

Guidelines for Concurrent Auditors

Appendix-II.A

GUIDELINES CUM CHECKLIST FOR AUDIT OF DISTRICT HEALTH SOCIETIES UNDER NRHM

Here are brief guidelines cum checklist for the monthly audit to be conducted at District Health Society. All the auditors are requested to please go through these while conducting the audit so that adequate monitoring at district level can be done in a standardized manner. Also your suggestions or queries on this are most welcomed.

1. The Audit report should comprise of the following-
 - a) Audited Trial Balance -
 - b) Audited Receipt & Payment Alc -
 - c) Income & Expenditure Alc ✓
 - d) Audited Statement of Expenditure (SOE) ✓
 - e) Bank Reconciliation Statements ✓
 - f) List of long outstanding Advances ✓
 - g) Observations and recommendations of Auditors (including observations on field visits to select Blocks)

2. Also please ensure that the Audit Reports of all the Societies for each month should be submitted by 10th of the next month.

GUIDELINES CUM CHECKLIST FOR AUDIT OF DISTRICT HEALTH SOCIETIES, NR

Note: If the answer for any of the item below is adverse (i.e., 'NO'), please Give details on a separate sheet

Sr. No	Questionnaire	Remarks
1.	Whether FMRs/SOEs are based on the books of accounts?	Yes/ No
2.	Whether advances are shown as expenditure in the FMRs/SOEs?	Yes/ No
3.	Whether FMRs/SOEs are being prepared in the format prescribed by GOI?	Yes/ No
4.	Whether FMRs/SOEs reporting are being done on time every month?	Yes/ No
5.	Whether concurrent auditor has audited the monthly FMR/SOE?	Yes/ No
6.	Whether statement of fund position is being sent along with FMR/SOEs?	Yes/ No
7.	Whether the concurrent auditor has audited the statement of fund position?	Yes/ No
8.	Whether Utilization Certificates for he last financial year has been sent to SHS.	Yes/ No
9.	Whether the utilization certificates sent to SHS have been audited by concurrent auditor?	Yes/ No
10.	Whether the DHS has sent the action taken report (ATR) on the last statutory audit report of the DHS to the SHS?	Yes/ No
11.	Whether all the Rogi Kalyan Samities (RKS) in the District have been audited as per last due date? If not, list down the RKSs which have not been audited.	Yes/ No
✓ B. MAINTENANCE OF BOOKS OF ACCOUNTS		
1.	Whether cash book is being maintained if the format prescribed? (Annexure A)	Yes/ No
2.	Whether separate cash book with cash and bank balance on cash system of accounting are being maintained properly for different projects (RCH, NRHM, SIP etc) and are up to date?	Yes/ No
3.	Whether Cash book is closed daily by 4 p.m. and is authenticated and duly signed by authorized signatory on daily basis?	Yes/ No
4.	Whether the society is carrying heavy cash balance i.e. exceeding Rs. 5000/-?	Yes/ No
5.	If the answer to above is in positive, please give the no. Of case and the reason therefore.	Yes/ No
6.	Whether appropriate insurance cover is there for excess cash held by the District Health Society?	Yes/ No
7.	Does the physical cash tallies with that entered in Cash Book? Give date on which verified and the cash balance with DHS on that day.	Yes/ No
8.	Whether Petty Cash Book is being maintained properly?	Yes/ No
9.	Whether cheques issued register is being maintained properly	Yes/ No

10.	✓	Whether Registers of Bank Draft received and Bank Draft Issued is being maintained?	Yes/No
11.	-	Whether update passbook/bank statement is available?	Yes/ No
12.	-	Whether Bank reconciliation is prepared on a monthly basis as per Annexure-F?	Yes/ No
13.	-	Whether proper explanation has been given by the persons responsible regarding unreconciled entries? Please give detailed list of unreconciled and unexplained entries.	Yes/ No
14.	-	Are ledgers being maintained properly?	Yes/ No
15.	-	Whether Journal register maintained?	Yes/ No
16.	-	Whether Budget Receipt & Control Register is being maintained in the format given in Annexure 'B'?	Yes/ No
17.	-	Whether Register for Advances maintained as -Advances given -To staff -To contractors/suppliers/CHCs/PHCs and -TA/DA advance	Yes/ No
18.	-	Whether Register for Staff Payments maintained?	Yes/ No
19.	-	Whether Stock Register are being maintained properly for: • Civil Works • Machinery & Equipment • Furniture & other non-consumable articles • Register for drugs & medicines • Register for consumable articles	Yes/ No
20.	-	Is there a separate register for Advance to NGOs and other voluntary agencies implementing RCH-II Prog?	Yes/ No
21.	-	Is register of Investments being maintained properly?	Yes/ No
22.	-	Whether Dispatch Register maintained properly?	Yes/ No
23.	-	Whether Office attendance register is there and maintained properly?	Yes/ No
24.	-	Whether all the files of the society are systematically numbered and recorded in the file register?	Yes/ No
C.RECEIPT & INCOME			
25.	✓	Whether DD received register is being maintained properly?	Yes/ No
26.	✓	Whether all the receipts have been recorded in DD received register and Bank book with date and sanction no.s?	Yes/ No
27.	✓	Whether Grants received have been recorded under proper heads according to the purpose for which it was received? e.g. towards RCH flexi pool, Pulse	Yes/ No

