

Annexure - A
{Ref. 1.3.1 (d)}

Instruction of the State Government (Finance Department) in regard to undertaking Special Audit.

Government of West Bengal, Finance Department No. 11229 (33)-F dated 12th November 1946

It has been brought to the notice of this Department that the Accountant General, West Bengal has of late been asked to undertake special audit of accounts in Government offices, hospitals, etc., in a number of cases which had no special characteristics except that there were suspicions of some financial irregularity or other. The responsibility for ensuring regularity of expenditure and conforming to the recognized financial rules of Government devolves on the departmental officers who incur the expenditure vide Rules 88, 89, 314-318 etc. of the West Bengal Financial Rules. It is lax of financial control which renders irregularities possible; and when irregularities have occurred through this cause, a belated special audit of the accounts by the Accountant General, Bengal's staff does not remedy the evil. In every Government office which expends money on a large scale it is the intention that a certain amount of financial and account check should be exercised both before and after the expenditure is incurred. The nucleus of an accounts staff exists in every such office. It is of great importance that arrangement should be made for an internal check in all offices on the lines of the procedure laid down in paragraph 243 of the Commercial Audit Manual and that a special audit should not be resorted to except in really important cases in which irregularities occur in spite of normal precautions or which present some special features. It is also desirable that special non-technical examination of accounts should be undertaken by the departmental authorities themselves through internal auditors or by taking the assistance of the regular accounts staff.

It is requested that all heads of Departments and other sub-ordinate officers may be asked to observe the above instructions and to submit proposal for special audit of the accounts by the Accountant General, West Bengal only in important cases of the kind referred to above "in which irregularities occur in spite of normal precautions or which present some special features."

Government of West Bengal, Finance Department Order No. 2455 (62) F dated 8 M a y , 1975

It has been decided, *inter alia*, that records of all defalcation cases will be maintained by Finance Department to keep watch on such cases. Under Rule 39 of W.B.F.R. Volume-I, read with rule 40 *ibid*, the cases of defalcation and losses in Treasuries or other offices or Departments are reported to the Accountant General, West Bengal and to the State Government. Henceforth, the Drawing Officers/Heads of Offices/Departments will also be required to report cases of defalcation and losses to the Finance Department direct and obtain an acknowledgement of the receipt of the report from Finance Department showing serial number attached to the case reported to them.

"All administrative departments are requested to keep record of cases of defalcation and losses with which they are concerned. The administrative department will also pursue such cases promptly duly assessing the responsibility of the officer and staff in charge of cash, store, etc., as also those dealing with accounts. Immediately the administrative department will be required to relieve the suspected officers of their assignment to prevent tampering with records by them. A non-technical examination of accounts should be made by taking assistance of regular accounts staff. If such an examination reveals that the case presents some special features and fraud or irregularities were possible in spite of normal precautions, a proposal may be made to this department for special audit of accounts by the Accountant General, West Bengal. Departmental action against delinquent officers and staff should be initiated promptly without waiting for police report and/or decision of the court cases, if any filed".

Annexure B

(Ref. paragraph 3.1.4 (16))

Objection book of the O.A.D (Headquarters) for the month of.....20.....

Amount under objection pending recovery										Details of adjustment		
Sl.No.	Reference to accounts audited/office inspected and designation of the officer responsible for clearance of the objection.	I.R No. and para No.	Misappropriation fraud, defalcation, etc.	Excess payment, loss/shortage of stores, etc.	Credit sales	Outstanding advances loans	Miscellaneous	Nature of objection (gist to be given)	Details of correspondence	Month of Correspondence	Amount	Remarks
1	2	3	4	5	6	7	8	9	10	11	12	13

Total of month's objection...	Totals of columns 4 to 8	<p>I certify that I have examined the objection book and find it complete in all respects.</p> <p>All cases or items which could be waived have been brought to the notice of the officer concerned and orders taken.</p> <p>Date:</p> <p>Assistant. Audit Officer</p>
Add-balance from last month.....		
Total		
Deduct-Amount adjusted during		
as per separate adjustment register		
Add or deduct-Net adjustment in March final		
Balance carried forward		

Annexure C

(Ref. paragraph 3.1.4 (17))

Adjustment Register of OAD (Headquarters) for the month of

Month of adjustment	Reference to OB item No.	Misappropriation, fraud, defalcation etc.				Miscellaneous	How adjusted *		
			Excess payment loss/shortage of stores, etc.	Credit Sales.	Outstanding advances and loans.		A. Recovery B. Write off C. Suitable compliance D. Furnishing wanting information/document	Initials of Asstt. Audit Officer/Section Officer	Remarks
1	2	3	4	5	6	7	8	9	10

* When adjustment is effected in any of the ways noted here, it will suffice to quote the corresponding letters, other letters can be added at discretion, according to local convention.

Annexure D

(Ref. paragraph 3.1.5 (16))

Quarterly Progress Report on SARs sent to Headquarters for approval/being finalized by Pr. Accountant General (G&SSA) without approval of Headquarters for being placed before Legislature for the Quarter ending**1. ACCOUNTS NOT RECEIVED BY FIELD AUDIT OFFICES**

Sl No.	Name of Autonomous Body	Year of Accounts	Action taken by Pr.AG (G&SSA)

2. ACCOUNTS RECEIVED BY FIELD AUDIT OFFICES

Sl. No.	Name of Autonomous Body	Year of Accounts	Date of Receipt of Accounts from AB	Present Status

3. SARs FINALLY ISSUED TO GOVT OF INDIA/STATE GOVTS.

Sl. No.	Name of A B	Year of A/cs	Date of submission of accounts by AB	Duration of Audit (Date of commencement and completion of audit)	Date of issue of draft SAR to Organization	Date of Receipt of reply from AB	Date of issue of final SAR to GOI/ State Govt.	Date on which audited accounts were placed before State Legislature	Remarks (Reasons for delay)

Note: The QPR is to be sent on separate sheets for Central and State ABs. This list should contain names of only those bodies whose audited annual accounts/SARs are to be placed before the State Legislature

Annexure -E
(Ref. paragraph 3.5)
Reports and Returns to be submitted by the G&SS-I Section to different authority

1	2	3	5	6	7
<i>Sl. No.</i>	<i>Particulars of reports/returns</i>	<i>G&SS-I Section</i>	<i>To whom</i>	<i>Date of submission</i>	<i>Reference</i>
1.	List of State Government Offices in and outside of the State	HQ	Group Officer	1 st April and 1 st October	Paragraph 3.1.1 (2) of the Manual
2.	Maintenance of records regarding Confidential Report of staff	HQ	C.C Cell	15 th May	Paragraph 3.1.1 (9) (c) of the manual
3.	Materials for inclusion in Audit Bulletin	HQ	Record	15 th of April, July, October, January	Paragraph 3.1.1(26) of the manual
4.	Monthly report G&SS-I wing	HQ	Group Officer/ ITA	1 st working day of following month	Paragraph 3.1.1 (16)(b) of the manual
5.	Preparation of Annual Audit Plan	HQ	Pr. A.G	January	Paragraph 3.1.1(6)(b) of the manual
6.	Programme of the of supervising officer for field party supervision	HQ	Group Officer	20 th of the month	Paragraph 3.1.1(7)(B) of the manual
7.	Progress report of use of Hindi language	HQ	Hindi Cell	1 st Week of each quarter	Hindi Cell
8.	Progress report & check register of weekly diaries	HQ	Group Officer	15 th of the month	Paragraph 3.1.1 (14)(d) of the manual
9.	Proposal for continuance of casual and temporary posts of Sr. AO/AO/AAO/SO	HQ	Admn. II	January	Paragraph 3.1.1 (9)(d) of the manual
10.	Quarterly programme of Local Audit	HQ	Group Officer	15 th of June, September, December, March	Paragraph 3.1.1 (7) A of the manual
11.	Register of points of irregularities during Local Inspection	HQ	Group Officer	25 th of each month	TM/93 dated 6.11.1994
12.	Register of points of Special Examination	HQ	Group Officer	25 th of each month	Paragraph 3. 1.1 (12)(b) of the manual
13.	Register of watching the check of leave	HQ	Branch Officer Group Officer	1 st day of the following month	Paragraph 3.1.1(15) of the manual
14.	Reminder Register (for submission of IR/Diary etc.)	HQ	Group Officer Branch Officer	Once in a month Once in a week	Paragraph 3.1.1 (14)(d) of the manual
15.	Report of O/S objection statement received form CASS & disposal thereof	HQ	Group Officer	25 th of each month	Paragraph 3.1.1 (12)(a) of the manual

