

प्रेषक,

जे०सी० जोशी,
सचिव, वित्त,
उत्तराखण्ड शासन।

सेवा में,

निदेशक,
लेखा परीक्षा,
उत्तराखण्ड, देहरादून।

वित्त आडिट प्रकोष्ठ

देहरादून:दिनांक:03 जून, 2020

विषय: वार्षिक कार्ययोजना 2020-21 की लेखा परीक्षा को दिनांक 15 जून, 2020 तक स्थगित किये जाने के सम्बन्ध में।

महोदय,


उपरोक्त विषयक शासन के पत्र सं० 29/xxvii(11)c 2020 दि० 20 मई, 2020 का संदर्भ ग्रहण करने का कष्ट करें, जिसके द्वारा लेखा परीक्षा हेतु वार्षिक कार्ययोजना (2020-21) निर्गत की गयी है। इस क्रम में उक्त पत्र के बिन्दु सं० (xxx) के अनुसार " वार्षिक कार्ययोजना, 2020-21 हेतु लेखा परीक्षा कार्य दिनांक: 01 जून, 2020 से प्रारम्भ किया जायेगा। उक्त तिथि से पूर्व समस्त लेखा परीक्षा दल अपने पूर्व कार्ययोजना से सम्बन्धित समस्त कार्य पूर्ण करना सुनिश्चित करें। इसके उपरांत समस्त लेखा परीक्षा के कार्य एवं लेखा परीक्षाय चरण ऑनलाइन माध्यम से सम्पादित किये जायेंगे"।

इस क्रम में मुझे यह कहने का निदेश हुआ है कि वार्षिक कार्ययोजना 2020-21 की लेखा परीक्षा को 15 जून, 2020 तक स्थगित किये जाने का निर्णय लिया गया है। कृपया वार्षिक कार्ययोजना के अन्तर्गत गठित लेखा परीक्षा दलों को दिनांक: 15 जून, 2020 तक लेखा परीक्षा कार्य को स्थगित किये जाने हेतु निदेशित करने का कष्ट करें।

इस समय लेखा परीक्षा दलों द्वारा अपने कार्यालयों में आवंटित लेखा परीक्षा संबंधित Desk Review किया जायेगा। Desk Review हेतु संलग्नक-1 के अनुसार कार्य किया जायेगा। इस सम्बन्ध में ऑनलाइन ट्रेनिंग विभागावार भी आयोजित की जायेगी।

संलग्नक- उपरोक्तानुसार।

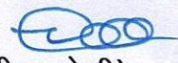
भवदीय,


(जे०सी० जोशी)
संयुक्त सचिव

पत्र संख्या : 46 /xxvii(11)c / 2020 तददिनांकित।

प्रतिलिपि निम्नलिखित को सूचनार्थ हेतु प्रेषित:-

1. निजी सचिव, सचिव, वित्त, उत्तराखण्ड शासन।
2. पर्यवेक्षक अधिकारी।
3. समस्त लेखा परीक्षा दल।


(जे०सी० जोशी)
संयुक्त सचिव

Audit Preparation

It is the responsibility of Audit Team leader to ensure that the audit team members take the necessary steps to prepare for the internal audit in accordance with quarterly audit plan circulated by DoA. Before proceeding to conduct the internal audit at the field, the audit team need to ensure that below mentioned activities are undertaken;

- Activity 1: Understand the Department and its operation
- Activity 2: Understand the legal and regularity framework
- Activity 3: Preparation of Planning Memorandum

The above activities shall be conducted by all the audit teams at the DOA level separately for each department/unit to be audited.

As per the International Standards for the Professional Practice of Internal Auditing (Standards) issued by IIA.

2200 Engagement Planning

Internal auditors must develop and document a plan for each engagement including the engagement's objectives, scope, timing and resource allocations. The plan must consider the organization's strategies, objectives and risk relevant to the engagement.

2201 – Planning Considerations

In planning the engagement, internal auditors must consider:

- The objectives of the activity being reviewed and how the activity controls its performance;
- The significant risks to the activity, its objectives, resources, and operations and the means by which the potential impact of risk is kept to an acceptable level;
- The adequacy and effectiveness of the activity's risk management & control processes compared to a relevant control framework or model; and
- The opportunities for making significant improvements to the activity's risk management and control processes.

Activity 1 - Understand the Department and its operation

It is essential that the audit team need to have good knowledge about the environment of the department and its operations before start of the audit. This includes understanding the rationale behind establishing the department, structure and functions of the department. This will normally include considering matters such as:

- What are the services delivered / operations performed?
- What is the statutory basis for these operations?
- How are they funded?
- What is its relationship with other department / government organizations?
- Is the department stable or are there any major changes that took place / planned? (like re-organization of a department/ wing)

- Who are the recipients of its services?
- How does it deliver its products / services or perform its operations?
- Who are likely to be the main contacts for audit in the organization?
- Is there an audit committee and what is its scope?
- What is the organizational structure of the department? Is it centralized or decentralized?
- What are the principal geographical locations and how are the operations distributed between them?

Primary source of information about the audit department unit can be obtained through the following documents:

- Previous internal audit plans
- Previous Internal audit reports
- AGs inspection reports
- Policy and procedures manuals, if any,
- Important circulars issued by State and Central Government from time to time
- Organization charts and flow charts of processes
- Information sheet

Activity 2 - Understand the legal and regulatory framework

The audit team should familiarize with the legal and regularity framework within which the department operates. This will inter alia include:

- Any changes in law, regulations, accounting rules or policies of audit unit since the last audit;
- Primary and secondary legislation (like any Governing Legislation, Financial Rules, Fiscal Responsibility and other relevant rules) and any changes since the last year.
- Regulations or instructions issued by the Finance Ministry or controlling Department and any changes since the last audit.

