

Institution conducts internal and external financial audits

Internal and external financial audits are conducted on a regular basis at the University. The external audit is conducted annually, while the internal audit is a continuous process. Following the external audit, the final accounts are sent to the Board of Management, along with the auditor's report, for necessary closures and approvals, via the Finance Committee. These audits take care of the financial transactions and procedures used to achieve efficiency as depicted in figure 6.11.



Figure 6.11: Internal and External Audits Procedure and areas of Audit:

A. Internal Audit

Internal audits are a continuous process. The transactional audit ensures that all financial transactions are verified completely. The exercise includes thorough checking of all financial documents. Additionally, the audit covers the capital equipment, materials, and service procurement processes. It is ensured that expenditures are authorised in accordance with the duly approved budget by the Board of Management. Receipt of fees is a critical component of the auditing process. Additionally, bank reconciliation statements are examined. The audit determines the adequacy of internal control procedures. The internal audit report is reviewed by the committee and the Board of Management and decisions are taken to set right the deviations if any.

B. External Audit (Statutory Audit)

The audit is initiated immediately following the completion of the financial statements. The audit begins with a review of the internal auditor's report, observations, and corrective actions. Financial transactions, compliance with accounting standards, stock verification, internal controls, and the adequacy of provisions made by statutory auditors are also

considered.

Compliance with and remittance of tax liabilities and other statutory obligations, as well as the filing of returns, are also monitored. The University's Finance Committee and Board of Management receive the audited financial statements and the auditor's report.