16.	Report of weeding out and destruction of records	HQ	Record	15 th of April, July, October, January	ECPA/115/180 dated 20.10.86
17.	Report on Use of Hindi language	HQ	Admn. (Hindi Cell)	31 st Dec.	Hindi Cell Order No. 33 dt. 30.8.97 (paragraph 3.2(B)(a)(iv))
18.	Corrections of Civil Audit Manual of IC wing - information/ position thereof.	HQ	Record	15 th week of April, July, October, January	Paragraph 3.1.1 (20) of the manual
19.	Statement of Outstanding I.R	HQ	Group Officer	1 st week	
20.	Statement showing the Staff position of G&SS-I wing	HQ	Admn.	1 st January, April, July and October	O.O.No. Admn. Series/ 1092/168 dt. 22.9.74
21.	TA Advance adjustment Register	HQ	Branch Officer/ Group Officer	1 st Week of each month	Admn.II/ITA/194 dt. 28.4.1991
22.	CL Register	HQ	Branch Officer	7 th of the following month	Paragraph 3.2(A)(iv) of the manual
23.	Complaint Register	HQ	Pr. A.G in case anything pending	1 st week of the month	C&AG-17/88-125/OM /182 dt. 20.12.1988
24.	Issue of intimation of Audit	HQ	To auditee units	15 th of the preceding month of audit	Paragraph 3.1.1(8) of the manual
25.	Late attendance report in a consolidated form (Fortnightly, monthly and quarterly)	HQ	Pr. AG (G&SSA) through Group Officer Admn. Section	2 nd day following each fortnight and month 15 th of April, July, October, January	Pr. AG (G&SSA) order dated Admn/113 dt.7.1.1982
26.	Issue of requisition & reminders for submission of Proforma Account and Store Accounts.	DP Cell	Head of respective deptt./IG Prison (in r/o Jail Dept.)	31 st May	Paragraph 3.1.2(5) of the manual
	(A) Jail Depot (consolidated store A/c): i) Central Jails, ii) Presidency Jail.	DP Cell	Head of respective		
	(B) Central Medical Store (ESI)	DP Cell			

	(C) I&CA Deptt. i) Publicity Stores Distribution Section	DP Cell			
	(D) West Bengal Stationery Store	DP Cell			
	(E) Central Medical Store (Veterinary)	DP Cell			
	(F) School Education Deptt.: i) Scheme for supply of Text books	DP Cell			
	(G) H&FW Department:- Consolidated store A/c from Director of Health Services, WB; in respect of i) Netaji Subhas Sanatorium (Kancharapara T.B. Hospital); ii) Principal, State Hospitals; iii) ID & BG Hospital, Belegghata; iv) State Health & Family Welfare Samity.	DP Cell			
27.	ATN Register	DP Cell	Group Officer	7 th day of the month	
28.	Materials for DP on drawal of fund in advance of requirement (Compiled)	DP Cell	Report	30 th June	Rep/AR/2002-03/1048 dated 24.3.2003
29.	Register for Defalcation Misappropriation & Fraud (compiled)	DP Cell	Group Officer	7 th day of month	Paragraph 6.1.5 of the manual
30.	Register of Financial Irregularities (PDP Register)	DP Cell	Group Officer	7 th day	Paragraph 6.4.1 of the manual
31.	Statement of misappropriation & defalcation of Govt. money	DP Cell	Report	15 th May	Rep/AR-99-2000/1093 dated 23.12.1999
32.	Non Tax revenue receipt appearing in the I.R of office/Dept., IR of those pursued by the section.	IR	AG (E&RSA), WB	30 th April	AG's no OA/IC/AR/ NCR/ 2000-01/157 dt.8.6.2000
33.	Progress Register of I.Rs	IR	Group Officer	1 st week of the month	Paragraph 5.8(16) of the manual
34.	Report of Audit objection for the last 3 years and audit committee meeting held	IR	C&AG	30 th September	Letter no. 1969/4/12/XIII/90 dated 12.2.96

35.	Report regarding formation of Audit Committee	IR	Pr. A.G	June, September, December, March	AG/Spl. Cell/1 S- A/ECPA/22 dated 10.4.1987
36.	Statement regarding position of outstanding record	IR	Record Section	June, September, December, March	ECPA/IR/B-I dated 27.12.1986
37.	Summary of the results of the Audit of Transaction of March	IR	C&AG (RS wing)	30 th June	No. 659-Rep (5) 112-99 dated 8.5.2000
38.	Annual return on completion of audit of Autonomous Bodies u/s 14,15,19 & 20	AB	C&AG	April	HQ Circular No. 1748/ 2/18-85 dt. 21.11.85
39.	Audit fee register	AB	Branch Officer Group Officer	5 th of each month 15 th of April, July, October	Para 1.6.3 (i) of Manual
40.	DO regarding statement of grants to different autonomous bodies/ authorities of the State	AB	Head of Finance Department, West Bengal	April	HQ Circular No. 149 -150 dt. 2.3.94
41.	Draft introduction para on Chap. of Financial assistance to local bodies and others	AB	Report Section	May	HQ Circular No. 209/ 541 - 8-6-25 dt. 12.9.75
42.	Identification for audit under section 14	AB	ITA	January	Paragraph 3.1.5(22) & 3.2(B) (e) (xiv) of the manual
43.	List containing the names of bodies and authorities to be audited u/s 19 & 20 of C&AG's DPC Act '1971	AB	C&AG	7 th January	C&AG circular letter No.ITA(Rep) 93-97
44.	Position in respect of issue of "Audit Certificate of Autonomous Bodies" audited u/s 19(2), (3) & 20(1) of DPC Act.	AB	ITA for onward transmission to HQ office	April, July, October, January	430 Audit-II/105-90 dated 5/93
45.	Statement of grants and loan sanctioned by Govt. of West Bengal to bodies and authorities under the audit of Pr. AGs of other states	AB	Other AGs/Pr. AGs	Upto 30/6 by 15/7 and upto 31/12 by 15/1	C&AGs letter no. 149/ TA-1/50-69/Vol-III dt. 2.7.74
46.	Submission of statement containing the list of Audit unit u/s 19 & 20 of C&AG's (DPC) Act, 1971, the audit of which are undertaken as per each of the above section during the preceding financial year.	AB	Group Officer	7 th January	C&AG's letter No. ITA(Rep) 93-97 dated 2.9.79