Activity 3 - Preparation of Planning Memorandum

As per the International Standards for the **Professional Practice of Internal Auditing (Standards)** issued by IIA's:

2210 – Engagement Objectives:

Objectives must be established for each engagement

2210. A1: Internal auditors must conduct a preliminary assessment of the risks relevant to the activity under review, engagement objectives must reflect the result of this assessment.

2210. A2: Internal auditors must consider the probability of significant errors, fraud, noncompliance and other exposures when developing the engagement objectives

2220 – Engagement Scope

The established scope must be sufficient to satisfy the objectives of the engagement.

2220. A1: – The scope of the engagement must include consideration of relevant systems, records, personnel, and physical properties, including those under the control of third parties.

The overall internal audit plan should be summarized in a memorandum containing a summary of the scope of the internal audit and planned internal audit procedures. The planning memorandum shall present an analysis of the key internal audit areas and a summary of the key planning decisions. In order to conduct the internal audit function effectively the planning memorandum shall be prepared at the department level. t. The content of the audit planning memorandum at the department level shall include:

- ▶ A brief outline of the audit department activities.
- ▶ Areas to be audited at the Department
- ▶ Basic information of Units to be audited at the Department
- ▶ A description of the scope and objective of the audit.
- ▶ Details of any significant facts, events or changes which have taken, or may take place; their likely effect on the audit of operations and environment
- ▶ A summary of the key team members and the total planned man days

OAMS Functionality: At the end of preparation phase, audit team need to prepare an audit planning memorandum in OAMS which states, scope of audit, nature and timing of audit procedure and the overall strategy for the audit execution.

Refer **Annexure** for format of Internal Audit Planning Memorandum.

Based on the entry Meeting and on receipt of any additional/modified information after visiting the audit unit, audit planning memorandum shall be updated/revised, if required, by the audit team leader.

Format of Internal Audit Planning Memorandum

| 1. Name of Department | XYZ | | | | | | | | | | | | | | | | |
|---|--|-----------------|--|-------------------------|-----------------|------------------------|-----------------|--|--|--------|-----------------|--|--|-------|-----------------|--|--|
| 2. Date | DDD/MM/YYYY | | | | | | | | | | | | | | | | |
| 3. General | | | | | | | | | | | | | | | | | |
| 3.1 Description of Department | | | | | | | | | | | | | | | | | |
| 3.2 Details of any significant changes in department | | | | | | | | | | | | | | | | | |
| 3.3 Period and scope of Audit | describing the scope of the audit and the authority under which it will be conducted including any other reporting requirements if any. This shall also include include details of the audit team members and planned days | | | | | | | | | | | | | | | | |
| 3.4 Internal/ External Environment affecting the department | e.g. parliamentary/ Legislative directive, relevant laws and regulations effecting the entity, organisation set-up and sources of funding, Core function or nature of entity | | | | | | | | | | | | | | | | |
| 4. Risk Assessment of Auditable Areas (Applicable for High Risk Department) | As part of planning event, we have carried out the Risk Assessment of Auditable Areas as per Tier II of Risk Based Internal Audit and following auditable areas to be audited t : | | | | | | | | | | | | | | | | |
| | <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%;">Auditable Area</th> <th style="width: 20%;">Level of Risk</th> <th style="width: 30%;">Nature of risk assessed</th> <th style="width: 20%;">Extent of Check</th> </tr> </thead> <tbody> <tr> <td>Establishment Expenses</td> <td>High/Medium/Low</td> <td>Eg – Significant recruitment in last 2 years</td> <td></td> </tr> <tr> <td>Grants</td> <td>High/Medium/Low</td> <td></td> <td></td> </tr> <tr> <td>etc..</td> <td>High/Medium/Low</td> <td></td> <td></td> </tr> </tbody> </table> | Auditable Area | Level of Risk | Nature of risk assessed | Extent of Check | Establishment Expenses | High/Medium/Low | Eg – Significant recruitment in last 2 years | | Grants | High/Medium/Low | | | etc.. | High/Medium/Low | | |
| | Auditable Area | Level of Risk | Nature of risk assessed | Extent of Check | | | | | | | | | | | | | |
| | Establishment Expenses | High/Medium/Low | Eg – Significant recruitment in last 2 years | | | | | | | | | | | | | | |
| | Grants | High/Medium/Low | | | | | | | | | | | | | | | |
| etc.. | High/Medium/Low | | | | | | | | | | | | | | | | |
| For each of the Auditable Areas Area, Audit team will select the transactions to be audited as per GO | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | |
| 5. Understanding of control environment: | | | | | | | | | | | | | | | | | |
| 6. Risk Assessment of Units to be audited | As part of planning event, we have carried out Risk Assessment of Units as per Tier III of Risk Based Internal Audit and have categorisation Units into high risk, medium risk and low risk. We have categorised the unit as follows: | | | | | | | | | | | | | | | | |
| 7 . Detailed audit approach | Detailed approach and program | | | | | | | | | | | | | | | | |
| Prepared by: | | | | | | | | | | | | | | | | | |
| Name: | | | | | | | | | | | | | | | | | |
| Designation: | Reviewed by: | | | | | | | | | | | | | | | | |
| Date: | Name: | | | | | | | | | | | | | | | | |
| | Designation: | | | | | | | | | | | | | | | | |
| | Date: | | | | | | | | | | | | | | | | |