

Audit Report for Audit ID - AU00154-1

VA-Finance Audit


Audit Score

83/100

Details

Audit	AU00154
Scheduled Audit	AU00154-1
Location	Visakhapatnam
Hotel	GreenPark Hotel- GPV
Department	VA-Finance & Accounts
Checklist	VA-Finance Audit
Audit Type	External
Auditor	Venkat Associates
Start Date	11-06-2018
End Date	15-06-2018
Submitted Date	12-06-2018
Status	Completed
Assigned By	Administrator Account
Non-Compliance	25
Chronic Issues	0

Comparison

GREENPARK HOTEL- GPV VA-FINANCE AUDIT				
VA-FINANCE AUDIT		Jun 2018	VARIANCE	% of Increase / Decrease (-/ +)
S.No	Sections	SCORE OBTAINED		
1	Vouching and General Ledger Review	83	-	-
Audit Score		 83	-	-

	80-100 = Green	Good / Excellent
	61-79 = Yellow	Average
	60 below is Red	Poor / Fair

Non-Compliance

Section: Vouching and General Ledger Review

Subsection: Vouching - Cash payments

1: Whether all cash payments vouchers for payment above Rs.5000 are affixed with revenue stamp? **NC**

Rating: 7

Attachments :

QUE82_DOC_20180612_123307.xlsx

Observation Text :

In a couple of instances, it was observed that revenue stamp was not affixed in the vouchers for the cash payment above Rs.5000/-. Response: Non availability of revenue stamps not affixed, trying to get from the post office.

2: Cash holding analysis to be done and idle funds to be reported **NC**

Rating: 5

Attachments :

QUE90_DOC_20180612_125035.xlsx

Observation Text :

a. On comparing the Average cash holding in hand with the average payments made for the audit period, it was observed that the average payments made during the year was only 10% of the average cash held in hand. b. Cash in hand was more than the average cash holding for the period is for 69 days. C. The day's payments were less than 25% of the cash held in hand for 142 days. Response: Some of the IOU's were cleared and some vouchers sent to corporate office for approval.

3: Whether physical verification is done and tallied with the books? **NC**

Rating: 3

Attachments :

QUE92_DOC_20180612_125401.xlsx

Observation Text :

During the cash verification, it was observed that long pending IOU of Rs.0.94lakhs & pending range from 5-280 days. Response: Some of the vouchers are cleared and some vouchers were sent to Corporate office for approval.

4: Audit trail / trial report to be analysed and reported for deviations observed **NC**

Rating: 7

Attachments :

QUE96_DOC_20180612_130025.xlsx

Observation Text :

Access to Modification of entries was enabled to user ids of staff Software (IDS) was not customized to restrict the selection of incorrect transaction type account while updating the bank transaction. Response: We have raised the problem to the unit IT and the issue will be resolved soon.

Section: Vouching and General Ledger Review

Subsection: Vouching - Bank Payments

1: Whether TDS as applicable with regard to the nature of expenses are deducted on all the payments? **NC**

Rating: 7

Attachments :

QUE101_DOC_20180612_132057.xlsx

QUE101_DOC_20180612_132105.xlsx

QUE101_DOC_20180612_132112.xlsx

Observation Text :

a) TAX amount (TDS) not deducted from the vendors in 5 instances. b) TAX(TDS) amount deducted from vendors in 11 instances even though amount not crossed the threshold limit c) TAX(TDS) amount of Rs.470/- deducted including on GST in 8 instances. Response: 5A They have done the works only one time for the entire year, as per threshold limit we can make payment without deducting TDS. Audit Rejoinder: TAX(TDS) amount was deducted for the previous transactions and only the reported cases missed out for TAX deduction. 5B We assumed that the payment may cross the threshold limit hence we deducted the tds and remitted. 5C It's a clerical mistake and we will take care for future transactions.