47.	Timely finalization of SAR and Certification of account of Autonomous Bodies where audited accounts required to be placed before the State Legislature	AB	C&AG	10 th of April, July, October and January	HQ letter No. 3 Rep(AB)/360-2000 dt. 8.1.01
48.	Calendar of Returns	All Section	Group Officer /Branch Officer	7 th week of month/ 1 st day of week	Paragraph 3.2(a)(x) of the manual
49.	Register for disposal of UO Cases from C&AG	All Section	Group Officer/ Branch Officer	Biweekly & Monthly/ Each Monday(Weekly)	O.O.92 dt. 16.3.49 Paragraph 3. 2(a)(xi) of the manual
50.	Inward Diary Register	All Section	Group Officer/ Branch Officer	1 st week of month/ Weekly	Paragraph 3.2(ii) of the manual
51.	Auditor Note Book	IR & AB	Branch officer	15 th day of the month	Paragraph 3.2(B) (d)(vi) & (e) (v) of the manual
52.	Late attendance report (fortnightly & monthly)	All Section	Group Officer through IC-I	2 nd day following each fortnight & 7 th of the following	Admn./113 dt. 7.1.85
53.	Sectional cut list	All Section	Admn. III	25 th of the month	Paragraph 3.1.1 (25) of the manual
54.	Compliance of outstanding IRs/Paragraph of ITA Wing	All Section	ITA Wing	Every Month	O.O. No. ITA/Work Report/5 dated 28-3-2007
55.	U.O case Register	All Section	Group Officer/ Branch Officer	Biweekly & monthly/ Each Monday	Paragraph 3.2(A)(xi) of the manual
56.	File Index Register	All Section	Group Officer	15 th of April, July, October, January	Paragraph 3.2(A)(vi) of the manual
57.	Adjustment Register	IR & AB	Group Officer/ Branch Officer	1 st week of month	Admn.II/ITA/194 dated 28.4.1991.
58.	IR's & paras issued upto 31/12 but not settled by 30/6 (Synoptic para)	IR & AB	Report	15 th July	Memo/Report/AR/1989-90/2-4 dated 20.4.96
59.	Register for Defalcation Misappropriation & Fraud	IR & AB	GSS-I (DP Cell)		
60.	Register of Fake appointment ghost employees	IR & AB	Group Officer	1 st week of the month	Paragraph 3.2(B) (d) (xii) & (e) (xiii) of the manual

61.	Register regarding drawal of fund in advance of requirement	IR & AB	Group Officer / Branch Officer GSS-I (DP Cell)	1 st day of April, July, October and January 1 st day of each month 15 th June	Rep/AR/2002-03/1048 dated 24.3.2003
62.	Reports on Review outstanding IR and Audit paragraphs outstanding more than one year	IR & AB	Respective Department	April & September	C&AG's It. no. 333-7A/1-363-68-11 dated 1/3/1977
63.	Review of pending cases and outstanding objection of a major degree brought to notice in course of audit	IR & AB	Group officer / Pr. AG	1 st week of March/Sept & 21 st Feb.	C&AGs letter no. 75/Rep/109-35 dt. 30.3.76
64.	Statement showing the outstanding Inspection Reports for more than 6 months	IR & AB	Head of Fin. respective Deptt.	20 th April, July, October & January	O.O. TM No. 371/ dated 11.9.2002
65.	Objection book and adjustment Register	IR & AB	Group Officer	7 th of each month	Paragraph 3.1.4(17) of the manual
66.	Para Settlement Register (Disposal of IR/Para)	IR & AB	Group Officer	1 st week of each month	Paragraph 3.2(B) (d) (ii) & (c) (ii) of the manual
67.	Reminder Register (for Broad sheet replies)	IR & AB	Branch Officer & Group Officer	Once in a week and Once in a month	Paragraph 3.2(B) (d)(xi) & (c) (xii) of the manual

ANNEXURE-F*(Ref. paragraph -4.12)***Demarcation of duties of the personnel of audit parties****I. Civil Audit Party consisting of one Sr. Audit Officer/Audit Officer, an Assistant Audit Officer/Section Officer/Supervisor and two Senior Auditors/Auditors****(A) Sr. Audit Officer/Audit Officer**

Besides performing the coordinating functions to achieve overall efficiency in performance and seeing that necessary processes of audit of the various documents have been carried out by the staff under him, the Audit Officer will also do a certain amount of original work and examine personally with reference to original documents all important points raised by the staff. He should personally review all tenders and agreements, particularly those of high value, and also see whether the state of accounts in the office inspected is satisfactory. He should himself draft the Inspection Report and discuss it with the head of the office inspected, whenever he is present at the close of the inspection.

The Audit Officer should ensure that physical verification of cash as per the records is done by the Drawing and Disbursing Officer in his presence and include comments, if any, arising from such verification in the Inspection Report.

(B) Assistant Audit Officer/Section Officer/Supervisor

- i) Audit of the accounts of receipts.
- ii) Audit of the accounts of stores.
- iii) Examination of the Cash Book.

Notes:

- a) *When the party is unsupervised, the Assistant Audit Officer/Section Officer should ensure that physical verification of cash as per the records is verified by the Drawing and Disbursing Officer in his presence and include comments, if any, arising from such verification in the Inspection Report.*
 - b) *In cases where close supervision of the Senior Auditor's work in regard to issue of audit memos and check of disposal of previous Inspection Reports are required, the assistance of the Senior Auditors may be availed of for the routine checking of receipts and payments under this item of work, subject, of course to the overall responsibility and supervision resting with the Assistant Audit Officer/Section Officer.*
 - iv) Examination of the vouchers for the months selected for test check which were submitted to Central Audit.
 - v) Audit of all vouchers not submitted to Central Audit.
 - vi) Verification of drawals from and deposits into treasury with reference to treasury records.
- Note: The instructions in Note (b) below item (iii) are applicable to this item of work also.*
- vii) Examination of the points marked by Central Audit for special investigation.
 - viii) Audit of works expenditure.
 - ix) Scrutiny of accounts of stores, equipment, etc. received under various foreign aid programmes.
 - x) Examination of Departmental Inspection Reports.

(C) Senior of the two Senior Auditors/ Auditors

- i) Examination of service books, service rolls, broadsheets and ledgers in respect of Provident Fund accounts of Group D staff.

- ii) Study of files containing important rules/orders issued by Government in respect of the institution under local audit and matters dealt with by it and of the Dictionary of References.
- iii) Check of disposal of previous inspection reports.
- iv) Triennial audit of taccavi accounts.
- v) Audit of expenditure incurred by State Government in connection with large gatherings of political organizations.
- vi) Scrutiny of establishment pay bills.
- vii) Audit of travelling allowance bills.
- viii) Examination of register of undisbursed pay and allowances.
- ix) Scrutiny of register of advances.
- x) Examination of accounts of immovable properties like land, buildings and other assets.

(D) Junior of the two Senior Auditors/Auditors

- i) Scrutiny of Dead Stock Register.
- ii) Examination of Register of Empties.
- iii) Examination of Stamp Accounts.
- iv) Scrutiny of Register of Deposits.
- v) Examination of Log books and diaries of Government vehicles.
- vi) Scrutiny of Register of Stationery.
- vii) Examination of Register of Uniforms.
- viii) Scrutiny of Register of Books and Periodicals.
- ix) Scrutiny of Provident Fund accounts of Group D employees.

II. Civil Audit Parties consisting of one Sr. Audit Officer/Audit Officer, two Assistant Audit Officer/Section Officers/Supervisor and one Senior Auditor/Auditor.

