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|  | **Observations** | **Comments** |
|  | Daily Transaction report print and physical verification time Different | **Daily Transaction Report should be printed and physically verified by responsible person on due time.** **Should be followed the Depot Activities Guideline 2013.** |
|  | 1. We have physically verified the net petty cash balance as on 09.03.21 at about 8:30 am before opening the day’s transaction and found an amount of Tk.42,884.00 (Forty two thousand eight hundred and eighty four only) and voucher amount of Tk.5,905.00 (Five thousand nine hundred and five only); which is agreed amount with the closing net cash balance of daily transaction report of last working day. Reconciliation statement of petty cash balance from previous audit date to current audit date is found agreed amount.Details are shown in “**Annexure-01”.** | Daily Transaction Report as on 08.03.21 & Respective Register, Physical Verification and Receipts & Payments Account |
|  | 1. In addition, we have found cash amount of Tk.2,057.00 (Two thousand fifty seven only) for scrap sales and Tk.12,666.00 (Twelve thousand six hundred and sixty six only) kept separately in the vault; which represents market collection of previous day and found agreed amount with the register. |  |
|  | 1. Apart from that, we have also found Tk.4,953.00 (Four thousand nine hundred and fifty three only) kept in the vault against The ACME Agrovet and Beverages Ltd.It is to be noted that, an excel sheet has been maintained for The ACME Agrovet and Beverages Ltd. | **Should be maintained a register with signature of the Depot In-Charge.** |
|  | **Daily Transaction Report** |  |
|  | 1. Daily Transaction Reports have been printed out on due time except on 31.10.20 and every closing & opening balances were found in agreed amount. |  |
|  | 1. The depot In-charge has physically counted closing cash balance in daily basis except on 31.10.20. |  |
|  | 1. Print time and physical verification time has been matched except on 31.10.20. |  |
|  | 1. **In few cases daily transaction reports have not been printed out as well as physical verification of petty cash on due time but every closing & opening balances were found in agreed amount.** |  |
|  | 1. The depot In-charge has physically counted closing cash balance in daily basis except few cases. |  |
|  | 1. Print time and physical verification time has been matched. |  |
|  | 1. **In few cases petty cash balance are verified after one day later but every closing & opening balances were found in agreed amount.** |  |
|  | 1. **In few cases the Depot In-charge did not physically verify the closing cash balance.** |  |
|  | 1. Daily Transaction Reports have been printed out on due time and every closing & opening balances were found in agreed amount. |  |
|  | 1. **In few cases daily transaction reports have been printed out after 6:00 PM on these days but physical verification time of petty cash are written 6:00PM in those daily transaction reports.** |  |
|  | 1. **In few cases print time and physical verification time have not been matched.** |  |
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|  | **Suspense:** |  |
|  | **Suspense payment made Tk.3,924.00 to Mr. Abbas Sikder (014C3), driver, but authorized signature was not found in the suspense token.** | **Every suspense should be approved by the Depot In-charge then payment will be made. Should be more careful about this matter.** |
|  | **Suspense payment made Tk.25,000.00 to Mr. Mohidul Islam (02080), RSM, but suspense reason was written as cash instead of actual reason.** | **Actual reason must be written in the suspense requisition. Should be followed the Depot Activities Guideline 2013.** |
|  | **Suspense of Mr. Abdul Malek (014H3), driver, was adjusted but not posted in the suspense register.** | **Should be followed the Depot Activities Guideline 2013.** |
|  | **Suspense paid Tk.5,354.00 for servicing but amount was not written in words in the suspense token.** | **Should be more careful about this matter.** |
|  | **Suspense requisition files were not found before 31.08.2019.** | **Higher officials of distribution division should look into this matter.** |
|  | **Most of the cases token no. have not been mentioned in suspense register.** |  |
|  | **Few cases token no. have not been mentioned in the suspense requisition form.** |  |
|  | **Few cases area managers did not sign in suspense register.** |  |
|  | Few cases overwriting has been found in suspense requisition number. |  |
|  | Many **cases** designation are not mentioned in suspense requisition form. |  |
|  | Suspense register is up dated according to suspense report and suspense requisition. |  |
|  | **Suspense amount Tk.5,000.00 has been paid to Mr. Jasim Akan (014V1), driver, without approval by depot In-charge.** |  |