Section: Vouching and General Ledger Review**Subsection:** Vouching - Journal Vouchers

1: Whether all the Journal vouchers are serially numbered and in case of missing numbers approvals are documented with reasons for the same? **NC**

Rating: 7

Attachments :

QUE116_DOC_20180612_142355.xlsx

Observation Text :

In 8 instances, it was observed that journal voucher were missing. Response: These all are deleted JV's not missing Audit Rejoinder: Only modification access option to be enabled to Accounts Manager & IT. 'Delete' option to be disabled.

Section: Vouching and General Ledger Review**Subsection:** General Ledger Review

1: Wherever Assets have credit balances, appropriate supportings, reconciliations, approvals are documented? **NC**

Rating: 0

Attachments :

QUE125_DOC_20180612_150430.xlsx

Observation Text :

In 28 instances, Staff Loans amounting to Rs.46, 470/-are pending for more than 9 years. Response: All these were employees (union) were left from organisation and court case is pending hence not removed from payroll.

2: Wherever Liabilities have debit balances, appropriate supportings, reconciliations, approvals are documented? **NC**

Rating: 0

Attachments :

QUE127_DOC_20180612_150613.xlsx

Observation Text :

In 3 instances, it observed that loan from educational fund amount of Rs.13,000/- are pending for more than 9 year. Response: All these were employees (union) were left from organisation and court case is pending hence not removed from payroll.

3: Wherever expenses have credit balances, appropriate supportings, reconciliations, approvals are documented? **NC**

Rating: 5

Observation Text :

As per IDS Rs.27.17lakhs shown as bonus payable for period 16-17 and Rs.23.82 lakhs have been paid and accounted in IDS, but balance amount Rs.3.35lakhs was not accounted in unpaid bonus. Response: Not provided.

4: Whether SOFTWARE is configured and updated with the appropriate % of TDS based on the nature of expense / payment? **NC**

Rating: 7

Attachments :

QUE132_DOC_20180612_151246.xlsx

Observation Text :

TAX(TDS) amount deducted 2% instead of 1% for individual PAN holders in 39 instances. Response: We will take guidance from the statutory auditors on this issue

5: Whether confirmation of balances are taken from both DEBTORS and CREDITORS are taken either at quarterly, half-yearly or yearly basis, reconciled and documented?

NC

Rating: 0

Observation Text :

Confirmation of balances were not taken from both DEBTORS and CREDITORS. Response: Response not provided.

6: Debtors ageing status as on date of audit, highlighting the long pending age bucket (over 180 days) **NC**

Rating: 7

Attachments :

QUE138_DOC_20180612_152138.xlsx

7: Any Duplicate Debtors codes in IDS **NC**

Rating: 5

Attachments :

QUE140_DOC_20180612_152835.xlsx

Observation Text :

In 3 instances, it was observed that duplicate code are reflecting in the debtors ageing. Response: From April onwards new codes were created by corporate and existing balances as it is in old codes.

- 8: Any advances made to vendors and the same is pending for a long time. **NC**

Rating: 5

Attachments :

QUE142_DOC_20180612_153213.xlsx

Observation Text :

Advance of Rs. 8.66 Lakhs paid to creditors not adjusted with a pending ranging between 193-732 days. Response: Clarification given in reference file - 16 individual party wise

- 9: Are applicable rentals payments received on time? **NC**

Rating: 7

Attachments :

QUE144_DOC_20180612_155401.xlsx

Observation Text :

Shop rental amount of Rs.0.71lakhs pending for more than 124 day from the VENKATA RAMANA FLOWER DECORATIONS Response : Spoken to the vendor and payment will be received in 1st week of June

Section: Vouching and General Ledger Review

Subsection: TDS and TCS Remittance

- 1: Whether remittance and returns made within due date or not? **NC**

Rating: 7

Attachments :

QUE153_DOC_20180612_154322.xlsx

Observation Text :

Delay of one day in remittance of TDS for the month Oct'17. Response: By overlook it was happened and it will not be repeated again.