(A) Sr. Audit Officer/Audit Officer

Same as those detailed in I.A. above.

(B) Assistant Audit Officer

Sl. Nos. (ii), (iii), (iv), (vi) and (ix) in (I) (B). and Sl. Nos. (i), (iii), (iv), (v), (ix) and (x) in (I) (C) above.

(C) Section Officer/Supervisor

Sl. Nos. (i), (v), (vii), (viii) and (x) in (I).(B). and Sl. Nos. (ii), (vi), (vii), (viii), in (I).(C) above

(D) Senior Auditor/Auditor

Same as those detailed in (I).(D) above.

ANNEXURE G
{Ref. Paragraph 5.4.1(1)}
Forwarding memo of the Inspection Reports

OFFICE OF THE
PRINCIPAL ACCOUNTANT GENERAL(GENERAL & SOCIAL SECTOR AUDIT), WEST
BENGAL

2, GOVT. PLACE (WEST), TREASURY BUILDINGS, KOLKATA – 700 001.

Memo No. OA/IR/_____

Dated:_____

Inspection Report on the accounts of the
 for the period from to

Forwarded to the..

..... with the request that he should submit his remarks on each paragraphs of parts I & II of the Inspection Reports to the Head of the Department within 3 (three) weeks from the date of receipt of the report in his office (vide instruction issued in Government of West Bengal, Finance Department, Memo No. 1406-F dated 7th April 1930). The replies should be submitted in Broad Sheet format to the Head of the Department through the higher authority in suitable number of copies to enable the latter to transmit the same with his comments to this office in duplicate.

Each para or sub-para of the Inspection Report should be pasted at the top of a separate sheet of foolscap paper. The different officers dealing with it should then record their remarks seriatim, attaching as many sheets as may be necessary to dispose of each para, sub-para of items thereof. At the top of each note the designation of the officers forwarding the note should be clearly recorded (vide instruction contained in S.G.F.D. No. 7101 dated 22.12.1953).

Sr. Deputy Accountant General (GSS-I)/

Deputy Accountant General (GSS-I)

West Bengal

Memo No. OA/IR/_____

Date_____

Copy forwarded to the
..... for information. He is requested to obtain reply in Broad Sheet format from the Head of the office on each and every paragraph of the Inspection Report within the prescribed time limit and forward the same with his comments thereon in suitable number of copies to the Department concerned to enable the Department to forward the same to this office with their remarks/comments thereon, within one month from the date of receipt of explanation/reply, for necessary action at this end. (vide instructions contained in Government of West Bengal, Finance Department Memo No. 5703-F dated 29.6.1982).

Sr. Deputy Accountant General (GSS-I)/

Deputy Accountant General (GSS-I)

West Bengal

Memo No. OA/IR/_____

Date_____

Copy forwarded to the Principal Secretary/Secretary to the Government of West Bengal
.....
.....for
information with a request to obtain reply to each of the paragraph in Broad Sheet format from the Head of the office along with the comments of its superior officer, if any, and forward the same in duplicate with his comment/remarks to this office for necessary action at this end.

Attention of Government is drawn to paras of the report. Action taken by Government in this regard may be intimated to audit.

Sr. Deputy Accountant General (GSS-I)/

Deputy Accountant General (GSS-I)

West Bengal

ANNEXURE-H

{Ref. Paragraph 5.4.1(2)}

(Title sheet to be submitted duly filled in by the field party alongwith the Inspection Report)

TITLE SHEET**(GENERAL & SOCIAL SECTOR-I WING)**

Notes on forwarding documents along with the Inspection Report on completion of the Audit by the Inspecting Asstt. Audit Officer/ Section Officer/Supervisor or by the Supervising Sr. Audit Officer/ Audit Officer.

Party No...../..... Qr./for the year.....

PART-I

1.	i)	Name of office inspected	:	
	ii)	Period of Accounts inspected	:	
	iii)	Period allotted for inspection	:	
	iv)	Period taken for inspection/increase in the time, if any, should be reported by extension note	:	
2.		Name of the Inspecting A.A.O/S.O/ Supervisor/Senior Auditors/ Auditors	:	1.
			:	2.
			:	3.
			:	4.
			:	5.
3.	i)	Name and Designation of the Supervising Officer	:	
	ii)	Dates of supervision	:	
4.	i)	Date of dispatch of the I.R. keeping in view of the time schedule prescribed in para 5.4 of Civil Audit Manual (G&SS-I wing), Volume-I	:	
	ii)	Reasons for delay, if any	:	
5.	i)	Whether the vouchers and documents required from the headquarters section were obtained by the party and scrutinized locally, for parties in Kolkata.	:	
	ii)	In case of parties outside Kolkata, whether the documents as at (i) above were received from the headquarters section in time.	:	
	iii)	The date on which received, if received late, if not received in time, whether selection had to be made locally.	:	
	iv)	Whether there was any difficulty in getting sub--vouchers from the controlling officers, for scrutiny.	:	

6.	i)	Whether all the points marked/recorded in the Audit Note Book for 'Next Audit' were examined.	:	
7.	i)	Whether the outstanding objections of the previous Inspection Reports have been reviewed (If yes, the results of review should be attached.	:	
	ii)	Paras of previous Inspection Reports settled on the spot.	:	
	iii)	If no para could be settled reasons for the same.	:	
8.	i)	Whether lists of objections relating to Financial Audit were received (If yes, details with result of review should be furnished).	:	
	ii)	Total number of cases referred to local audit party for settlement on the spot.	:	
	iii)	Number of cases actually settled on the spot.	:	
	iv)	Reasons for which the balance could not be settled on the spot.	:	
9.	i)	Was there any case in which records have not been produced to audit? If so, para of the I.R in which mentioned.	:	
	ii)	Whether as per earlier report records have not been produced were to be checked. If so, para in which comments given as required under office order No. OA/4 dated 27.6.1967	:	
10.		Whether any paper clipping was issued by the Data Bank, if so, the detailed reports to be enclosed.	:	
	i)	No. of cases received	:	
	ii)	No. of cases reviewed/investigated	:	
	iii)	Commentated in IR	:	Para reference
11.		Whether physical verification of cash was conducted by DDO/Hd. of office in presence of audit team.	:	
	a)	Physical verification conducted on	:	
	b)	Discrepancies, if any,	:	
	c)	Voucher in lieu of cash	:	
	d)	Comments in the ER	:	Para No.
12.		Total Money value of the objection raised	:	
	i)	Cash recoveries suggested	:	Para reference.
	ii)	Wasteful expenditure	:	Para reference.
13.		Whether there is any case of non-acceptance of lowest Tender without assigning reasons thereof.	:	

