

## **Terms of Reference for Concurrent Audit at the State Level**

### **Scope of Audit**

The responsibilities of the concurrent auditors should include reporting on the adequacy of internal controls, the accuracy and propriety of transactions, the extent to which assets are accounted for and safeguarded, and the level of compliance with financial norms and procedures of the operational guidelines.

The scope of work of “State Concurrent Auditor” is as follows:

- Audit of the SHS accounts and expenditure incurred by SHS including NDCP and NCDGP
- Verification of Quarterly FMRs with Books of Accounts
- Audit of Advances at the SHS level
- Audit of the Provisional Utilization Certificates sent to GoI
- Monitoring timely submission of the District concurrent audit reports
- Detailed analysis and compilation of the District concurrent audit reports
- Vetting of the State Action Taken Reports and providing observations thereon
- Follow-up & monitoring over the ATRs prepared by districts on the observations made in the audit
- Preparation of Quarterly Executive summary to be sent to GoI in the prescribed format
- Any other evaluation work, as desired by the State Audit Committee

### **Frequency**

- Concurrent Audit will be carried out on a “monthly basis”.

### **Coverage**

- The State Concurrent Auditor should ensure coverage of all the districts and the District Concurrent Auditor should ensure that all the blocks are covered over the entire year.

### **Contents of Audit Report**

Concurrent Audit Report of a “**State Health Society**” should contain the following financial statements and documents:

- Duly filled in Checklist provided in the guidelines
- Financial statements as prescribed
  - Audited Trial Balance
  - Audited Receipts & Payments A/c
  - Income & Expenditure A/c
  - Balance Sheet
  - Audited SoE
  - Bank Reconciliation Statement
  - List of outstanding advances
- Observations and Recommendations of Auditor – particularly covering the following aspects:

- Deficiencies noticed in internal control
- Suggestions to improve the internal control
- Extent of non-compliance with Guidelines issued by GOI
- Action Taken by State Health Society on the previous audit observations, along with his observations on the same

### **Selection Process**

Interested firms of Chartered Accountant are required to submit their EOI in two parts: (A) Technical offer in and (B) Financial offer. Both the bids will be submitted in separate sealed envelopes with markings “Technical offer” and “Financial offer”. The two sealed covers containing Technical Offer and Financial Offer shall be put in another cover. This cover should be superscribed with the wording **“EOI for monthly concurrent audit”** and sent to: State Mission Director, NHM, State Health & Family Welfare Society, Directorate of Health Services, Trivandrum-35. **Last date for receipt of the completed EOI is: 10.05.2016.**

**Expression of Interest for short listing Chartered Accountant Firms for the monthly concurrent Audit of the accounts of the State Health and Family Welfare Society**

Status of the Firm    Partnership                       Sole Proprietorship

1. (a) Name of the firm (in Capital letters) \_\_\_\_\_
- (b) Address of the Head Office \_\_\_\_\_  
(Please also give telephone no. \_\_\_\_\_  
and e-mail address) \_\_\_\_\_
- (c) PAN No. of the firm \_\_\_\_\_
2. ICAI Registration No. \_\_\_\_\_ Region Name \_\_\_\_\_  
Region Code No. \_\_\_\_\_
3. (a) Date of constitution of the firm:
- (b) Date since when the firms has a full time FCA
3. Full-time Partners/Sole Proprietor of the firm as on 1<sup>st</sup> January 2016

| Sl. No | Years of Continuous association with the firm | Number of FCA | Number of ACA |
|--------|---|---------------|---------------|
| (a)    | Less than one year                            |               |               |
| (b)    | 1 year or more but less than 5 years          |               |               |
| (c)    | 5 year or more but less than 10 years         |               |               |
| (d)    | 10 year or more but less than 15 years        |               |               |
| (e)    | 15 year or more                               |               |               |

(Please attach the copy of Firm's Constitution Certificate issued by ICAI as on 01.01.2016)

4. Number of Part time Partners if any, as on 01.01.2016
5. Number of Full time Chartered Accountants as on 01.01.2016
6. Number of audit staff employed full-time with the firm
  - (a) Articles/Audit Clerks \_\_\_\_\_
  - (b) Other Audit Staff (with knowledge of book keeping and accountancy) \_\_\_\_\_
  - (c) Other Professional Staff (Please specify) \_\_\_\_\_
7. Number of Branches if any (Please mention Places & locations): \_\_\_\_\_

8. Whether the firm has conducted statutory / internal audit in institutions/societies under Kerala Health Services Department and if so provide complete details (attach separate sheet if space is insufficient)
9. Whether the firm is implementing quality control Policies and procedures designed to ensure That all audit are conducted in accordance with Statements on **Standard Auditing Practices.** (If yes, a brief note on the procedure adopted is to be enclosed) Yes/No
10. Whether there are any court/arbitration/any Other legal case against the firm (If yes, give a brief note of the case indicating its percent status) Yes/No
11. Total Turnover of the firm during the last two years (The latest Income Tax Return duly acknowledged by IT department should be enclosed)
12. Please indicate below any specific conditions that is essential for you to be agreeable to take up the work:
  - a.
  - b.
  - c.

### **Undertaking**

I/We do hereby declare that the above mentioned informations are true & correct and I / We also undertake to abide by the terms & condition of the contract and would make compliance of terms laid-down in the contract if executed by us with the State Health and Family Welfare Society.

Date:

Place:

**Signature of Proprietor/ Sole Partner**

**Expression of Interest for short listing Chartered Accountant Firms for the monthly concurrent Audit of the accounts of the State Health and Family Welfare Society & District Health and Family Welfare Societies**

**Financial Bid**

- a. I / we are agreeable to concurrent monthly audit of the **State Health and Family Welfare Society, Trivandrum**, at a fees of Rs .....per month, which is inclusive of cost of travel.
- b. I understand that TDS will be deducted at source.
- c. I understand that service tax at applicable rates, will be extra.
- d. Other financial terms are:
  - a.
  - b.
  - c.
  - d.

**Date:**

**Place:**

**Signature of Proprietor/ Sole Partner**