- 2: Whether TDS certificates are issued to vendors within the due date - within 15 days of filing the quarterly returns? **NC**

Rating: 0

Observation Text :

TDS certificates were not issued to the vendors. Response: Response not provided.

- 3: Whether TDS certificates are collected from Debtors who have deducted Tax within 15 days of filing the quarterly returns **NC**

Rating: 0

Observation Text :

TDS certificates was not collected from debtors. Response: Not provided.

Section: Vouching and General Ledger Review

Subsection: MSME Identification

- 1: Has the unit got the confirmation of vendors covered under MSME Act? **NC**

Rating: 0

Observation Text :

No practice of getting the confirmation from vendors covered under MSME Act.

Response: Not provided.

Section: Vouching and General Ledger Review

Subsection: GST remittance

1: Whether ledger amount, workings, challan and returns amount are tagged and matched? **NC**

Rating: 0

Attachments :

QUE164_DOC_20180612_161015.xlsx

Observation Text :

Difference in amount as per GSTR1 & GSTR3B (Jul'17-Mar'18) Response:

Difference amount will be adjusted in the month of Apr'18

2: Whether TRANS - 1 amount is matched with the ledger and all eligible inputs transferred to TRANS 1? **NC**

Rating: 5

Observation Text :

Service Tax Input ledger(SERVICE TAX INPUT of Rs.36,278) was showing balances as per Trial Balance in IDS as on 31-Mar-18. (not yet closed/utilised/transferred to GST) Response: Not provided.

3: Whether for all eligible inputs, ITC are availed? **NC**

Rating: 7

Attachments :

QUE167_DOC_20180612_161327.xlsx

4: Whether the company is paying GST on notice pay recovery? **NC**

Rating: 7

Attachments :

QUE168_DOC_20180612_162930.xlsx

Observation Text :

In 8 instances, notice pay recovery from the employee of Rs.34,023/- for that GST not paid. Response: We are passing the entries as salaries only. Audit Rejoinder:Unit shall account GST on notice recovery amount without fail to avoid statutory non-compliance.

5: Ensure Invoice at the every month end have been taken from banks **NC**

Rating: 0

Observation Text :

Bank does not submit invoice.

6: Ensure ITC of GST paid on bank charges have been booked **NC**

Rating: 0

Observation Text :

Bank does not submit invoice.

Chronic

No chronic issues found

Audit Questionnaire

Section: Vouching and General Ledger Review

Subsection: Vouching - Cash payments

1: Whether all the cash vouchers are serially numbered and in case of missing numbers approvals are documented with reasons for the same?

Rating: 10

Observation Text :

All cash payment voucher are serially numbered and no missing cash voucher.

2: Whether the voucher number as per IDS and print out are same?

Rating: 10

Observation Text :

Both ids & print out of vouchers number are same.

3: Whether all the cash payments are approved as per SOP?

Rating: 8

Attachments :

QUE80_DOC_20180612_123133.xlsx

Observation Text :

In 9 instances, it was observed that Finance manager authorization sign not available on cash payment vouchers. Response: Now all the vouchers signed, now onwards we shall do on daily basis

4: Whether cash payments exceeding Rs.10,000 are made to a single person / vendor on a single day?

Rating: 10

Observation Text :

No instances observed in the cash payment exceeding Rs.10,000/-.

5: Whether all cash payments vouchers for payment above Rs.5000 are affixed with revenue stamp? **NC**

Rating: 7

Attachments :

QUE82_DOC_20180612_123307.xlsx

Observation Text :

In a couple of instances, it was observed that revenue stamp was not affixed in the vouchers for the cash payment above Rs.5000/-. Response: Non availability of revenue stamps not affixed, trying to get from the post office.

6: Whether acknowledgements are taken from the receiver for the cash receipt?

Rating: 10

Observation Text :

Receiver acknowledgement was taken in all cash receipt vouchers.

7: Whether contra entries for cash withdrawals from bank are accounted on the same day?

Rating: 10

Observation Text :

Same day contra entries was passed for cash withdrawals from bank.

