

Audit Process

Audit process consists of planning, audit execution and issue of audit reports and their follow-up.

Audit Planning: Since it is not possible to audit all the Government offices each year with the available manpower, the offices have been graded according to importance. Important offices audited annually and less important ones biennially or triennially. Periodicity of audit is determined by risk-perception and volume of work. The AG also plans for Performance Audits and Compliance Audits, which include theme-based audits, district audits and CCO based audits depending on materiality of various issues. Audit plans are prepared in advance for each year.

Audit Execution: An audit party visits the assigned Government office and conducts audit of accounts and records maintained there. Since all the files and records cannot be examined 100% within the available time, the audit party conducts to test check of records through selection of a sample. Audit queries based on the points noticed during examination are issued to Head of the office through Preliminary Objection Memos (POMs). At the end of the audit, a draft inspection report is prepared taking into the replies given by the office to audit queries (POMs). This report is discussed by the audit party with the head of the office before concluding the audit.

Audit Report and Follow-up: The draft inspection reports prepared by the audit parties are vetted in the Headquarters and then issued to the concerned offices for comments and action. Important audit observations are processed for inclusion in the Audit Report presented to State legislature every year. These important observations are also issued to the heads of the Departments for their comments. The replies received from them if any, are taken into consideration before including the Audit Observations in the Audit Report. This office also actively discusses audit observations (paras) proposed to be printed in the Audit Report with the heads of the Departments.

The Audit Report laid before the Legislature is taken up for discussion by the Public Accounts Committee. The details in this regard have been provided under Legislative Committee.