

GOVERNMENT OF ODISHA

Finance Department

Letter No: - 3995 / F dated: 2.5.12
FIN-LFA4-AR-0759-2012

From:

Sri B.P.Nanda, O.F.S.
Deputy Examiner-cum
Joint Secretary to Govt.

To

All District Audit Officers,
Local Fund Audit.

Sub: Adoption of the Common Audit Format (CAF) for all categories of Institutions (except G.P. & Z.P.), submission of e-Audit Reports and the guidelines there on.

Madam/ Sir,

I am directed to say that all Audit personnel should submit the Audit report online through ALFA software from the current Programme year i.e. 2012-13. For the purpose, a Common Audit Format (CAF) for all categories of Institutions (except G.P. & Z.P.) has been developed and available to the respective users. The Reviewing Officers shall also review the e-Audit Report on-line at the Auditee Institutions/Office and submit it to the District Audit Officer. The DAOs shall also approve the e-Audit report online. Submission of e-Audit Report in respect of the spill over institutions during the Programme year 2012-13 is optional. Further, the approved e-Audit Reports can be sent to the respective quarters in shape of Hard copies, wherever necessary. The CAF, Guidelines & On-line Instructions should be circulated among all Audit Personnel of LFA under your control.

The guidelines and on-line instructions should be followed meticulously.

Yours faithfully,

Enclosures:

- 1.Common Audit Format.
- 2.Audit Guidelines
- 3.Online Instructions

D.E.-cum-Joint Secretary to Govt

2/5/12

Memo No: 3996 / F Dt. 2.5.12

Copy along with copy of the enclosures submitted to the Sr. P.S. to Principal Secretary to Govt, Finance Department for kind information of the **Principal Secretary.**

D.E.-cum-Joint Secretary to Govt

2/5/12

Memo No: 3997 / F Dt. 2.5.12

Copy along with the copy of the enclosures submitted to the P.S. to Examiner of Local Accounts-cum-Special Secretary to Govt, Finance Department for kind information of the **Examiner of Local Accounts.**

Memo No: 3998 / F Dt. 2.5.12
D.E.-cum-Joint Secretary to Govt. 2/5/12

Copy along with the copy of the enclosures forwarded to the **A.G. (Civil Audit)**, Odisha, Bhubaneswar for information.

Memo No: 3999 / F Dt. 2.5.12
D.E.-cum-Joint Secretary to Govt. 2/5/12

Copy along with the copy of the enclosures forwarded to the **D.E.-cum-Joint Secretary to Govt** (LFA Audit/LFA Estt.), **A.E.-cum-Under Secretary to Govt** (LFA Estt/ LFA Audit), Finance Department for kind information.

Memo No: 4000 / F Dt. 2.5.12
D.E.-cum-Joint Secretary to Govt. 2/5/12

Copy along with the copy of the enclosures forwarded to **Smt. Minati Sahoo, PSA, NIC, FID** for information and necessary action.

She is requested to maintain the database of ALFA safely and fix the bogs received if any, on CAF & other modules as early as possible so that Audit Personnel may not face any difficulty in ALFA as Audit is a time bound work.

Memo No: 4001 / F Dt. 2.5.12
D.E.-cum-Joint Secretary to Govt. 2/5/12

Copy along with the copy of the enclosures forwarded to All Audit Superintendents, State Headquarters/ Programme Section, State Headquarters/ Automation Wing, ALFA/ All Auditors, State Headquarters for information and necessary action.

D.E.-cum-Joint Secretary to Govt. 2/5/12

COMMON AUDIT FORMAT (CAF)

LOCAL FUND AUDIT, ODISHA

CATEGORY: ****

Audit Report No: /.....

PARA: 1. TITLE SHEET

a)	Name of the Institution :	****
b)	Year of Accounts under Audit :	****
c)	Name of the Local Authority during the year of A/Cs	i) _____ ii) _____
	Name of the Local Authority at the time of Audit	i) _____ ii) _____
d)	Duration of Audit:	**/**/**** to **/**/****
e)	Name of the Auditors :	**** **** ****
f)	Name of the Reviewing Officer:	****
g)	Date of final review :	****

PARA: 2. Physical Verification

Date of Physical Verification :	On ___/___/___ (DD / MM / YYYY) Recorded at _____
Liquid Cash Before Transaction/After Transaction	
Misc Receipt Books	
Saleable forms	
Unused MBs	

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PARA: 3. List of Verified Records

- | | | |
|-----------------------|----------|----------|
| 1. PS Cash Book | Verified | Yes / No |
| 2. Govt A/C Cash book | Verified | Yes / No |

3.

All '*' marked places will be auto generated by the system.