8: whether the signature on the vouchers tally with the specimen signatures of the authorized signatories as per SOP?

Rating: 10

Observation Text :

Specimens signature was tally with all vouchers.

9: Whether the expenses are accounted appropriately in the respective ledgers based on the nature of expense?

Rating: 10

Observation Text :

Expenses were accounted properly based on the nature of expenses.

10: Whether all the expenses are accounted within 5 days of payment?

Rating: 8

Attachments :

QUE87_DOC_20180612_124011.xlsx

Observation Text :

In 3 instances it was observed there was a delay of upto 18 days in posting the cash payment entries from the date of transaction. Response: Noted and will not be repeated.

11: Whether the cash balance stood at positive figures on all the days of the period / year?

Rating: 10

Observation Text :

No negative balances show for the year.

12: Whether all the proper supportings are available for the payment amounts as defined by SOP?

Rating: 10

Observation Text :

Proper supporting's are available for Cash payments .

13: Cash holding analysis to be done and idle funds to be reported **NC**

Rating: 5

Attachments :

QUE90_DOC_20180612_125035.xlsx

Observation Text :

a. On comparing the Average cash holding in hand with the average payments made for the audit period, it was observed that the average payments made during

the year was only 10% of the average cash held in hand. b. Cash in hand was more than the average cash holding for the period is for 69 days. C. The day's payments were less than 25% of the cash held in hand for 142 days. Response: Some of the IOU's were cleared and some vouchers sent to corporate office for approval.

14: Whether collection cash are deposited without delay and cash insurance taken for transit of cash to bank and also for holding of cash at the premises?

Rating: 10

Observation Text :

No delay in cash depositing and also below the cash insurance amount maintained.

15: Whether physical verification is done and tallied with the books? **NC**

Rating: 3

Attachments :

QUE92_DOC_20180612_125401.xlsx

Observation Text :

During the cash verification, it was observed that long pending IOU of Rs.0.94lakhs & pending range from 5-280 days. Response: Some of the vouchers are cleared and some vouchers were sent to Corporate office for approval.

16: Whether all applicable licenses, insurance, subscriptions are done and up to date?

Rating: 10

Observation Text :

It will be covered in Statutory Compliances.

17: Whether communication is sent to the bank whenever an employee leaves the organization for authorized signatories purpose?

Rating: 10

Observation Text :

For Left employee details are communicated to the bank properly

18: Whether the service charges are distributed to employees as per SOP?

Rating: 10

Observation Text :

As per sop, service charges is distributed to the employee properly.

19: Audit trail / trial report to be analysed and reported for deviations observed **NC**

Rating: 7

Attachments :

QUE96_DOC_20180612_130025.xlsx

Observation Text :

Access to Modification of entries was enabled to user ids of staff Software (IDS) was not customized to restrict the selection of incorrect transaction type account while updating the bank transaction. Response: We have raised the problem to the unit IT and the issue will be resolved soon.

20: Whether inter-unit reconciliation is prepared by the unit and confirmation of balances

also obtained from other units?

Rating: 10

Observation Text :

Inter-unit reconciliation was done properly and balance confirmation is tally with other unit.

Section: Vouching and General Ledger Review

Subsection: Vouching - Bank Payments

1: Whether all the Bank payment vouchers are serially numbered and in case of missing numbers approvals are documented with reasons for the same?

Rating: 10

Observation Text :

All cash & bank payment voucher are serially number and no missing cash & Bank voucher.

2: Whether the voucher number as per IDS and print out are same?

Rating: 10

Observation Text :

Voucher number as per IDS and print out are same.

3: Whether all the payments are approved by the persons as defined by the SOP?

Rating: 10

Observation Text :

All payment's were approved by finance manager & GM as per SOP.