|  | **Suspense amount Tk.800.00 has been paid to Mr. Ahamad Hossain (014S3), driver, without approval by depot In-charge.** |  |
|  | **In many cases, designation has not been mentioned in suspense requisition** |  |
|  | **Wrong suspense balance has been written in the suspense balance of Mr. Abul Kalam Azad (23196) in the suspense register. Suspense register balance is Tk.1,14,060.00 and actual balance will be Tk.1,13,060.00.** |  |
|  | **Total suspense balance of a person does not show in the suspense report that’s why they cannot match easily with suspense balance of register. Therefore we highly recommended to solve the aforesaid problem.** |  |
|  | **In few cases suspense receiver’s ID has not been mentioned in the suspense requisition.** |  |
|  | **In few cases suspense receiver’s designation has not been mentioned in the suspense requisition.** |  |
|  | **In one case name was inputted wrongly in the suspense register like Mr. Jasimuddin instead of Mr. Jasim Akan (014V1).** |  |
|  | **Wrong suspense balance has been written in the suspense balance of Mr. Raj Kumar Majumder (02UJ9) in the suspense register. Suspense register balance is Tk.79,853.00 and actual balance will be Tk.80,853.00** |  |
|  | **Difference has been found in suspense amount between in figure and in word. In figure it was Tk.3,763.00 but in word it was taka three thousand seven hundred and sixty seven only.** |  |
|  | **Suspense amount has not been written in word in few suspense requisition forms.** |  |
|  | **Suspense amount has not been written in word in suspense requisition form.** |  |
|  | **Suspense register is up dated but in one case suspense adjustment amount has been wrongly posted by Tk.7,500.00 instead of Tk.2,000.00.** |  |
|  | We have verified all suspense registers maintained in the depot within our audit period and observed that, in few cases signature of suspense recipient were not taken in the respective column of the register and some overwriting has also been seen in the register without any initial or signature of concern person. |  |
|  | **We have verified all suspense requisition forms used within our audit period and observed that, in few cases checked by signature has not been given in the respective column of the requisition form.** |  |
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|  | **Review of Un-adjusted Suspense Balance** | **Should be adjusted within 30 days from the date of received.** |
|  | **Adjusted Suspense Balance** | **Should be adjusted within 30 days from the date of received.** |
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|  | **Un-presented into bank** | **Need proper follow-up in this area and expired cheques need to be adjusted as soon as possible.** |
|  | **All most all the cases money receipt has not been found against collection.** | **Should be followed the company’s policy strictly.** |
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| 1 | **Huge idle money has been kept in the bank account after end of every month even considering all un-presented cheques** | **At present, depot sends money requisition to C/O Finance Department four times in a month. But we believe, if they are allowed to raise requisition on weekly basis then problem of huge idle money laying in the bank could be minimized and**  **should be more careful in future for issuing cheque more than bank balance.** |
|  | **Date Expired Cheque** | **Need proper follow-up in this area and expired cheques need to be adjusted as soon as possible.** |
|  | **Authority has not fixed for individual cheque withdrawal limit.** | **Higher officials of distribution division should look into this matter.** |
|  | **collection, remittance & outstanding related reconciliation statements and found difference** | **SMS to be sent by S/R or MR to solve these matters.** |
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|  | **Petty Cash Vouchers:** |  |
|  | **Two bill prepared by using same billing pad**: Payment made to Shuveccha Computer & Rubber Stamp amount of TK.350.00 & TK.300.00 against auto seal preparation for donation to two doctors but both the vouchers were prepared by using one memo no. of 1157 dated 02.11.20 and 25.10.20 of which one was on original pad and another was carbon copy. | **Every bill voucher should be prepared with original supporting document as well as should be more careful about these matters.** |
|  | **Acknowledgement was not received for donation gift:** | An acknowledgement is a written document for receiving donation if possible collect it. |
|  | **Daily Transaction Report : Petty cash report was not verified or inconsistency between verification time and transaction report date:** | **Should be followed the existing practice of the depots’ activities in the case of physical verification of petty cash in due time.** |
|  | Daily transaction report print time | Should be followed the existing practice of the depots’ activities. |