PARA: 4. Financial Position

A/C-1 (Name of the Cash Book)	
Opening Balance as on $\frac{\quad}{(DD)} / \frac{\quad}{(MM)} / \frac{\quad}{(YYYY)}$	
Receipt during the Year under Audit	
Total	
Expenditure during the Year under Audit	
Closing Balance as per $\frac{\quad}{(DD)} / \frac{\quad}{(MM)} / \frac{\quad}{(YYYY)}$ Audit	
Closing Balance as per $\frac{\quad}{(DD)} / \frac{\quad}{(MM)} / \frac{\quad}{(YYYY)}$ Cash Book	
Difference	

Details of Closing Balance & Comments if any :

ADD MORE
ACCOUNTS

PARA: 5. Details of Closing Balance as per Bank Pass Books & Cash Book Bank Balance figure

Name of the Bank	A/C No.	Closing Balance in Pass Book As on	Closing Balance in Bank as mentioned in Cash Book	Difference

PARA: 5.1. Reconciliation

PARA: 6. Stock Position

Material/ Item	Opening Balance	Receipt	Issued	Closing Balance As per Audit	As per stock register	Reference
Cement						
MS rod						

.....						
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PARA: 7. Investment

Opening Balance of Investment as on $\frac{\quad}{(DD)} / \frac{\quad}{(MM)} / \frac{\quad}{(YYYY)}$	
Amount Encashed during the Year under Audit	
Total	
Amount Invested during the Year under Audit	
Closing Balance as per $\frac{\quad}{(DD)} / \frac{\quad}{(MM)} / \frac{\quad}{(YYYY)}$ Audit	
Closing Balance as per $\frac{\quad}{(DD)} / \frac{\quad}{(MM)} / \frac{\quad}{(YYYY)}$ Investment Ledger	
Difference	

DETAILS OF CB ON INVESTMENT & Comments if Any :
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PARA: 8. Advance

Advance Outstanding as on $\frac{\quad}{(DD)} / \frac{\quad}{(MM)} / \frac{\quad}{(YYYY)}$	
Advance Paid during the Year under Audit	
Total	
Advance adjusted during the Year under Audit	
Advance Outstanding as per $\frac{\quad}{(DD)} / \frac{\quad}{(MM)} / \frac{\quad}{(YYYY)}$ Audit	
Advance Outstanding as per $\frac{\quad}{(DD)} / \frac{\quad}{(MM)} / \frac{\quad}{(YYYY)}$ Cash Book	
Difference	

Comments if Any :

DETAILS OF ADVANCE OUTSTANDING FOR THE YEAR UNDER AUDIT

DETAILS OF ADVANCE OUTSTANDING FOR MORE THAN A YEAR

PARA: 9. Grants

Grants Outstanding as on $\frac{\quad}{(DD)} / \frac{\quad}{(MM)} / \frac{\quad}{(YYYY)}$	
Grants Received during the Year under Audit	
Total	
Grants Spent during the Year under Audit	
Grants unspent as on $\frac{\quad}{(DD)} / \frac{\quad}{(MM)} / \frac{\quad}{(YYYY)}$	

Comments if Any :

PARA: 10. Utilisation Certificate

U.C Outstanding as on $\frac{\quad}{(DD)} / \frac{\quad}{(MM)} / \frac{\quad}{(YYYY)}$	
U.C due for submission during the period under Audit	
Total	
U.C Submitted during the period under Audit	
U.C needs to be submitted as on outstanding as on $\frac{\quad}{(DD)} / \frac{\quad}{(MM)} / \frac{\quad}{(YYYY)}$	

U.C. submitted during Audit :

[The following paras (11-20) will have unlimited space to mention the objections raised by the Audit personnel of LFA along with recovery/ surchargeable amount/ amount held under objection/ irregularity if any]

PARA: 11. Misappropriation & Defalcation

PARA: 12. Loss of Stock & Store

PARA: 13. Audit of Receipts

PARA: 14. Audit of Expenditure

PARA: 15. Audit on Works

PARA: 16. Audit on Units / Department (if any)

PARA: 17. Audit on Schemes / Programmes

PARA: 18. Miscellaneous

PARA: 19. Audit of Loan/Deposits/CPF including Positions

PARA: 20. Suggestions by Auditor

PARA: 20.1. Result of Audit

PARA: 20.2. Audit Certificate

PARA: 20.3. Remark by Auditor

- 0 -

GUIDELINE FOR PREPARATION OF DRAFT AUDIT REPORTS FOR ALL CATEGORIES OF INSTITUTIONS IN THE COMMON AUDIT FORMAT

The Audit procedure should be confined to Odisha Local Fund Audit Act, 1948 & the Odisha Local Fund Audit Rules 1951 and the amendments /instructions there on.