4: Whether TDS as applicable with regard to the nature of expenses are deducted on all the payments? **NC**

Rating: 7

Attachments :

QUE101_DOC_20180612_132057.xlsx

QUE101_DOC_20180612_132105.xlsx

QUE101_DOC_20180612_132112.xlsx

Observation Text :

a) TAX amount (TDS) not deducted from the vendors in 5 instances. b) TAX(TDS) amount deducted from vendors in 11 instances even though amount not crossed the threshold limit c) TAX(TDS) amount of Rs.470/- deducted including on GST in 8 instances. Response: 5A They have done the works only one time for the entire year, as per threshold limit we can make payment without deducting TDS. Audit Rejoinder: TAX(TDS) amount was deducted for the previous transactions and only the reported cases missed out for TAX deduction. 5B We assumed that the payment may cross the threshold limit hence we deducted the tds and remitted. 5C It's a clerical mistake and we will take care for future transactions.

5: Whether GST registration details of all the debtors and creditors are obtained, linked and documented?

Rating: 10

Observation Text :

For all debtors & creditors GST registration details were linked and document properly

6: Whether payment is made only to the already given bank account of the vendor (Sample checks to be undertaken)?

Rating: 10

Observation Text :

Vendor bank account verified and it was satisfied.

7: whether the signature on the vouchers tally with the specimen signatures of the authorized signatories as per SOP?

Rating: 10

Observation Text :

Specimens signature was tally with all vouchers.

8: Whether the expenses are accounted appropriately in the respective ledgers based on the nature of expense?

Rating: 10

Observation Text :

Expenses were accounted properly based on the nature of expenses.

9: Whether all the expenses are accounted within 5 days of payment?

Rating: 10

Observation Text :

All the expenses were accounted within due date for the payments.

10: Whether all the proper supportings are available for the payment amounts as defined by SOP?

Rating: 10

Observation Text :

Proper supporting's are available for Cash payments .

11: Whether the transaction relate to the year of audit?

Rating: 10

Observation Text :

Yes transaction relate to the year was accounted properly.

12: If NO, whether appropriate approval and accounting treatments are done?

Rating: 10

Observation Text :

Appropriate approval and accounting treatments was done properly.

13: Whether the stale cheques are reversed at the end of the 90 days period?

Rating: 10

Observation Text :

Stale cheques were reversed properly.

14: Whether contra entries for cash deposit are accounted on the same date of deposit?

Rating: 10

Observation Text :

Both contra entries and cash deposit are accounted on the same day only.

15: How many instances of cheque dishonours happened and what is the amount of bank charges debited?

Rating: 10

Observation Text :

No such transaction during audit period.

16: Whether the foreign currencies are converted without delays not resulting in loss to the unit?

Rating: 10

Observation Text :

No delay in converted the foreign currencies to the Thomas cooks.

17: Whether any blank vendor cheques have been kept at the unit with the vendor signature?

Rating: 10

Observation Text :

No blank vendors cheques available in the unit.

Section: Vouching and General Ledger Review

Subsection: Vouching - Journal Vouchers

1: Whether the opening balances are same as closing balance of the previous month / year?

Rating: 10

Observation Text :

Opening balances & closing balance of the previous month / year were accounted properly.

2: Whether all the Journal vouchers are serially numbered and in case of missing numbers approvals are documented with reasons for the same? **NC**

Rating: 7

Attachments :

QUE116_DOC_20180612_142355.xlsx

Observation Text :

In 8 instances, it was observed that journal voucher were missing. Response: These all are deleted JV's not missing Audit Rejoinder: Only modification access option to be enabled to Accounts Manager & IT. 'Delete' option to be disabled.

3: Whether the voucher number as per IDS and print out are same?

Rating: 10

Observation Text :

Both voucher number and IDS print out number are same.

- 4: Whether all the vouchers are approved by the persons as defined by the SOP?

Rating: 10

Observation Text :

As per SOP, all the vouchers were approved by Finance Manager.

- 5: Whether all the vouchers are accounted within 10 days of receipt of invoice?

Rating: 10

Observation Text :

All vouchers were accounted within 10 days of receipt of invoice.

- 6: Whether proper bill referencing is done while booking the expense?