|  | **Excess amount incurred for MRC meeting** | During payment any bill it should be followed the company’s policy properly. Should be more careful about these matters. |
|  | **Excess bill has been paid** | **Should be followed the company’s policy properly.** |
|  | **Supporting voucher without description:** | Bill is not acceptable without description. Should be followed company policy. |
|  | **No PC Doctor attendance or participants list and signature/ CME doctor list or signature** | **Should be followed the company’s policy properly.** |
|  | **Excess bill Tk.600.00 has been paid against daily allowance:** As per Administrative Circular No. 73/18 dated 20.08.18, no TA/DA will be applicable if marketing people **travel below 50 KM.** | **Should be followed the company’s policy properly.** |
|  | False bill 2 we confirmed over phone that this shop did not sell table fan. | ………………………. |
|  | **False bill Fan purchase voucher may be false:** | Should be justified every voucher before payment made. |
|  | **Fluid used in the supporting voucher** | **Fluid use is totally prohibited. We should follow this matter properly.** |
|  | **Food description is not mentioned in the bill of PC conference:** | **Company’s policy should be followed properly.** |
|  | **Fuel is loaded without presence of any representative** | Should be followed the current practice in this regards. |
|  | **ID and designation: Payment made without ID and designation** | Should be followed company policy in this regard. |
|  | **Last purchase date did not mention in the mobile set purchase bill:** | **Should be followed company policy in the case of mobile purchases.** |
|  | **Medicine donated to doctor** | In this case we should apply best benefit of the company. |
|  | **Miscoding** | Voucher should be posted in right code to ensure accuracy. |
|  | **Miscoding:** | Vouchers should be posted in the correct code so that actual scenario will be disclosed. |
|  | **Mismatch with Memo number and date** | **Recheck about justification.** |
|  | **Overwriting in the bill:** | Should be followed company policy in this regard. |
|  | **Payment was made by cash instead of cheque or bank** | **It is required by the Income Tax Ordinance-1984** |
|  | **Photocopy bill was submitted:** | Actual bill voucher will be submitted to mitigate the risk of fraud. |
|  | **Plane paper** | Actual bill voucher will be submitted to mitigate the risk of fraud. |
|  | **Private driver’s salary did not receive by the car user** | Should be followed company policy in this regard. |
|  | **Quotations Three were not collection:** | **Should be followed company policy in this regard.** |
|  | **Quotations were same handwriting:** | **Should be more careful about these matters.** |
|  | **Receiving signature: Payment made without Receiving signature** | Should be followed company policy in this regard. |
|  | **Not mentioned boarding date and room number in hotel bill** | **Every bill voucher should be prepared with original supporting with full information.** |
|  | **Supporting bills were not available** | **Every bill voucher should be prepared with original supporting document as well as should be more careful about these matters.** |
|  | **Supporting vouchers on photocopy pad:** | **Every bill voucher should be prepared with original supporting document as well as should be more careful about these matters.** |
|  | **Supporting vouchers on plain paper:** | Supporting voucher should be written in printed voucher and more careful about these matters. |
|  | **Supporting vouchers was not enclosed / Found** | Supporting voucher is necessary for every payment for accuracy of the transaction. |
|  | **Supporting vouchers was not enclosed / Found** | **Every bill voucher should be prepared with original supporting document as well as should be more careful about these matters.** |
|  | **Tax and VAT was not deducted:** | **It is required by the Income Tax Ordinance-1984 and VAT and SD Act-2012 to deduct TDS & VDS. So this is clear violation of law of the land.** |
|  | **Tour bill paid without mentioning distance** | Bill should be prepared mentioning the distance and all required information. |
|  | **Two newspapers purchase** | **donation** |
|  | **Unapproved bill payment: / Unauthorized** | **Every voucher should be approved by the authorized person then payment will be made. Should be more careful about these matters.** |
|  | **Unapproved top Vouchers: / Unauthorized** | **Should be followed company policy in this regard.** |
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|  | **Expenditure** | **Hope Higher officials of distribution division will look into this matter.** |
|  |  | **Sales and marketing expenditure of Human category have been increased. Though in maximum Depots we observed decreasing trend. On the other hand, Sales and marketing expenditure of Veterinary category have been slightly decreased but distribution expenditure have been sharply decreased.** |