(1) TITLE SHEET:- As per the Format (Heads of Institution during Audit period are the input to the system and rest are system generated)

(2) PHYSICAL VERIFICATION:- As per the Format

(3) LIST OF VERIFIED RECORDS:-

Category of Institution wise detail list of records and Registers are prescribed. User has to click on appropriate checkbox provided against each record, if any record found missing in the list, user can mention it in the remark box.

(4) FINANCIAL POSITION:-

Cash book wise details of Receipt and Expenditure are to be worked out and checked with reference to the Abstract Register of Receipt and Expenditure maintained by the Local Authority along with the analysis of cash balance. In case of any non-maintenance the matter should be reported to competent authority. Only the abstract of financial position to be furnished with comments regarding maintenance of Annual Account and discrepancies if any. Details of discrepancies between cash book balance and balance as per audit to be discussed. The abstract financial position in respect to Samiti A/C and Govt. A/C are to be furnished separately in tabular form. The details of budgetary head wise receipt and expenditure statement supplied by the Local Authority/ Worked out by Audit Personnel should be checked & submitted to the District Audit Office along with the Audit Objection Statements Original (Retuned)/ Duplicate (Hard Copies) for that Auditee Institution. In the District Audit Office it is preserved as a permanent record for any future reference.

(5) DETAILS OF CLOSING BALANCE AS PER BANK PASS BOOKS & CASH BOOK

BANK BALANCE FIGURE:-

Reconciliation worked out by the local authority in respect of Bank Account balance and Cash Book balance are to be checked. In case of non-reconciliation comment should be furnished with a report to the competent authority. Account wise balance as per the formats and discrepancy between Bank A/C and balance shown in Cash Book are to be worked out. Effort should be made to reconcile the difference as noticed in course of checking of Bank Account with reference to Cash Book.

(6) STOCK POSITION:-

The position of stock Accounts relating to building materials, Food stuff and other materials if any, required for reference in subsequent audit should be furnished. Irregularities noticed in maintenance of stock Account and Receipt and issue of materials along with non-recovery of cost of materials are to be furnished.

(7) INVESTMENT:-

Abstract position of investment with details of C.B. are to be furnished with comment on irregularities on maintenance of investment ledger, process of investment and loss of the institution if any.

(8) ADVANCE:-

- (a) Abstract of advance position with comment on discrepancies between cash book figure and audit figure.
- (b) In case of P.S. A/C and Govt. A/C positions are to be furnished separately.
- (c) Details of outstanding advance for more than a year and year under audit are to be furnished.
- (d) Comment on maintenance of advance ledger and outstanding advance ledger.
- (e) Comment on serious irregularities noticed in payment and adjustment of advance and non-adjustment of outstanding advance.

(9) GRANTS:-

- (a) Abstract of Grant position as worked out during audit after checking the grant register maintained by the local authority or from the cash book etc.
- (b) Comment on unspent balance, diversion of grant, irregularities in utilisation of different categories of grants if any.
- (c) Comment on utilisation of matching contribution as per the norms of the grant in respect of the U.L.Bs. and other institutions.
- D) Comment on maintenance of grant register.

(10) UTILISATION CERTIFICATE:-

- (a) Position of U.Cs. and details of U.Cs. submitted during the year are to be mentioned.
- (b) Comment on maintenance of U.C. register & pending U.C.

(11) MISAPPROPRIATION & DEFALCATION:-

All kinds of misappropriation of cash detected during audit are to be mentioned.

(12) LOSS OF STOCK & STORE:-

All kinds of loss of stock and stores detected during audit are to be mentioned.

(13) AUDIT OF RECEIPTS:-

Irregularities noticed in respect of all kinds of receipts in the accounts of an institution.

(b) The D.C.B. position of Rent, Taxes, fees and other dues, comment on time barred dues and on maintenance of D.C.B. register in respect of U.L.Bs. & other institutions should be made on a Microsoft Excel sheet and should be pasted on respective sub paras.

(c) The discrepancies, irregularities, loss in allotment, deposits and other dues in respect of development authorities are to be furnished.

(14) AUDIT OF EXPENDITURE:-

(a) Irregularities noticed in respect of vouchers are to be mentioned.

(b) Irregularities noticed in respect of establishment expenditure, T.A. and other claims are to be mentioned.

(15) AUDIT ON WORKS:-

100% checking of work vouchers with reference to Guidelines of scheme works, case records and M.Bs. stock account etc. and objection should be raised regarding execution of project(scheme wise) in the following manner.

(1) Deviations from guideline of the scheme noticed during execution of project.

(2) Excess and inadmissible payment noticed.

(16) AUDIT ON UNITS/DEPARTMENT (IF ANY):-

Irregularities for each department/unit/Division in respect of Universities, Development Authorities and other institutions are to be furnished in this para.