Rating: 10

Observation Text :

Proper bill reference is done while booking expenses.

- 7: Whether all the vouchers are supported with bills / invoices?

Rating: 9

Attachments :

QUE121_DOC_20180612_144111.xlsx

Observation Text :

In a solitary instance, it observed that journal voucher without supporting. Response: To be collected from Axis bank.

- 8: Whether all the expenses are accounted in appropriate account head based on the nature of expense?

Rating: 8

Attachments :

QUE122_DOC_20180612_150132.xlsx

Observation Text :

In a couple of instances, it was observed that amount was posted in incorrect account head. Response: Not changed in books as the finalisation was completed.

Section: Vouching and General Ledger Review**Subsection:** General Ledger Review

- 1: Whether the bills of the contractor are duly approved or certified for payment by the person responsible for getting the work done?

Rating: 10

Observation Text :

All the bill were duly approved Finance manager.

- 2: Whether all the Assets have only DEBIT balances?

Rating: 10

Observation Text :

All the assets have only debit balance

3: Wherever Assets have credit balances, appropriate supportings, reconcilations, approvals are documented? **NC**

Rating: 0

Attachments :

QUE125_DOC_20180612_150430.xlsx

Observation Text :

In 28 instances, Staff Loans amounting to Rs.46, 470/-are pending for more than 9 years. Response: All these were employees (union) were left from organisation and court case is pending hence not removed from payroll.

4: Whether all the Liabilities have only CREDIT balances?

Rating: 10

Observation Text :

All the liabilities have only credit balance.

5: Wherever Liabilities have bebit balances, appropriate supportings, reconcilations, approvals are documented? **NC**

Rating: 0

Attachments :

QUE127_DOC_20180612_150613.xlsx

Observation Text :

In 3 instances, it observed that loan from educational fund amount of Rs.13,000/- are pending for more than 9 year. Response:All these were employees (union) were left from organisation and court case is pending hence not removed from payroll.

6: Whether all the expenses have only DEBIT balances?

Rating: 10

Observation Text :

All the expenses have only debit balance.

7: Wherever expenses have credit balances, appropriate supportings, reconcilations, approvals are documented? **NC**

Rating: 5

Observation Text :

As per IDS Rs.27.17lakhs shown as bonus payable for period 16-17 and Rs.23.82 lakhs have been paid and accounted in IDS, but balance amount Rs.3.35lakhs was not accounted in unpaid bonus. Response: Not provided.

8: Whether all the provision entries are reversed at the end of the month during month end closing process?

Rating: 10

Observation Text :

Provision entries are revered properly in ever month.

9: Whether all the prepaid expenses are appropriately apportioned and reversed as per

SOP?

Rating: 10

Observation Text :

As per sop it prepaid expenses was properly maintained.

10: Whether SOFTWARE is configured and updated with the appropriate % of TDS based on the nature of expense / payment? **NC**

Rating: 7

Attachments :

QUE132_DOC_20180612_151246.xlsx

Observation Text :

TAX(TDS) amount deducted 2% instead of 1% for individual PAN holders in 39 instances. Response: We will take guidance from the statutory auditors on this issue

11: whether proper supporting is available as per SOP for provisioning entries and approvals are available for deviations?

Rating: 10

Observation Text :

As per sop for provisioning entries were made properly.

12: Whether confirmation of balances are taken from both DEBTORS and CREDITORS are taken either at quarterly, half-yearly or yearly basis, reconciled and documented?

NC

Rating: 0

Observation Text :

Confirmation of balances were not taken from both DEBTORS and CREDITORS.

Response: Response not provided.

13: Whether BRS are prepared, documented and approved on a monthly basis?

Rating: 10

Observation Text :

BRS are properly maintained with approval.

14: Are there any cheques which have been issued but not recorded and reasons are documented with approvals?

Rating: 10

Observation Text :

All cheques have been recorded and documented properly.

15: Are there any cheques which have remained uncleared for more than 30 days and reasons are documented with approvals?

