

PART II.
MANUAL ON TEST AUDIT BY THE ACCOUNTANT-GENERAL.

CHAPTER XI.

Audit agency.

213. Special Funds include—

- (1) The Irrigation Cess Fund,
- (2) Cattle-pounds, and
- (3) Village service charges.

The audit of the Irrigation Cess Fund accounts is conducted by the Examiner of Local Fund Accounts (vide G.O. No. 114, Finance, dated 6th February 1924). As regards items (2) and (3), viz., cattle-pounds and village service charges, the audit of these accounts consists of the following items:—

- (a) Pre-audit in the taluk office.
- (b) Post-audit of the paid bills in the treasury by the Special Fund establishment.
- (c) Annual inspection by one of the Senior Accountants in the Treasury branch of the Collector's office of the accounts in the taluk office of the taluks which are not included in the programme of inspection of the Treasury Deputy Collector for the year.
- (d) Annual inspection of the accounts by the Treasury officer in the course of his inspection of sub-treasuries.
- (e) Test audit at the Huzur treasury of two months' vouchers relating to pay of establishment and of all vouchers relating to other items by the inspecting staff of the Accountant-General's office in respect of village service charges only.
- (f) The audit of cattle-pound vouchers other than those relating to commission payments and construction and repair of pounds is performed by the Accountant-General.

NOTE 1.—The inspection and audit prescribed above will not preclude the scrutiny in detail of the village cattle-pound accounts in the taluk office and by the jamabandi officer at jamabandi.

NOTE 2.—The questions to be answered by the Treasury Deputy Collector or the Senior Accountant are contained in Appendix G.

General principles of audit.

214. The general principles of audit given in Articles 154 and 162 are applicable also to the test audit by the Accountant-General.

PART III.
**MANUAL ON TEST AUDIT BY THE EXAMINER
OF LOCAL FUND ACCOUNTS.**

**CHAPTER XII—IRRIGATION CESS
FUND ACCOUNTS.**

**Vouchers, demand, collection and balance and
financial statements.**

215. The vouchers, demand, collection and balance statements and financial statements relating to the Irrigation Cess Fund will be retained in the Revenue Divisional Officer's office and subjected to an annual audit by the district inspector of Local Fund Accounts.

B.P. Press 10, dated 22nd June 1958.

Demand, collection and balance statements.

216. The demand, collection and balance statements forwarded by the tahsildars, under Article 39, should be checked, as regards the opening balances, by reference to the previous month's statements and the jamabandi accounts, if required, and as regards the collections by reference to the taluk cash account-current.

NOTE.—(1) Collectors can, on their own authority, write-off irrecoverable arrears of irrigation cess and other items of revenue creditable to Irrigation Cess Fund, provided they fall under one of the following heads:—

Irrigation cess—

- (i) Amounts erroneously included in the demand;
- (ii) Amounts wrongly charged on lands taken up for Public Works;
- (iii) Amounts remitted after jamabandi;
- (iv) Demands remaining undischarged after sale of the defaulter's property; and
- (v) Amount charged in respect of lands not liable to the payment of such cess.

Other items of revenue—

- (vi) Fees;
- (vii) Contribution from private individuals;
- (viii) Rent on trees, sale-proceeds of leaves, etc.; and
- (ix) Miscellaneous.

This power is subject to a limit of Rs. 100 in each case, Divisional Officers can exercise similar powers in respect of all the heads except items (iv) and (vi) to (ix). Interest in respect of any of the items so written off should also be written off on the authority of the same order.

(2) The Board of Revenue can, on its own authority, write-off irrecoverable arrears of irrigation cess and other items of revenue creditable to Irrigation Cess Fund in respect of all the heads mentioned in note 1 above. Interest in respect of items so written off should also be written off on the authority of the same order.

217. In the case of leases, etc., the demand should be checked by reference to the sale lists, and the realizations with the total credits in the treasury.

Financial statement.

218. On receipt of the financial statement in Form No. 30, it should be seen that the total charges are correct with reference to the paid vouchers. The correctness of the figures appearing in the statement should also be approved with reference to the credits and debits in the cash book. As the account of each channel or group of channels is required to be kept distinct, it should also be seen that no overdrawals have been permitted.

Channel establishments.

219. The bills should be checked with reference to the establishment audit register referred to in Chapter VII and the general principles laid down in Article 154.

Construction and repair of channels, etc.

220. The rules in Articles 164 and 165 regarding the check of payments relating to the construction and repair of chavadis, etc., apply *mutatis mutandis* to similar charges connected with channels.

Cash book.

221. It should be seen during audit—

- (a) that the pages are machine numbered;
- (b) that the collections have been remitted into the treasury without undue delay;
- (c) that all payments are supported by counterfoils of cheques issued and bills passed for payment;
- (d) that the totals have been made and carried over from page to page at the end of the month;
- (e) that the balance at the close of each month agrees with the balance in the pass book, after allowing for uncashed cheques and unremitted revenue; and
- (f) that the balance in the cash column on the day of examination agrees with the actual cash balance on hand.

Cheque books.

222. It should be seen—

- (a) that no cheques are signed unless required for immediate delivery to the person to whom the money is to be paid;
- (b) that entries relating to cancelled and lapsed cheques have been properly made in the cash book; and
- (c) that all cheque books received have been properly accounted for in the stock account of forms.

Pass books.

223. It should be seen—

- (a) that pass books are sent periodically to the treasury or bank for being written up; and
- (b) that all entries therein are made only by the treasury establishment.