14.	Category of strength of the establishment			
	i)	Total Service Books maintained by the auditee unit.	:	
	a)	Total Service Book/Leave A/c to be checked (25%, 50%, 100%)	:	
	b)	Total Service Book/Leave A/C actually checked	:	
	c)	Total No. of pay fixation actually checked (Group wise)	:	
	ii)	No. of staff due to retire during next five years/next inspection.	:	
	a)	Total no. of Service Book/Leave a/c of the (ii) above checked.	:	
	b)	Total no. of Leave A /c of (ii) above checked.	:	
	c)	Total no. of pay fixation cases of (ii) above checked.	:	
	iii)	Total Number of Gr. 'D' Staff entitled for contribution to G.P.F. A/c	:	
	a)	No. of Gr. 'D' staff actually contributing to G.P.F.	:	
	b)	No. of Gr.- 'D' G.P.F. A/c checked.	:	
15.	Whether property register is required to be maintained in the local office, if not, whether a 'NIL' statement has been furnished (Ref. paragraph 7.8.11 of Civil Audit Manual (IC wing), Vol.-I)		:	
16.	a)	Whether any irregularity was noticed relating to audit of grant-in-aid keeping in view the procedure laid down (Paragraph 7.7 of Civil Audit Manual (G&SS-I wing), Volume-I).	:	
	b)	Whether controlling officers have failed in their duties in respect of T.A Bills of the personal staff	:	
17.	Whether any fraud/embezzlement was detected by audit, if so, who detected it		:	
18.	Important paragraphs of the report fit for inclusion in the register of serious financial irregularities and who contributed the most glaring ones.		:	
	a)	Important paragraphs of the report fit for inclusion in the Appropriation Accounts and Audit Report and who detected them initially?	:	
	b)	Important paragraphs of the report fit for the attention of Government.	:	
	c)	Important paragraph of the report fit for Pr.AG.'s information	:	

	d)	Contribution of important paragraph by the Inspection party including supervising officer		
Name & Designation		Part-IIA Para No. AQ No.	Part-IIB Para No. AQ No.	Marked important for inclusion in PDPR
19.		Is any amendment of O.A.D. Manual necessary? If so, to what paragraph? (Attested copies of relevant orders, extract of Acts. Manual etc. where referred to should be enclosed)		
20.		Inspection Report para in which the non-maintenance of important initial records (such as Cash Books, Pass Books, Security Register, Stock Register etc.) in the office inspected was mentioned. If investigation has been made to ensure that this is not a camouflage to hide frauds and mis-appropriation.		
21.		Have the store accounts been checked as required under Paragraph - 7.8 of Civil Audit Manual (G&SS-I wing), Volume-I.		
22.		Whether the maintenance of the important initial records was found defective and if so, have these been specially looked into by the Inspecting Party to see that there is no fraud or misappropriation? The paras in the Inspection Report embodying the observations may be indicated.		
23.	a)	If the previous report mentioned that important initial record had not been maintained or not maintained properly and these defects have since been rectified, state whether the records were scrutinized in the course of 'Current Audit'		
24.		Whether nominal audit has been conducted in terms Paragraph - 7.5.11 of Civil Audit Manual (G&SS-I wing), Volume-I. The checks exercised may be indicated clearly.		
25.		Whether the list of prescribed account records has been obtained or was called for and cases of non-production have been mentioned in the Report. A list of accounts records and registers checked is to be enclosed.		
26.		Number of overtime allowance bills drawn during the month/months selected for detailed check. Nos. of such bills checked in audit and the para of Inspection Report in which irregularities etc. noticed in respect of such payments may be pointed out.		

27.		Number of scholarship payments made by the office during the period of audit and number of such payments checked in all respect.	:	
28.		The remittances to and drawing from the Treasury for the month and were verified/prepared by Shri	:	
29.		The accounts for the month(s) of were audited in detail.	:	
30.		Allotment and Expenditure in respect of the office audited.		
	Year	Total allotment including Dev. Scheme.	Expenditure incurred	Excess savings, if any.
31.	a)	Audit completed on	:	
	b)	IR drafted by	:	
	c)	IR discussed on	:	
32.		Whether the information in the prescribed proforma relating to the computerized accounting system has since been collected	:	
33.		Name of the Head of the Local Office.	:	
34.		Telephone Number of Local Office	:	

Camp.
Date.

Signature of AAO/SO/Supervisor

Remarks of the Supervising Officer

35	a)	Para Nos.....fit for Audit Report All necessary materials have been incorporated in the paras.	:	
	b)	Para Nos..... are important though not fit for Audit Report.	:	
	c)	Suggestion, if any, about the nature/quantum etc. of audit.	:	

Camp

Dated.....

Supervising Sr. AO/AO

Remarks, if any, and approval of Group Officer

**Sr. Deputy Accountant General (GSS-I)/
Deputy Accountant General (GSS-I)
West Bengal**

PART-II**(To be filled in by the concern and section of GSS-I Wing)**

36.	Date of approval of the Report by the Sr. DAG (G&SS-I)/DAG (G&SS-I) or the Sr. A.O/A.O.	:	
37.	Date of sending the report to the Typing section/EDP Section.	:	
38.	No. and date of the Inspection Report.	:	
39.	Page Nos. of the progress register were entered	:	
40.	Total No. of IR Para & No. fit for processing Draft para.	:	
41.	Total No. of IR para & Para Nos. sent to the IC-II Section for processing of draft paragraph.	:	

SO/AAO/Supervisor**Sr.AO/AO****CHECK LIST**

While submitting the IR file by the field party it should be checked by the concerned official whether the following was enclosed with the Title Sheet

Sl. No.	Particular	Pl. Tick, if submitted
1)	Minutes of discussion with the head of the office.	
2)	Results of review of O/S paras.	
3)	Duty list (Allotment of work).	
4)	Details of work done.	
5)	List of drawing along with certificate of verification.	
6)	List of remittance along with certificate of verification.	
7)	List of Service Book along with certificate of conducting nominal audit and checking of pay fixation of Group 'A' & 'B' officers.	
8)	List of A/c s record maintained and checked.	
9)	Cases warranting vigilance investigation.	
10)	Survey questionnaire for IT application.	
11)	Certificate regarding physical verification of cash balance.	
12)	Information relating to defective/condemned vehicle.	
13)	Information relating to Hired Vehicle.	
14)	Information relating to drawal of AC bill.	
15)	Notes regarding selection of additional months for detailed checking.	
16)	Notes regarding extension of time.	
17)	Feed Back.	
18)	Code of Ethics.	

Remarks & dated signature of the receiving clerk

ANNEXURE-I

(Refer paragraph - 5.5)

Form-I**(REGISTER FOR WATCHING THE RECEIPT AND ISSUE OF INSPECTION REPORTS)**

Sl. No.	Name of the Office Inspected	Name of the Inspecting Officer and Staff.	Month up to which the account as now audited	Date of Audit		Due date for receipt of draft report from the Inspection Officer.
				From	To	
1	2	3	4	5	6	7

Particulars of reminder issued in case of non-receipt of IRs by the due date.	Date of receipt of draft report	Date of submission to AO/DAG	Date of approval	Date on which sent for type	Date of return from type	Date of issue	Reference to progress register	Remarks.
8	9	10	11	12	13	14	15	16

ANNEXURE-I (Cont.)

(REF: Paragraph - 5.5)

Form-II**(REGISTER TO WATCH PROGRESS IN THE SETTLEMENT OF INSPECTION REPORTS)**

SI. No.	Name of the unit inspected	Item No of the Register for watching the receipt and issue of Inspection Reports.	Date of Completion of Audit.	No. and date under which report was issued.	Due date of receipt of reply.	No. & date of reminders etc.	Date of receipt of 1st reply.	Date of issue of further audit remarks.
1	2	3	4	5	6	7	8	9

Further Correspondence		Paras outstanding after six months of the issue of the report				
Date of receipt of further replies.	Date of issue of further remarks/reminders.	No. of the para in the Inspection Reports.	Date of settlement with reference to file number.	Date of closure of the report with reference to file number.	Remarks.	
10	11	12	13	14	15	

ANNEXURE-I (Cont.)

(Ref: Paragraph - 5.5)

Form-III

Statement showing the Inspection Reports not issued within thirty days from the date of completion of audit and which are still outstanding.

