



लोकहितार्थं सत्यमिच्छता
Dedicated to Truth in Public
Interest

कार्यालय प्रधान महालेखाकार (लेखापरीक्षा), मणिपुर
OFFICE OF THE PRINCIPAL ACCOUNTANT GENERAL (AUDIT)
MANIPUR, IMPHAL - 795 001

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No. PAG (Au)/LB-AB/45/SAR (19-20)/NSU/20-21/110

Dated: 10.08.2022

To,

**The Secretary,
Department of Sports,
Ministry of Youth Affairs and Sports,
Shastri Bhavan, New Delhi – 110001.**

Subject: - Audit Report on the accounts of the National Sports University, Imphal for the year 2019-20.

Sir,

I am to forward herewith the Audit Report on the Accounts of the National Sports University, Imphal for the year 2019-20. I am also to request the Government to make necessary arrangements to place the Audit Report in the Parliament.

The Report may be kept confidential till it is placed in the Parliament.

Encl: As stated above.

Yours faithfully,

Sd/-

Sr. Deputy Accountant General (AMG - I)

Memo No. PAG (Au)/LB-AB/45/SAR (19-20)/NSU/20-21/111-12

Dated: 10.08.2022

Copy forwarded to:-

1. The Principal Director (AB), O/o the Comptroller and Auditor General of India, 9, Deen Dayal Upadhyaya Marg, New Delhi-110124
2. The Registrar, National Sports University, 2nd Floor, Olympic Bhawan, Khuman Lampak Sports Complex, Imphal, Manipur-795001 with one copy of the Audit Report for information and necessary action. The Report may be kept confidential till it is placed before the Parliament.

Sr. Audit Officer (AMG - I)

**Separate Audit Report on the accounts of National Sports University,
Manipur, for the year ended 31 March 2020**

1. We have audited the attached Balance Sheet of the National Sports University, Imphal, Manipur as of 31 March 2020 and the Income and Expenditure Account and Receipts and Payments Account for the year ended on that date under Section 19(2) of the Comptroller and Auditor General's Duties, Powers and Conditions of Service (DPC) Act, 1971 read with Section 29(1) of the National Sports University Act, 2018. These financial statements are the responsibility of the University's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. This Separate Audit Report contains the comments of the Comptroller & Auditor General of India (CAG) on the accounting treatment only with regard to classification, conformity with the best accounting practices, accounting standards, disclosure norms, *etc.* Audit observations on financial transactions with regard to compliance with the Law, Rules & Regulations (Propriety and Regularity) and efficiency-cum-performance aspects, *etc.*, if any, are reported through CAG's Audit Reports separately.
3. We have conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. The audit includes examining, on a test basis, evidences supporting the amounts and disclosure in the financial statements. The audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of financial statements. We believe that our audit provides a reasonable basis for our opinion.
4. Based on our audit, we report that:
 - i. We have obtained all the information and explanations, which to the best of our knowledge and beliefs were necessary for the purpose of our audit;
 - ii. The Balance Sheets, Income and Expenditure Account and Receipts and Payments Account dealt with by this report have been drawn up in the format prescribed by the Ministry of Youth Affairs and Sports;
 - iii. In our opinion, proper books of accounts and other relevant records have been maintained by the National Sports University, Manipur, as required under the Rules in so far as it appears from our examination of such books.

iv. We further report that-

A. BALANCE SHEET

A.1 LIABILITIES

3. Current Liabilities & Provisions: ₹ 11,667¹

6 d) Unutilized Grants: Nil

The above represents the total outstanding current liabilities of the University as on 31 March 2020. Scrutiny of the records however revealed that the schedule does not include unutilized grants amounting to ₹ 289.43 lakh as given in details below-

Sl. No.	Particulars	NSUS (₹)	NSU (₹)
1	Opening Balance		2,47,50,538.00
2	Received during the year		5,27,21,260.00
	Total		7,74,71,798.00
3	Less: Utilized for Capital Expenditure (A)		53,42,942.00
	Balance		7,21,28,856.00
4	Less: Utilized for Revenue Expenditure (B)		4,31,85,552.00
	Unutilized Balance(C)		2,89,43,304.00

A- Appears as addition to Capital Fund as well as additions to Fixed Assets during the year.

B- Appears as income in the Income & Expenditure Account.

C- (I) Appears under Current Liabilities in the Balance Sheet and will become the opening balance next year.

(II) Represented by Bank balances, Investments and Advances on the assets side.

This has resulted in understatement of Current Liabilities by ₹ 289.43 lakh and overstatement of Corpus/Capital Fund by the same amount.

B. INCOME AND EXPENDITURE ACCOUNT

B.1 EXPENDITURE

4. Depreciation : ₹ 18.43 lakh

Audit observed that Fixed Assets were depreciated at written-down value in non-compliance to the University's policy of charging depreciation by Straight line method. Further, audit also observed that Historical cost/ Gross Block of Furniture, Fixtures & Fittings is reflected at depreciated value as transferred from NSUS at Net Block value. The net impact of depreciation by Written down value method is given below-

¹ NSUS Accounts: Nil NSU Accounts ₹ 11,667.00

As per Accounts		As per Audit		(Understatement)/ Overstatement	
Depreciation for the year	Net Block	Depreciation for the year	Net Block	Depreciation for the year	Net Block
18,43,293.00	1,07,10,475.00	24,54,938.00	1,03,39,507.00	(6,11,645.00)	3,70,968.00

From the table, it can be seen that depreciation for the year was charged less by ₹ 6,11,645 due to erroneous calculation or usage of wrongful method of depreciation. This has resulted in understatement of depreciation and expenditure by ₹ 6.12 lakh and overstatement of Tangible Assets by ₹ 3.71 lakh.

C. RECEIPTS AND PAYMENTS ACCOUNT

Nil

D. GENERAL

D.1 FORMAT OF FINANCIAL STATEMENTS FOR CENTRAL HIGHER EDUCATIONAL INSTITUTIONS

The National Sports University, Manipur, is yet to fully adopt MHRD format. Audit observed that the University-

1. did not prepare Grant Schedule as per the revised Format of Accounts
2. did not prepare sub-schedule for Unutilized Grants
3. did not prepare Consolidated Annual Financial Statements

E. GRANTS-IN-AID

Out of the grants-in-aid of ₹ 775 lakh (Opening balance of ₹ 248 lakh + ₹ 527 lakh received during the year), the National Sports University could utilize a sum of ₹ 486 lakh leaving a balance of ₹ 289 lakh unutilized grant as on 31st March 2020.

F. MANAGEMENT LETTER

Deficiencies which have not been included in the Audit Report have been brought to the notice of the Vice-Chancellor of the University through a Management Letter issued separately for remedial/corrective action.

- v. Subject to our observations in the preceding paragraphs, we report that the Balance Sheet and Income and Expenditure Account dealt with by this report are in agreement with the books of accounts.

ANNEXURE

Annexure to Audit Report

1. Adequacy of Internal control system

The University being established recently and yet to function in full capacity, still lacks in adoption and implementation of proper Internal Control System and Internal Checks.

2. System of Physical verification of Stores/Fixed Assets

The University did not conduct physical verification of Fixed Assets and Stores for the period.

3. Adequacy of Internal Audit

The National Sports University does not have resident Internal Auditor/ Internal Audit Officer which deprive the University of timely identification of flaws, feedbacks and corrective actions so far as the accounting and the financial transactions is concerned.

4. Statutory Dues - No dues


Sr. Audit Officer (AMG-1)