

Common Points to be seen during audit of LP Bills by Auditors/AAO General Points:-

1. Sanction of Competent authority Competent to make expenditure is correct.
2. Head of account is correct to which expenditure is booked.
3. Contingent Bill / Contractors bill duly counter signed by the competent unit authority exists.
4. Sanction exists for financial year in which payment is required. If sanction exists for previous financial year the same should have been revalidated for current financial year.
5. Supply / work order, receipt voucher & CST exists.
6. In case any deviation in Supply of goods, the same should be on amendment to supply order.
7. In case delay in supply liquidated damages (LD) has been recovered as per contract clause.
8. In case of work order Rs.20,000/- or above TDS has been recovered or of supply exceeds Rs.50,000/- in individual cases on entire amount exceeding Rs. 50,000/-
9. In case of amendment to supply order, if supply order has been placed by CFA with the concurrence of IFA, the amendment is also needs to be concurred again by IFA/CFA.
10. IN the case of CHT contract for transportation of goods, No TDS has to be recovered, if contractor has given PAN No. but a separate record of booking the amount under 1/255/02 has to be kept if demanded by income tax authorities.
11. In case of CHT contract for transport of individual, expenditure booked under 1/255/01, TDS is required to be deducted at appropriate rates.
12. In the case of purchase of medicines NA certificate is required, if PVMS items are purchased. No NA certificate from depot is required, if NIV items are purchased locally.
13. All powers for LP, please refer sch XII to GOI letter dt. 26.07.2006.
14. Specimen signatures are required for officers signing & counter signing the contractors/contingent/personal bills. Please admit the claim after verification of specimen signatures.
15. Please check the bills are passed under FIFO system.