Name and period of audit.	Period of Inspection.	Name of the S.O/G.O	Date of submission of the draft inspection report.	Date of issue of the I.R & No. of the I.R	Reasons for delay, if any.
1	2	3	4	5	6

ANNEXURE - J

(Ref. Paragraph No. 7.3.1)

Certificate on Physical Verification of Cash of the office of the

Certified that the Physical Verification of Cash of the office of the was conducted by the (head of office/DDO) in presence of the audit team today (i.e.....) and the following balance was found:

A) Cash Book balance (i.e. closing or opening balance as of vide page no..... dt. of the cash book.				Rs.
B) Cash found on physical verification :-				
	Denomination	X Nos.	Amount	
i) <u>Liquid cash & Coins</u>				
<i>Total of (i)</i>				Rs.
ii) <u>DDO's cheque (Total No.)</u>	No.	dt.		
<i>Total of (ii)</i>				Rs.
iii) <u>Party's cheque (Total No.)</u>	No.	dt.		
<i>Total of (iii)</i>				Rs.
iv) <u>Bank Balance</u>				
Name of the Bank	Account No	Type of Account		Rs.
Grand Total (B) (i+ ii+iii+iv)=				Rs.
C) Discrepancy, if any, (Short or Excess)				(A-B)=
D) Details of vouchers, if any, which were accounted for as a part of cash balance				
Voucher/Sub-voucher No.	Date of Payment/Expenditure	Purpose of Expenditure	Amount	
<i>Total of (D)</i>				Rs.
E) Discrepancy, i.e. Short or Excess after taking into A/c the amount of vouchers/Sub-vouchers.				(C-D)
Rs.				Rs.
Certified that on physical verification of cash conducted today in presence of audit shortage/excess of cash amounting to Rs. (Rupees) was noticed (after taking into account the amounts of vouchers/sub-vouchers Rs. as detailed in D above).				
Physical verification of cash was conducted in my presence Sd/-				
Signature of Supervising Sr. Audit Officer/Audit Officer		Sd/- Signature of the DDO		Sd/- Signature of the Head of office

ANNEXURE-K
(Ref. Paragraph 7.25.3 (r) (xix))

The additional points to be looked into during audit of ABs and comments included in IR/SAR

(A) The field parties to examine the following points while conducting the audit of accounts of the autonomous bodies and collect required information and make adequate comments where necessary in the Separate Audit Report (SAR).

1. Whether the accounts were prepared as per format of accounts approved by C & AG of India and the last year's balance in respect of each head of accounts have been shown in the Income and Expenditure account and Balance Sheet.
2. Whether the closing balances of audited and certified accounts of previous year's were correctly brought forward and accounted for and the grand total shown are agreeable with the opening balance of current year account.
3. Whether supporting schedules (viz. schedule for assets including work in progress, Investments, Sundry Debtors/Creditors etc.), where necessary, were appended to the accounts and agreed to the figures shown in the accounts.
4. Whether the Schedule of Investment clearly indicates the details of investment viz. date of investment, where invested, certificate numbers, amounts invested, date(s) of maturity, receivable interest on maturity, date of reinvestment if any, etc. Whether such investment was duly authorized and approved by the Board/Government.
5. Whether Fixed Assets Register was maintained properly and reflections thereof were correctly indicated in the Schedule of Fixed assets, showing the gross block, depreciation, net block etc.
6. Whether the depreciation, charged and provisions for income/expenditure & bad debts made were as per the agreed principle and with the approval of the Board governing the Autonomous Body /Government.
7. Whether the Grants Statement in details indicating the plan and non-plan grants received by the Autonomous Bodies from State Government/Central Government and any other Autonomous Bodies, or Non-Government Organization etc. along with details of utilization statement submitted to the grant sanctioning authorities in respect of such grants was appended to accounts.
8. Whether the procedures of physical verification followed are reasonable and adequate in relation to the size of the organization. Whether the reconciliation between the physical verification reports and the book records of the assets as well as stores were carried out and the difference, if any, has been appropriately dealt with in books of accounts.
9. Whether the rectification/adjustment wherever necessary was duly made through journal on the basis of the comments on the previous year's accounts as audited and certified by the Pr. Accountant General (Audit), West Bengal.

10. Whether the audited and certified accounts of previous years have been placed in the Boards Meeting for adoption/ratification. If so, a copy of the Minutes of the Board Meeting in which it was adopted should be collected.
11. Whether Internal Audit Wing in the Autonomous Body was existent to ensure proper observance of financial rules and regulations and expenditure control, adherence to Accounting Standards, maintenance of accounts as well as to ensure achievement of the programmes/objectives.
12. Whether the amount in respect of defunct assets, lost/unserviceable stores, irrecoverable loans & advances etc. if any, reflected in the accounts for years together, required to be written off from the accounts. If so, whether the autonomous body has taken adequate initiative in this regard, with the approval of the appropriate authority/Government.

Further, field parties conducting audit on the accounts of the Autonomous Bodies are also **requested to furnish a certificate** along with the SARs (separately for each year) to the effect that the information and documents as mentioned above have been collected and in absence of non-availability of the same, comments on the same have been incorporated in the Audit Report.

(B) Since transaction as well as accounts audit of some ABs are being conducted simultaneously under Section 14 of the C&AG's DPC Act, 1971. Audit comments on transaction as well as comments on accounts are made in the IR and no SAR in respect of comments on accounts is prepared.

To make the audit comments more effective a separate paragraph on comments on accounts, separately for each year, of the units audited under Section 14 of the C&AG's DPC Act, 1971 should be made in the IR in the format of SAR as follows:

IR Para No. **COMMENTS ON ACCOUNTS FOR THE YEAR**

1. INTRODUCTION: *(It should contain the date of formation of the unit, objective of its formation, management and control, scope of audit, funding pattern, grants and loan received during the year together with accumulated loan and interest etc. and utilization there against)*

2 COMMENTS ON ACCOUNTS

2.1 BALANCE SHEET

a) Liabilities:

b) Assets:

3 INCOME & EXPENDITURE ACCOUNT

3.1 Expenditure:

3.2 Income:

4 NET EFFECT OF AUDIT COMMENTS ON ACCOUNTS

Note: In no case paragraphs relating to comments on accounts featured in previous IR should be dropped during review unless the required adjustment/rectification has been made by the local unit on the basis of the comments on accounts.

ANNEXURE-L
(Ref. Paragraph 7.25.4)
Format of Audit Certificate

Office of the.....

(in the proper letter head)

AUDIT CERTIFICATE

I have audited the attached Balance Sheet of..... *(Please indicate the name of AB)* as at 31 March *(Year)* and the Income and Expenditure Account, Profit and Loss Account/Receipts and Payments Account *(strike out which is not applicable)* for the year ended on that date. These financial statements include the accounts of units/branches *(strike out if not applicable)*. Preparation of these financial statements is the responsibility of the AB's management. My responsibility is to express an opinion on these financial statements based on my audit.

I have conducted my audit in accordance with applicable rules and the auditing standards generally accepted in India. These standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. I believe that my audit provides a reasonable basis for my opinion.

Based on our audit, I report that:

1. I have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
2. Subject to the major observations given below and detailed observations in the Separate Audit Report annexed herewith, I report that the Balance Sheet and the Income and Expenditure Account/Profit and Loss Account/Receipt and Payment Account *(strike out which is not applicable)* dealt with by this report are properly drawn up and are in agreement with the books of accounts.

