

Umesha Rao M. B.Com, FCA, DISA (ICAI)
Chartered Accountant

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LETTER OF ENGAGEMENT

Date: 02.02.2015

To,
The Chairman
Alva's Education Foundation
Moodbidri

Sir,

As per your appointment letter dated 26-01-2015, we would like to confirm the acceptance of internal audit of Alva's Education Foundation and its institutions for the financial year 2015-16. We are pleased to confirm our acceptance and our understanding of this engagement by means of this letter. Our audit will be carried out in accordance with the applicable authoritative pronouncements of the Institute of Chartered Accountants of India.

- 1) The scope of our internal audit will be as below:
 - a. Verification of compliance with the provisions of Income Tax Act 1961, Service Tax and Karnataka Value Added Tax.
 - b. Verification of compliance with the provisions of The Employees Provident Funds And Miscellaneous Provisions Act, 1952 and The Karnataka Tax On Professions, Trades, Callings And Employment Rules, 1976.
 - c. Verification of correctness of entries passed in the computerized books of accounts.
 - d. Verification of documentations for entries passed in books of accounts.
 - e. Verification of bank accounts and loan accounts with special reference to interest rate verifications.
 - f. Verification of repayment of loan accounts and overdue.
 - g. Verification of creditors.
- 2) We wish to clarify that the responsibility for maintenance of adequate accounting records and internal controls, the selection and application of accounting policies, and the safeguarding of the assets of the entity. A part of our audit process, we will expect to receive from management written confirmation of representation made to us in connection with audit.



- 3) We look forward to full co-operation from your staff (including your branches) and we trust that they will make available to us the records, printouts of ledgers, documentations and other information and explanations required in connection with our audit. In any case, management of the society defaults in providing required information or fails to furnish statements or access to information system and software or dispatch of external confirmation letter to borrower or required assistance in any form leads to restriction of scope of audit. In such case audit report is provided with modifications. Hence, we expect full co-operation and needful assistance.
- 4) Our fees will be billed as mutual agreed between us.
- 5) We also wish to invite your attention to the fact that our audit process is subject to '**peer review**' under the Chartered accountants act, 1949. The reviewer may examine our working papers during the course of peer review.

Please sign and return the attached copy of this letter to indicate that it is in accordance with your understanding of the arrangement for our audit of the financial statements.

Thanking you,

Yours faithfully,
For M Umesha Rao & Co.,
Chartered Accountant



M Umesha Rao
Proprietor
M. NO: 207835