

Sub:- Checking of vouchers by the
Concurrent Auditors in Coop.
Institutions.

As the practise of vouching is intended to authenticate an entry in books of accounts of a Coop. Institution, it should be done by verifying the correctness of the documents such as vouchers, receipts, invoice, minutes, statements, correspondances, agreements etc. For passing a voucher, the Auditor has to generally check the supporting documents to ascertain the correctness or genuineness of a voucher as it is a certificate of correctness. In addition to that, the auditor has to check whether all the transactions recorded in books of accounts of a Society are in accordance with relevant laws, circular instructions or rules of business of the Institution or not. The Auditor has to put tick marks in cash book/day book and the concerned vouchers only after verifying all the aspects above ^{to} suggest that the proper transaction are considered as legal and genuine and as per provisions of OCS Act, rules and adhering to canons of financial propriety.

But it is observed with much displeasure that in most cases the checking of vouchers with reference to connected files is not being done where concurrent audit is vogue. The Concurrent Auditors are simply passing the vouchers by putting a tick mark first without going through the connected relevant files/documents, xxxxxxxxxxxx
xxxxxxx. They seem to be merely checking the arithmetical correctness of the transactions and checking whether such transactions tally with the general figure or not. They keep the examination all connecting files and records that go with a transaction to the far end of audit which has no meaning. Besides, it also delays the process of completion of audit unnecessarily.

P.T.O.

408 As concurrent audit system in Coop. Institution has been introduced with a purpose of audit the day to day transaction of a Coop. Institution in its entirety including its legality regulating economy and propriety, and to facilitate timely completion of final audit, the concurrent Auditors are required to conduct cent percent vouching of all cash and non-cash transaction, receipts and payments with reference to cash books/daybooks and other relevant records, files and documents maintained by the Institutions for the period of audit in question simultaneously with vouching.

In order to ensure proper auditing and timely completion of final audit, it is therefore felt necessary to issue this circular instructions to all concurrent Auditors to make proper scrutiny of vouchers with reference to relevant files, documents and circular instructions before putting tick marks in vouchers and the supporting entries of books of accounts. By this method scrutinising vouchers, all the supporting files/documents ~~and~~ should also get simultaneously checked in order to ascertain the genuineness of the vouchers and to facilitate completion of final audit within the stipulated time as well. All half-margin memos should be issued then and there, if any such transaction appears doubtful or illegal or irregular or improper sight at the vouching stage itself.

This practice may please be followed scrupulously by all auditors in future.

Memo No. 6848(60) / Dated:- 12.12.2002
Copy to all the concurrent Auditors in O.S.C.B.Ltd., / OSCARD Ltd/O.S.C.M.F.Ltd., / O.C.C.F.Ltd., / Central Cooperative Banks in the State/S.B.I. Staff Assn. Coop. Societies Ltd, Cuttack/ Urban Cooperative Banks in the State for information and future guidance.

(Amar Patanaik) 12/12/2002
Auditor General of C.S., Orissa.

(Amar Patanaik) 12/12/2002
Auditor General of C.S., Orissa.

P.T.O.

Memo No. 6849(16) / Dated:- 13.12.2002

Copy to all the Asst. Auditor General of C.S. of Circles for information and necessary action. They are directed to circulate this circular among their auditors in their respective circles.

[Signature]
Auditor General of C. S., Orissa.

Memo No. 6850(64) / Dated:- 13.12.2002

Copy to all the Auditors of Central Audit, Directorate of Cooperative Audit for information and future guidance.

[Signature]
Joint Auditor General of C.S.(O).

Copy to guard file/10S.C.

[Signature]
S.D.5.12.2002.