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|  | **Sales and Collection** |  |
|  | **Market Outstanding Reconciliation:** **We have checked reconciliation statement of closing balance of market outstanding with category wise outstanding and found agreed amount but found difference Tk.2,402.10 in opening balance of veterinary category such as opening balance of last audit report is Tk.1,24,03,576.47 and depot outstanding report is Tk.1,24,05,978.57.** | Should be followed the sequence properly. |
|  | **got un-approved policy regarding new billing system** | **Should be followed COD & Credit related policy as per official rules and regulations in all cases.** |
|  | Outstanding COD Bills Against Credit Party | **Should be followed COD policy as per official rules and regulations in all cases.** |
|  | Review of Outstanding COD (Cash Party) Bills | **Should be followed COD policy as per official rules and regulations in all cases.** |
|  | Review of Outstanding Institution Bills | **Monitoring system should be increased to collect this outstanding amount.** |
|  | Review of Outstanding RS Bills | **Monitoring system should be increased to collect this outstanding amount.** |
|  | Outstanding Showing in the Name of **Resigned Field Person** | **Monitoring system should be increased to collect this outstanding amount.** |
|  | Outstanding due to **Tax Deduction at Source** | **Should be collected treasury challan copy within on time and take necessary steps to send those to the corporate office which will help to take rebate.** |
|  | Delayed Collection of Market Outstanding | **Should be followed company’s policy in this regards.** |
|  | Collection of Bills by Installment | **Should be more careful to reduce the installments as much as possible.** |
|  | Review of Cheque Register and Cheque Forwarding Sheet | **Should be careful.** |
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|  | Review of Delayed Receiving of Cheque Against Institutional Bills | **Monitoring system Should be increased to avoid this matter.** |
|  | Review of Delayed encashment of Cheque by Corporate Office Against Institutional Bills. | **Should be watchful and should have close communication with Finance Department of Corporate Office on regular basis to collect this cheque on time.** |
|  | Review of Cheque Sent to H/O | **Should be watchful and should have close communication with Finance Department of Corporate Office on regular basis to collect this cheque on time.** |
|  | Analysis of Bill-Wise Return | **Monitoring should be strengthened to avoid these matters.** |
|  | Review of **Institutional File** |  |
|  | Only Computer In-charge Sign | **As per depot activities guideline Depot In-charge should sign in the institution bill.** |
|  | **Business limit is exceeded Tk.42,769.82:** Monthly business limit of Kumudini Medical College Hospital has been exceeded on March’23 Such as- Business Limit is Tk.100,000.00 but actual business is Tk.1,42,769.82. |  |
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|  | Medicine Return Against Dispatch | **Should be followed Divisional objectives regarding return strictly.** |
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|  | Review of Distribution Cost Adjustment Procedure Against Excess Return | **Should be followed recent return policy.** |
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|  | **Store and Packing** |  |
|  | Long days stock found in the store | **Proper initiative should be taken to avoid these type of stock.** |
|  | **Carton are used to keep medicine instead of floor mate or pallet.** | **Should be followed all SOP’s according to ISO standard very strictly.** |
|  | **FIFO (First in First out) or FEFO (First Expiry First Out) method** | Should be more careful in future. |
|  | Medicine found shortage | **Should find out the area where those incident occur as well as find out whether any gross negligence being happened or not also. Proper corrective measure should be taken in this regard.** |
|  | **GRNs were prepared after 02 days including 01 (one) of which was prepared after 62 days.** | **Should be followed the Depot Activities Guideline 2013.** |
|  | **Short dated medicines kept in the store and these items will be expired within next three months.** | **Though Depot follow the policy regarding short dated medicine but proper action should be taken for strength Depot’s activity in this regards more.** |
|  | Bill Prepared Including Short Product | **Proper initiative should be taken to solve this matter.** |
|  | Inventory has been counted by the neutral committee in presence of the store personals  About 19/20 day’s inventory was taken | Should be followed the Depot Activities Guideline 2013. |