(Significant comments)

-
-
-

3. In my opinion and to the best of my information and according to the explanations given to me:
- (i) the accounts give the information required under the prescribed format of accounts;
 - (ii) the said Balance Sheet, Profit and Loss Account/Income and Expenditure Account/Receipt and Payments Account (*strike out which is not applicable*) read together with the Accounting Policies and Notes thereon, and subject/due to the significant matters stated above and other matters mentioned in the Separate Audit Report annexed herewith, give/do not give (*strike out which is not applicable*) a true and fair view.
- a. In so far as it relates to the Balance Sheet of the state of affairs of the AB (Name of AB) as at 31 March..... (Year); and
 - b. In so far as it relates to the Profit and Loss Account/Income and Expenditure Account (*strike out which is not applicable*) of the profit/loss/surplus/deficit for the year ended on that date.

**Pr. Accountant General (General & Social Sector Audit),
West Bengal**

Place:

Date:

(Ref. HQ Office Letter No. 44-Rep (AB)/91-2003 dated 25.04.2006)

ANNEXURE-M

(Ref. Paragraph 7.25.10)

Procedure to be adopted in Finalisation of SAR

1. The draft SAR duly vetted by the IC wing should be sent to the ABs concerned under the signature of Pr. Accountant General (Audit) for obtaining replies to various observations contained therein.
2. Replies received must be taken into account and incorporated, if necessary, in the SAR proposed to be issued. If, however, Management disagrees to any facts in the report, their correctness should be rechecked. In case, replies are not acceptable, reasons as to why the replies are not acceptable should be clearly given in aide- memoire and rebuttal in brief incorporated in the SAR. If no replies are received to the draft SAR within the stipulated period, SAR should be finalized and the fact of non-furnishing of replies should be indicated in the SAR.
3. SARs on the Autonomous Bodies which fall within the following criteria would also be finalized and Audit Certificates/SARs should be issued to Government only under the signatures of Pr. Accountant General (Audit).
 - ❖ Grants up to Rs 1 crore per annum
 - ❖ If not grants are received - expenditure amounting to Rs 1 crore & below
 - ❖ If certification of accounts is in arrears, - autonomous bodies with arrears up to 3 years
 - ❖ All SARs on new audits may be sent for Headquarters approval for two years and thereafter, if directed by Headquarters.

Note The separate Audit Reports on all legal service authorities (State and District levels) will be finalized by the Pr. Accountants General (Audit).

4. In all cases where the SARs are to be placed before the State Legislatures the reports and accounts as audited must be submitted to Headquarters office for prior approval before these are sent to Government concerned for being placed before State Legislature.

5. While forwarding the draft/final separate audit report to Headquarters office, the following information/documents should invariably be furnished:-
 - a) Two copies of draft SAR along with aide-memoir and key linking the figures.
 - b) Two copies of draft audit certificates proposed to be issued.
 - c) One copy of authenticated annual accounts to be certified by the audit office.
 - d) Information in the proforma as required under Manual of Instruction for audit of ABs
 - e) In case of the autonomous bodies having branch/units the following information may also be furnished:
 - i) Number of units of ABs;
 - ii) Number, name/location of units selected for audit;
 - iii) Name of units whose comments have been incorporated in the SAR
 - f) A brief note on the evaluation of internal control system in the ABs
 - g) Management letter, if any
 - h) Check list as mentioned in the Manual of instruction of ABs
6. Since the work of certification of annual accounts and issue of SAR. is required to be completed in a time-bound manner the time schedule for completion of financial audit and issuing the final SAR to Management/Government concerned should be adhered to scrupulously.
7. In case, audited accounts/SARs for previous years have not been placed before the Parliament/State Legislature (s), specific reasons therefore may be ascertained from the organization/department; concerned and reported to the Headquarters office, if necessary before releasing final SAR for subsequent years to the Autonomous Body.

ANNEXURE-N

(Ref. Paragraph 7.37.8(b))

Audit Certificate

Office of the.....

(in the proper letter head)

No.....

AUDIT CERTIFICATE

The Expenditure Statements/Financial Statements relating to the Project.....(loan/credit No.....) for the year..... attached hereto have been audited in accordance with the regulations and standards of audit of the Comptroller and Auditor General of India and accordingly included such tests of accounting records, internal checks and controls, and other auditing procedures necessary to confirm.

- a. That the resources were used for the purposes of the Project; and
- b. That the expenditure statements/financial statements are correct.

During the course of audit referred to above, Statements of Expenditure (Each Application Number..... and amount to be indicated) and the connected documents were examined and these can be relied upon to support reimbursement under the aforesaid loan/credit agreement.

Gross amount shown in the above mentioned statements of expenditure includes advance paid to contractor/s Rs..... Rupees(.....) which is still pending adjustments.¹

On the basis of the information and explanations that have been obtained as required and according to the best of our information as a result of test audit, it is certified that the Expenditure Statements/Financial Statements read with the observations set out below represent a true and fair view of the implementation (and operations) of the project for the year.....

This certificate is issued without prejudice to CAG's right to incorporate any further/detailed audit observation if and when made in the Report of CAG of India for being laid before Parliament/State Legislature.

Signed
(Name and Designation)

¹ Delete if not necessary.

ANNEXURE-O
(Ref. Paragraph - 7.38.15(c))
AUDIT EVIDENCE

In searching for the evidence of fraud and corruption the auditor must:

- > Always search for the strongest possible evidence;
- > Investigate without delay, as evidence may be destroyed, lost or forgotten;
- > Not ignore small clues or leads;
- > Look for facts that confirm or refute suspicions;
- > Concentrate on the weakest point in the fraud and corruption;
- > Identify and summarize the evidence indicating that fraud and corruption may have been committed;
- > Identify the possible scenario of fraud and/or corruption;
- > Summarize and explain the accounting and control systems involved, the paper trail involved in the transaction, and the deviations from the systems;
- > Explain patterns used in covering up the fraud and corruption;
- > Identify the possible extent of the fraud and corruption; and
- > Consider the possibility of collusion.

SOURCES OF EVIDENCE

- > ***Documents from the auditee:*** During the course of examination of books of accounts, auditors investigate various documents that serve as evidence for the audit. These documents may be original or photocopies depending upon their importance.
- > ***Report of Internal Auditor:*** The internal auditor may have identified instances of deviation from normal procedure.
- > ***Interviews:*** Auditors can obtain important information from various Government employees. Since they may have noticed internal control failure made by managers and fraudulent activities perpetrated by other employees, interviews may be useful in detecting material misstatements caused by fraud and corruption.
- > ***Inspection/Observation:*** Auditors can notice possibility of fraud and corruption through the examination of inspection/observation/physical verification reports (e.g. forged document, inventory not in existence or inferior quality). Where any auditor relies on physical observation for an audit conclusion, this would need to be supported with properly documented evidence.
- > ***Questionnaires:*** Auditors may gather important and helpful information by using questionnaires.
- > ***Confirmation with other related parties:*** Auditors sometimes obtain information directly from other related parties (e.g. bank balance confirmation from the bank, Debtor's balance confirmation from individual debtors etc). If the figures provided by these agencies do not tally with the account, they should check in detail to find out the reason for discrepancy.
- > ***Results of Analytical Review:*** Auditors analyze both financial and non-financial information which can indicate abnormal trends. In that case, auditors need to concentrate on particular areas.
- > ***Expert Opinion:*** Auditors may seek expert opinion about a suspicious case. The expert's opinion becomes evidence if auditors can rely on that opinion in assessing fraud and corruption.

ANNEXURE-P
FEED BACK REPORT

Party and quarter No.