Polio, EC-Slip, DFID etc.		
D. Payment & Expenditure		
28.	Whether all the vouchers are checked for the payment made? (Check all vouchers above Rs. 2,000/- and test check remaining vouchers).	Yes/ No
29.	Whether vouchers have been filled properly and complete in all respect?	Yes/ No
30.	Whether all the vouchers are scrolled or not and entered into the Cast/Bank Book properly?	Yes/ No
31.	Whether all vouchers are supported with appropriate documentary evidences?	Yes/ No
32.	Whether necessary approval from appropriate authority has been taken for expenditure made?	Yes/ No
33.	Whether all the approvals are within the sanctioning powers of the sanctioning authority?	Yes/ No
34.	Whether procedure for obtaining the sanctions has been followed? If no, pl specify the no. Of cases in which it is not followed?	Yes/ No
35.	Whether expenditures are classified into Capital and Revenue properly?	Yes/ No
36.	Whether expenses are debited to proper activity for which it was given?	Yes/ No
37.	Whether all the payments have been classified into as- a. Gol b. WHO c. NIHFV d. Others	Yes/ No
38.	Whether the amount is been actually utilized for the purpose for which it was disbursed? If no, pl. Give details.	Yes/ No
39.	Whether there is any deviation between the amount of expenses shown as per income & Expenditure and as per SOEs submitted by District Health Society to the State?	Yes/ No
40.	If yes, quantify the difference activity wise.	Yes/ No
E.ASSET SIDE		
a. Fixed Assets		
41.	Whether fixed assets register has been maintained in the prescribed format? (see Annexure 'C')	Yes/ No
42.	Is the procedure for purchase of Fixed Assets being followed? Report deviations if any.	Yes/ No
43.	Does physical stock tallies with that recorded in register?	Yes/ No
b. Advances		
44.	Whether Advances are giving after following required procedure?	Yes/ No
45.	The purpose for which advance was given comply	Yes/ No

47.	<input checked="" type="checkbox"/> Specify whether an Age analysis of advances has been maintained as per format given? (Annexure 'E')	Yes/ No
48.	<input checked="" type="checkbox"/> Whether there are huge unadjusted advances (say more than one month)?	Yes/ No
49.	<input checked="" type="checkbox"/> If the answer to above is affirmed please give details of such unadjusted advances and the reasons for not adjusting the same.	Yes/ No
F. LIABILITIES SIDE		
a) Grants/Funds Received		
50.	<input checked="" type="checkbox"/> Whether grant-in-aid received have been properly classified as that received from Gol towards:- <input checked="" type="checkbox"/> RCH-II Flexi pool <input checked="" type="checkbox"/> Pulse Polio <input checked="" type="checkbox"/> EC-SLIP <input checked="" type="checkbox"/> Area Projects <input checked="" type="checkbox"/> Others (specify)	Yes/ No
b) Capital Fund		
51.	<input checked="" type="checkbox"/> Whether Capital Fund Account has been created to the extent of fixed assets purchased and capitalized?	Yes/ No
G. OTHER STATUTORY REQUIREMENTS		
a) Tax Deducted at source (T.D.S.)		
52.	<input checked="" type="checkbox"/> Whether T.D.S. has been deducted appropriately wherever required?	Yes/ No
53.	<input checked="" type="checkbox"/> Whether tax has been deducted at source at the rates prescribed / give list of cases where tax has not been deducted or has been deducted short (for rates of deduction of tax refer Annexure-'F')	Yes/ No
54.	<input checked="" type="checkbox"/> Where quarterly returns of T.D.S. in the form prescribed have been filled in time? If not state reasons.	Yes/ No
b) Other requirements		
55.	<input checked="" type="checkbox"/> Whether the society is register with Income Tax Authorises for exemption from paying Income Tax under relevant section/s?	Yes/ No

Annexure 'A'-CASH BOOK

RECEIPTS						PAYMENTS					
Date	Particulars	Party Time	Activity Head	L/f No.	Amount (Rs)	Date	Particular	Party Time	Activity Head	L/f No.	Amount (Rs)
	Opening Balance b/f										
	Total					Total					

	Grand Total						Grand Total						

✓ ANNEXURE 'B' - BUDGET CONTROL REGISTER

Date	Activity/Particular	Approved Budget	Grants in aid recd	Total budget Recd.	Bal. Budget	Funds released	Unspent	Fund Avail.

✓ ANNEXURE 'C' - ASSETS REGISTER

Date	Voucher. No.	Particular	Location	Asset Quantity				Asset Cost			
				At the beginning of the year	Addition	Deletion	Total Qty	Cost at the beginning of the years(Rs.)	Additions (Rs.)	Deletion (Rs.)	Total Cost at the end of the year (Rs)
				(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)

✓ ANNEXURE 'D' - FORMAT OF ADVANCE REGISTER

Name of Authorized Persons _____

Date	Particular	To whom given	Cheque no. & date	Amount	Adjustment Details		Balances Advances
					Date	Amount adjusted	

	Activity II						
	Activity II						

✓ ANNEXURE 'E' – AGE ANALYSIS OF ADVANCES

AGE	Number of advances	Advances outstanding (Rs)
Advances pending for less than 1 year		
Advances pending for more than 1 year but less than 2 years.		
Advances pending for more than 2 years		

Annexure 'F' : Bank Reconciliation Statement as on Date: _____

Name of the State/District Health Society: _____

SB A/c No. _____

S.No	Particular	Scheduled Reference	Amount (Rs.)
A	Balance as per Cash Book (as on date)		
B.	Add:		
	I. Cheque issued but not yet presented for payments into bank.		
	II. Credit entries made in the bank pass book but not shown in the cash book (such as bank interest)		
	III. Others reasons		
	Sub Total (B)		
C	Less		
	I. Cheques deposited into Bank but not yet credited into the saving bank account of the SHS/DHS		
	II. Bank chares debited in the bank account but not accounted for in the cash book		
	III. Others reason		
	Sub -Total (C)		
	Balance as per Pass Book/Bank Statement (A+B-C)		

Prepared By	Examined by
DAM/SAM	Concurrent auditor

Date: _____