOTES ON ACCOUNTS:

- a) Previous year Figures have been reclassified and rounded off to the Nearest Rupee, wherever necessary in confirm with the classification of the year.
- b) All advances, contractors' advances, Electricity Deposits, EMD Payable, Teachers Advance and fixed deposits are subject to confirmation and reconciliation from the respective parties.
- c) The organization is following the policy of providing advances to contractors, advances for expenses which are either of capital nature or revenue nature.
- d) Building work in progress as on 31.03.2022 amount of Rs.5,92,85,378/- and Loans and advance balance as on 31.03.2022 Rs. 8,82,26,294/-.
- e) The Fixed Deposits are made from Self-Finance Course Account and Management Account jointly with Government authorities / University and the Original Fixed Deposit receipts are deposited with the concerned authorities as security deposit.
- f) Fixed Asset register is maintained and needs improvement. All the assets are physically verified by the management and are in usable condition.
- g) The institution is under the process of preparing and reconciling Student wise, month wise and course wise fees collected during the year.
- h) Caution deposit collected from UG and PG students had been accounted in head of payable under the current liability and whenever repaid the caution deposit current liability will be reduced.
- i) Inter unit transfer paid and received within the management self-finance and Government units neither payable nor receivables. Hence, such inter unit transfer paid and received have been considered under capital account.

Place: Madurai

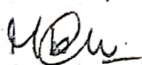
Date: 27.09.2022

UDIN: 22200322AXHBDL8305

For M/s. MANOHAR CHOWDHRY & ASSOCIATES

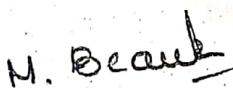
Chartered Accountant

Firm Registration No.: 001997S

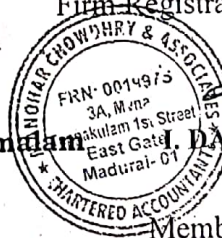

Dr. M. Davamani Christober

Principal & Secretary




M. Beaula Ruby Kamalam

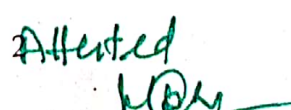
Bursar




DANIEL SELVARAJ

Partner

Membership No: 200322


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