1. Name of the office inspected and DDO Code (s) :
2. Period of accounts checked :
3. Time allowed and taken to complete the audit :
4. Activities of the office in brief :
5. Number and name of units/sub-units under the office inspected along with DDO Code (s) :
6. Expenditure incurred during the period covered in audit (year-wise breakup):

Year	Name(s) of the scheme/project/programmes /activities (Plan/Non-plan) undertaken and expenditure against each	Expenditure on contingency	Expenditure on salary and other establishment matters	Expenditure on purchase of stores/ materials and nature of stores/materials as per statement enclosed

7. Fund sub allotted to Field Level office (district/block level) for implementation of scheme/ project/purposes other than salary and establishment expenditure:

Year	Fund sub allotted (consolidated)	Purpose (s)	To whom	UC received

8. Whether any interesting points have been found during scrutiny of reports/returns/UCs/SOE against fund sub allotted to field level offices (under audit jurisdiction of IC Wing) which require checking of basic

records of those office(s). If so, points in brief. Name(s) of the field level unit(s) that failed to submit UC/SOE may also be mentioned showing amount sub allotted.

9. Fund drawn in advance and adjustment submitted:

Year	Amount drawn in advance	Amount for which adjustment submitted	Fund remained unutilised against total drawl of advance for which no adjustment submitted

10. Deposit in PLA/Bank and expenditure made there from:

Year	Opening balance	Amount deposited	Amount withdrawn	Closing balance

11. Whether there is system of internal audit? If so, frequency of such audit:

12. Whether there is deficiency in maintenance of records?

13. Cases of defalcation, misappropriation, embezzlement, fraud etc. if any:

14. Major audit findings (Subject in brief with money value):

15. Position of outstanding paras:

16. Risk involved with the unit inspected (High/Medium/Low):

17. Whether revision of periodicity/working days is required. If so, reason thereof:

18. Name of the team members and supervising officer:

19. Signature of the Supervising Officer and date:

Sr. Audit Officer/Audit Officer (Party No.....)

ANNEXURE-Q

Survey Questionnaire for IT Applications

General instructions for filling the forms of survey questionnaire:

- There are three forms in the survey questionnaire. For each **IT Application** all the forms of survey questionnaire as applicable should be filled **separately**.
- For item at Sl. No. 2, the name of IT Application (e.g. Passenger Reservation System in Railways or Online Caste Certificate in Backward Class Welfare Department) should be filled .
- For item at Sl. No. 3, the name of the senior most person (like DM or BDO or Sabhadhipati) in the auditee unit and in case aggregated data is compiled from more than one location/agency, the highest authority of the organization should figure.
- The information may be furnished in the space available in the format. If the space is inadequate, separate sheet may be attached including the serial no against which additional information is given.
- Sl. No. 13 to 21 in Form I and the entire Form II is not required to be furnished in case the system is under development stage.
- Form III is not required to be furnished in case the system is already running.

Form I

1. Name of the auditee organization

Name of the IT Application and broad functional area covered by the IT application:

2. Date of sending the data :

3. Head of the auditee organization :-

4. Phone No. and email ID of the Head
of the Office
:-

5. Information System-in-charge :

6. Location of the IT Installation :

- | | | |
|---|---|--|
| 7. State the category of IT system architecture : | A. Mainframe based <input type="checkbox"/>
Minicomputer based <input type="checkbox"/>
PC based <input type="checkbox"/> | <input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/> |
| | B. File server system <input type="checkbox"/>
Client server system <input type="checkbox"/>
Distributed processing system <input type="checkbox"/>
Web based/Electronic Data Interchange <input type="checkbox"/> | <input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/> |

8. State the category of IT application :

A. An E-Governance Project (Part of NEGP²) (Please give details in separate sheet)

B. Other application system (Choose from the list below)

- ☐ Accounting system
- ☐ Financial Management System
- ☐ Inventory/Stock Management
- ☐ Decision Support System/MIS
- ☐ Manufacturing/Engineering
- ☐ Payroll
- ☐ Personnel and Administration
- ☐ Marketing
- ☐ Sales
- ☐ Enterprise Resource Planning
- ☐ Research and Development
- ☐ Others (Please specify)

9. Does the IT application has a direct impact on the financial and accounting aspect of the organization?

Yes ☐

No ☐

10. Software used (the Version May be specified)

Operating System _____

Networking Software _____

Communication Software _____

³DBMS/RDBMS _____

Front End Tool _____

Programme Language/s _____

² **National e-Governance Projects**

³ DBMS- Database Management System like dBASE, Excel etc.

RDBMS- Relational Database Management System like Access, Oracle etc.

Vendor Developed _____

Utility Software _____

11. State the dependency level of the organization on the System :

☐ Mission Critical System⁴

☐ Essential System⁵

12. Who developed the System?

☐ In-house

☐ Outsource (please specify the name of the outside agency and contracted amount)

In case the system is under developmental stage, the remaining part of the questionnaire need not to be furnished.

13. When the System was made operational?

(Month, Year)

14. What is the total investment on the IT System project (Rs. in lakh) ?

☐ Hardware items: _____

☐ Propriety Software: _____

☐ Application System _____

development cost:

☐ Manpower training cost: _____

☐ Maintenance of all components (recurring): _____

15. Number of persons engaged for operation of the System

☐ 1-10

☐ 11-25

☐ 26-50

☐ 51-100

☐ >100

⁴ A Mission Critical System is a system which directly impacts the primary function of the organization e.g. Passenger Reservation System in Indian Railways

⁵ An Essential System is a system the failure of which cause disruption of some services without disrupting the primary service/s e.g. ATM service in Banks.

16. What is the average volume of data generated on a monthly basis?

17. Does the System documentation provides for an Audit Trail⁶ for all transaction processed and maintained?

☐ Yes
☐ No

18. Are the following manuals available?

1. User Documentation Manual	Yes <input type="checkbox"/>	No <input type="checkbox"/>
2. Systems and programming documentation manual	Yes <input type="checkbox"/>	No <input type="checkbox"/>

19. Is there any system in place to make modification to the application being used on a regular basis to support the function?

Yes ☐ No ☐

20. Does the organization transmit/receive data to/from other organization?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Transmit <input type="checkbox"/>
			Receive <input type="checkbox"/>

⁶ Audit Trail:- System information including start up time, stop time, restarts, recovery, transaction information like inputs that change database and communication information like terminal log on/off, password use, security violations etc.

Form II

21. Details of all Hardware items including the number of terminals etc. employed:

22. Details of networking hardware employed:

23. Are more than one IT Application/s running on the same Hardware? If yes, specify the name/s of such IT Application/s as indicated at Sl. No. 2.

Form III

24. What is the current status of development of IT System if it is still under development?

- | | |
|--|--------------------------|
| ▪ Feasibility study stage | <input type="checkbox"/> |
| ▪ User requirement Specification stage | <input type="checkbox"/> |
| ▪ Design stage | <input type="checkbox"/> |
| ▪ Development stage | <input type="checkbox"/> |
| ▪ Testing stage | <input type="checkbox"/> |
| ▪ Parallel run (if any) | <input type="checkbox"/> |
| ▪ Implementation stage | <input type="checkbox"/> |

25. What is the projected cost for the IT System?

Rs. _____ lakh

26. What is the target date for completion?

(Month) (Year)

A.Q No 1

Dated

Forwarded to for favour of reply and early return please.

Asstt. Audit Officer,
O/o the Principal Accountant General (General & Social Sector Audit)
West Bengal

Comptroller and Auditor General of India