



Internal and External Financial Audit Policy

1. Purpose

This policy document outlines the guidelines and procedures for conducting internal and external financial audits at G. M. Momin Women's College. The primary objective of these audits is to ensure the accuracy, transparency, and accountability of the college's financial operations and to comply with legal and regulatory requirements. The institute should organize periodical orientation and training programs for staff of the accounting unit.

2. Scope

This policy applies to all financial transactions, accounts, and records of G. M. Momin Women's College. It encompasses both internal and external audits, which serve different purposes:

- a. **Internal Audits:** Conducted by the Budget
- b. Committee internal audits focus on evaluating and improving the college's internal control systems, risk management, and operational efficiency.
- c. **External Audits:** External audits are conducted by independent external auditors selected by the college's governing body or relevant regulatory authorities to provide an objective and unbiased assessment of the college's financial statements and compliance with applicable laws and regulations.

3. Internal Financial Audits

3.1 Internal Audit:

The budget committee of the college is responsible for conducting regular internal audits. The committee will report directly to the college's governing body.

3.2 Objectives of Internal Audits

Internal audits aim to achieve the following objectives:

- a. Review and assess the effectiveness and efficiency of internal control systems.
- b. Evaluate the reliability of financial information and the safeguarding of assets.
- c. Identify areas of operational improvement and risk mitigation.
- d. Ensure compliance with college policies, procedures, and regulatory requirements.

3.3 Audit Plan and Frequency

Budget committee will develop an annual audit plan, which will be approved by the college's governing body. The frequency of internal audits will be determined based on the identified risks and needs of the college.

3.4 Reporting

Budget committee will provide periodic reports to the college's governing body, summarizing their findings, recommendations, and actions to address identified issues.

4. External Financial Audits

4.1 Selection of External Auditors

External auditors will be selected by the college's governing body. The selected auditors must be independent and have the necessary qualifications and experience.

4.2 Objectives of External Audits

External audits aim to achieve the following objectives:

- a. Provide an opinion on the fairness and accuracy of the college's financial statements.
- b. Ensure compliance with applicable laws, regulations, and accounting standards.
- c. Detect and prevent financial fraud or mismanagement.

4.3 Audit Plan and Frequency

External audits will be conducted annually, and the audit plan will be developed in consultation with the external auditors.

4.4 Reporting

The external auditors will issue an audit report, including their opinion on the financial statements and any significant findings or recommendations. The audit report will be available to the college's governing body and relevant stakeholders.

5. Compliance and Accountability

All college employees and departments must cooperate fully with internal and external auditors during their audits. Non-compliance with audit requests may result in disciplinary action.

6. Review and Revision

This policy document will be reviewed periodically and revised to ensure its effectiveness and relevance to the college's financial audit needs.

The college's governing body hereby approves this Internal and External Financial Audit Policy.



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K.M.E. Society's G.M. Momin
Women's College Bhiwandi.