|  | **internal transfer related issue and receive vouchers and observed that most of the cases post approval did not find regarding transfer** | Should be followed the Depot Activities Guideline 2013. |
|  | **Register has been maintained for non-conforming medicine.** | A register may be introduced to maintain the accuracy of non-conforming medicine. |
|  | Broken-damage medicine and Register | **Should be more careful in future to minimize the broken-damage as much as possible.** |
|  | **bonus products will never be treated as returned product** | **Should be followed company’s policy strictly.** |
|  | **no register has been maintained to record the return medicine.** | A register may be introduced to maintain the accuracy of return medicine. |
|  | Market Return Invoice | **In maximum Depot we observed that false order is the major cause of return. We should take care of it. On the other hand Should be more careful about packing and taking return medicine for avoid broken-damage, as well as ensure to write actual cause of return in the invoice.** |
|  | **free sample and promotional materials stock count** | Should be follow Depot Activities Guideline 2013. |
|  | **Huge quantity of extra papers, manpower, computer accessories are used due to free sample medicines and promotional materials are sent to the depot in several times in a month and those materials are being packed for individual FP in several times.** | **Co-ordination for all the parties and strong policies need to avoid un-necessary paper, manpower and other related expenses and also ensure the smooth operation to the depot.** |
|  | free Sample/Promotional Material Receiving File | Should be more careful in future. |
|  | RSM Quota Related Documents and Register | **This is just for information only. May be this is justified.** |
|  | Review of Invoice, Pack Summary, Dispatch Register, Gate Pass & Vehicle Movement Register | Should be follow Depot Activities Guideline 2013. |
|  | Review of Cancelled Documents | Should be more careful in future. |
|  | Review of Data Back-up Register |  |
|  | Review of Security System of Computer Data | Should be careful. |
|  | **As per claim by depot, main causes of manual bills were due to rate difference of two months (current and next month) bills prepared at a time, mobile network problem, MPO dropped out etc.** | **Proper initiative should be taken to reduce the manual bill as much as possible.** |
|  | **Physically fixed assets are found in order but some of those are broken or unusable.**  **Maximum cases asset identification number was not available.** | Should be followed the Depot Activities Guideline 2013 strictly. |
|  | Fuel Consumption for Generator | Should be more careful to use the generator fuel. |
|  | Review of Shutoli & Carton Consumption | Should be more attentive to use the carton. |
|  | **specimen signatures of marketing and distribution people are found up to date except newly joined sales management personals.** | **Staff List with Specimen Signature should be updated.** |
|  | **We have checked vehicle repair & maintenance record/register, logbook, millage meter & fuel consumption report, which has been sent to C/O and found in order. We believe physical verification of each and every vehicle including mile meter should be mandatory on quarterly basis by Automobile Engineer as like previous practice.** | **Should be involved automobile Engineer in this regards on regular basis.** |
|  | Review of Scrap Sales Procedure | Proper initiatives may be taken to use the carton as a maximum level. |
|  | **Medicine found in the store without batch no. It is highly risk for the company.** | Should find out the area where those incident occur as well as find out whether any gross negligence being happened or not also. Proper corrective measure should be taken in this regard. |
|  | **CC TV in the guard point is not functioning.** | Proper initiative should be taken for timely repairing the CC TV. |
|  | **Proper control is not available to use / reuse the carton** | Should be careful in future. |
|  | **Individual gate pass was not prepared to dispatch the free sample medicine. Moreover, free sample medicines gate pass were prepared including finished goods medicine.** | Should be followed Depot Activities Guideline 2013. |
|  | **No control was available on the stock. In this regards we revealed that nearby 100 products stock were remained for more than 50 days based on 2 months average sales. However, more than** 24,520  **days stocks was also found during our physical count, major date of which may be expired within the store** | Proper initiative should be taken to avoid these type of stock. |
|  | **We have reviewed the audit reply of previous audit report and observed that follow up report has not been sent to distribution Department with CAPA.** | **Higher officials of distribution division should look into this matter.** |
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