(17) AUDIT ON SCHEMES/PROGRAMMES:-

Comment on irregularities noticed in execution of different schemes /programmes with target & achievement (Scheme wise). Any deviation on implementation of the scheme/programme beyond guidelines and allotment of funds in general are to be mentioned. A detail report should be prepared at least in respect of one scheme/programme in an institution with comments and suggestion.

(18) MISCELLANEOUS:-

(a) Any other kind of objection/suggestion beyond the above paragraphs noticed in the accounts during audit.

(b) Position of fees fines, scholarship, student fund, in respect of Educational Institution with comment.

(c) Any detailed Statement if required for Audit

(19) AUDIT OF LOAN/DEPOSITS/CPF INCLUDING POSITIONS:-

Position of loan, deposits, P.F., Royalty, VAT and P.T. need to be furnished in tabular form as applicable in an institution along with comments on repayment of loan, interest, penal interest etc.

(20) RESULT OF AUDIT:- (Automatically generated by the system)

(a) Audit Certificate. (Automatically generated)

(b) Suggestion /Remark of the Auditors on maintenance of account

(To be filled up by Auditor)

ONLINE INSTRUCTIONS of CAF for users of ALFA

Step 1. Click on Audit Report Management

Step 2. Click on Manage Paragraph for respective Auditee Institution.

- The Lead Auditor is responsible for submission of the e-Audit Report in CAF.
- Each Auditor in a party can type the report online for different paras of the Audit Report and Save Accordingly.
- The Financial Position of all Cash Books (Cash book/Year Wise) of the Auditee Institution to be reflected in Para-4. The details of Closing Balance of each Cash Book and difference there on between Audit Figure and Cash Book Figure should be provided in the provided space.
- Except paras (01, 02 and 03) in each Para the Auditor/Reviewing Officer has to reflect the irregularity found in the form (Yes/No) and to fill up all mandatory fields like Amount Kept Under Objection, Amount suggested for recovery, Amount surchargeable, Total Amount Embezzled and Amount Covered by other cases.

- Save each time after making any change to any paragraph of the report. The system will display the name of respective User saving each paragraph. For any modification user has to save the report every time he/she modifies the report.
- After saving a paragraph along with the mandatory fields in the bottom, user will be able to manage surcharge. User has to enter the Name/ Designation/ GPF or CPF or EPF/ Address/ Amount to be surcharged for each delinquent in a para and then save it. When the Balance amount shows 0 then user has to close the screen. If the delinquent is surcharged in another para then user has to select the delinquent from the drop down bottom and should not enter his/her detail

again and then continue with entering surcharge amount.

- User can see the Printable view of each paragraph.
- If any error is found against any delinquent in Manage Surcharge then user has to delete the concern record and add a new entry as required and save the same.
- Annexure if any, has to be placed in respective para in a tabular format.
- Any statement required for Audit purpose to complete the Audit Report should be placed in the Miscellaneous Paragraph by giving the Sub Paragraph heading as " Statement Showing the "
- The Surcharge Statements, Result of Audit and Audit Certificate will be generated by the system automatically in the Report if every mandatory information are perfectly filled up in CAF.
- If any Spot Recovery occurs then User has to fill up the Spot Recovery information in respective screen.
- Before submitting the Audit report to reviewing officer, Lead Auditor has to verify the report. If any modification is required in the report, user has to make the necessary changes and SAVE again before submission.
- Only Lead Auditor can submit the report. It is the responsibility of the Lead Auditor to monitor the paras saved by Auditor(s) under his/her control.
- Lead Auditor can Show the Report Online to respective Local Authority and make a confirmation of "Seen and Discussed" in the Audit Objection Memo with signature and seal it for official use. After incorporating the Views of Local Authority in CAF, Lead Auditor has to submit it.
- After submission of the Audit report no changes can be made by any Auditor of the said Party for the said report.

- Respective Reviewing Officer can see the report and can make necessary changes on or after review. The Reviewing Officer can send the Audit Report to District Audit Officer for approval or can return the report to Lead Auditor, if it seems to be incomplete.
- It is also possible for the User to prepare the audit report offline in MS Word and can copy respective para's content and paste it in proper para of online Audit report(CAF) when internet is available and Save it for further process. User has to prepare all the Statements/ Annexure(if any) in Microsoft Excel and has to paste the same in proper para of CAF. User has to verify the Printable view of the report before final submission.
- As e-Audit report will be generated online through cyber secured software ALFA hence no signature is required. But while sending the Audit report to concerned Offices or Departments both hard copy and softcopy are to be supplied from District Audit Offices. The responsibility of the e-Audit Report will lie with District Audit Officer, Reviewing Officer, Lead Auditor and other Auditor(s) auditing the camp.