Rating: 10

Observation Text :

Unclear cheques more than 90 days have been revised in every month.

16: Debtors ageing status as on date of audit, highlighting the long pending age bucket

(over 180 days) **NC**

Rating: 7

Attachments :

QUE138_DOC_20180612_152138.xlsx

17: Any untagged debtor bills in IDS

Rating: 10

Observation Text :

All bill were untagged in IDS

18: Any Duplicate Debtors codes in IDS **NC**

Rating: 5

Attachments :

QUE140_DOC_20180612_152835.xlsx

Observation Text :

In 3 instances, it was observed that duplicate code are reflecting in the debtors ageing. Response: From April onwards new codes were created by corporate and existing balances as it is in old codes.

19: Any Duplicate vendor codes in IDS

Rating: 10

Observation Text :

No duplicate code is available in IDS.

20: Any advances made to vendors and the same is pending for a long time. **NC**

Rating: 5

Attachments :

QUE142_DOC_20180612_153213.xlsx

Observation Text :

Advance of Rs. 8.66 Lakhs paid to creditors not adjusted with a pending ranging between 193-732 days. Response: Clarification given in reference file - 16 individual party wise

21: Creditors ageing and long pending dues over 3 years and above to be highlighted

Rating: 10

Observation Text :

No long pending creditors for more than 3 years.

22: Are applicable rentals payments received on time? **NC**

Rating: 7

Attachments :

QUE144_DOC_20180612_155401.xlsx

Observation Text :

Shop rental amount of Rs.0.71lakhs pending for more than 124 day from the VENKATA RAMANA FLOWER DECORATIONS Response : Spoken to the vendor and payment will be received in 1st week of June

Section: Vouching and General Ledger Review**Subsection:** Cash and Bank Receipts

1: Whether all the cash and bank receipt vouchers are serially numbered and in case of missing numbers approvals are documented with reasons for the same?

Rating: 10

Observation Text :

All cash & bank payment voucher are serially number and no missing cash & Bank voucher.

2: Whether the voucher number as per IDS and print out are same?

Rating: 10

Observation Text :

Voucher number as per IDS and print out are same.

3: Whether all the vouchers are approved by the persons as defined by the SOP?

Rating: 10

Attachments :

QUE147_DOC_20180612_153802.xlsx

Observation Text :

In 10 instances, Finance manager authorization sign not available on cash Receipt.

Response: Now all the vouchers signed, now onwards we shall do on daily basis.

4: Whether all the receipts are accounted within 5 days of receipt of amount in bank?

Rating: 10

Observation Text :

All receipts were accounted within 5 days.

5: Whether cash receipts are accounted immediately without any delay

Rating: 10

Observation Text :

No delay in Cash receipt accounting.

6: Whether for any interest receipts, appropriated rate of interest as per agreement only are received and accounted?

Rating: 10

Observation Text :

As per agreement rate of Interest received and accounted.

Section: Vouching and General Ledger Review**Subsection:** VAT Remittance

1: Whether remittance and returns made within due date or not? ☒ Not Applicable

2: Whether ledger amount, workings, challan and returns amount are matched? ☒
Not Applicable

Section: Vouching and General Ledger Review

Subsection: TDS and TCS Remittance

- 1: Whether remittance and returns made within due date or not? **NC**

Rating: 7

Attachments :

QUE153_DOC_20180612_154322.xlsx

Observation Text :

Delay of one day in remittance of TDS for the month Oct'17. Response: By overlook it was happened and it will not be repeated again.

- 2: Whether ledger amount, workings, challan and returns amount are matched?

Rating: 10

Observation Text :

Ledger amount was match's with challan & returns

- 3: Whether all the related heads of expenses as submitted in returns are matched with the respective ledger?

Rating: 10

Observation Text :

All expenses as submitted in returns are matched with the respective ledger.

- 4: Whether TDS certificates are issued to vendors within the due date - within 15 days of filing the quarterly returns? **NC**

Rating: 0

Observation Text :

TDS certificates were not issued to the vendors. Response: Response not provided.

