






RAAK

COLLEGE OF ENGINEERING AND TECHNOLOGY

(Approved by AICTE, New Delhi, Affiliated to Pondicherry University)
(A Unit of Farouk Educational Trust)

FINANCIAL AUDIT POLICY

POLICY NO.	ISSUE/REVISION NO.	DATE OF REVISION	NEXT REVISION
RAAKCET/IQAC/POLICY/012	01/01	10/05/2022	2025

PREPARED BY	VERIFIED BY	APPROVED BY
		
ADMINISTRATIVE OFFICER	IQAC COORDINATOR	PRINCIPAL



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INTERNAL AND EXTERNAL FINANCIAL AUDIT POLICY

- Policy Name** : Internal and External Financial Audit Policy
- Purpose** : To conduct internal and external Audits for the accuracy and authenticity while managing College accounts.
- Custodian** : Finance and Account Officer
- Audit Frequency** : As determined & Communicated by Financial Advisor
- Policy Structure** : The Finance Officer shall co-ordinate the internal audit activity. This will assist the auditors in achieving legitimate objectives with the least impact on operations. Institution shall provide internal auditors with access to all records that are relevant to the audit, except those deemed by to be legally privileged or protected.

Scope of the Policy : Access the risks involved and categorize the risks as High, Medium and Low. Access the controls that are in place to address those risks and review their adequacy. Check if the college regulations regarding finances are being followed. Test the controls that are being relied upon. Identify the weaknesses and inefficiencies and suggest remedial measures.

Internal Audit Policy: RAAK College of Engineering and Technology shall constitute a Finance Committee which shall be the principal financial body of the college to take care of the financial matters. Annual accounts and 'Balance Sheet' of the college shall be prepared under the directions of the Executive Council and shall be audited by an experienced and qualified firm of Chartered Accountants of repute. Finance Committee shall appoint the external auditors every year. Internal audit shall be conducted either through a qualified firm of Chartered Accountants of repute or through the college staff or both.

Objectives

Objective of the internal audit shall be to-

Access the risks involved and categorize the risks as High, Medium and Low.

- Access the controls that are in place to address those risks and review their adequacy.





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An ISO 9001:2015 Certified Institution

- Check if the college regulations regarding finances are being followed.
- Test the controls that are being relied upon.
- Identify the weaknesses and inefficiencies and suggest remedial measures.
- The Finance Officers shall co-ordinate the internal audit activity. This will assist the auditors in achieving legitimate objectives with the least impact on operations. College shall provide internal auditors with access to all records that are relevant to the audit, except those deemed by to be legally privileged or protected.
- Observations made by the internal auditors shall be discussed by The Finance Officer and classified as matters relating to-
 - ❖ Accounting Principles.
 - ❖ Financial reporting practices and policies.
 - ❖ Significant accounting and matters having financial impact.

External Audit Policy: The Finance Officer shall co-ordinate the external audit activity. This will assist the auditors in achieving legitimate objectives with the least impact on operations. College shall provide external auditors with access to all records that are relevant to the audit, except those deemed by to be legally privileged or protected.

- Observations made by the external auditors shall be discussed by the Finance Officer and classified as matters relating to-
 - ❖ Accounting Principles
 - ❖ Financial reporting practices and policies
 - ❖ Significant audit matters
- Apart from the mandatory external audit, as mandated in the Gazette notification and also for Income Tax purposes, College shall get the limited purpose external audit done for compliance of various Government / Non-Government Department, namely;
 - ❖ Borrowings
 - ❖ Utilization Certificates for funds received
 - ❖ Accreditation Agencies etc.