- 5: Whether TDS certificates are collected from Debtors who have deducted Tax within 15 days of filing the quarterly returns **NC**

Rating: 0

Observation Text :

TDS certificates was not collected from debtors. Response: Not provided.

- 6: Whether the TDS and TCS amounts are properly accounted?

Rating: 10

Observation Text :

TDS & TCS amounts are accounted properly

- 7: Whether the nature of deduction of TDS and grouping of the same in the return / statement are accurate?

Rating: 10

Observation Text :

Return/statement are accurate and nature of deduction of TDS properly done.

Section: Vouching and General Ledger Review**Subsection:** MSME Identification

- 1: Has the unit got the confirmation of vendors covered under MSME Act? **NC**

Rating: 0

Observation Text :

No practice of getting the confirmation from vendors covered under MSME Act.

Response: Not provided.

- 2: Has the unit paid the MSME vendors within the stipulated time? ☒ Not Applicable

Section: Vouching and General Ledger Review

Subsection: GST remittance

- 1: Whether HSN code/ SAC of the supply has been identified.

Rating: 10

Observation Text :

HSN code of the supply has been identified and accounted.

- 2: Whether remittance and returns made within due date or not?

Rating: 10

Observation Text :

Remittance and returns are made within due date

- 3: Whether ledger amount, workings, challan and returns amount are tagged and matched? **NC**

Rating: 0

Attachments :

QUE164_DOC_20180612_161015.xlsx

Observation Text :

Difference in amount as per GSTR1 & GSTR3B (Jul'17-Mar'18) Response:

Difference amount will be adjusted in the month of Apr'18

- 4: Whether TRANS - 1 amount is matched with the ledger and all eligible inputs transferred to TRANS 1? **NC**

Rating: 5

Observation Text :

Service Tax Input ledger(SERVICE TAX INPUT of Rs.36,278) was showing balances as per Trial Balance in IDS as on 31-Mar-18. (not yet closed/utilised/transferred to GST) Response: Not provided.

- 5: Whether GSTIN numbers for inputs as well as for output are updated either in vendor master or separately?

Rating: 10

Observation Text :

GSTIN number for input & output are updated separately

- 6: Whether for all eligible inputs, ITC are availed? **NC**

Rating: 7

Attachments :

QUE167_DOC_20180612_161327.xlsx

7: Whether the company is paying GST on notice pay recovery? **NC**

Rating: 7

Attachments :

QUE168_DOC_20180612_162930.xlsx

Observation Text :

In 8 instances, notice pay recovery from the employee of Rs.34,023/- for that GST not paid. Response: We are passing the entries as salaries only. Audit Rejoinder:Unit shall account GST on notice recovery amount without fail to avoid statutory non-compliance.

8: Whether the GST is paid on the sale price in case of sale at the concessional rate to the employee?

Rating: 10

Observation Text :

No such instances found.

9: Whether RCM of GST payment is followed for all the eligible expenses and self-invoicing is done for the same?

Rating: 10

Observation Text :

RCM of GST payment was properly paid.

10: Is it ensured ITC availment is done for RCM only after payment of tax is done?

Rating: 10

Observation Text :

ITC availment is done for RCM after payment of tax.

11: Is it ensured that no ITC is claimed after expiry of one year from the date of issue of invoice? ☒ Not Applicable

12: Whether receipt of services / invoices are confirmed before ITC are availed?

Rating: 10

Observation Text :

JV raised only when invoices are received. No such cases found.

13: Ensure GST on bank Charges correctly Charged by the bank at the applicable rate which is 18%

Rating: 10

Observation Text :

GST on bank charges were charged accounting.

14: Ensure Invoice at the every month end have been taken from banks **NC**

Rating: 0

Observation Text :

Bank does not submit invoice.

15: Ensure ITC of GST paid on bank charges have been booked **NC**

Rating: 0

Observation Text :

Bank does not submit invoice.