

Draft Subject : 58

Sub - VUDA - Visakhapatnam- Proposal for constituting Internal Audit / Pre Audit wing in VUDA as suggested by A.G- Deputation of Staff-  
Approval- Reg

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The Principal Accountant General, A.P. Hyderabad has repeatedly remarked that there was no internal audit wing established by VUDA to conduct the internal audit of various wings.

In the outstanding audit Para 2.3.10 of the year 2010 it was stated that internal audit examines and evaluates the level of compliance with the departmental rules and procedures and provides reasonable assurance to the management on the adequacy of the existing internal controls and also that the primary function of internal audit is to assist in ensuring the accuracy of the accounts and correct statement of financial transactions of the organization. It was also stated that in the absence of internal audit, there was no assurance to VUDA management that the rules and procedures were being complied with by various wings.

In this context it is submitted that during 1978-83, internal audit / pre-audit system was existing for few years with deputation staff from P W Department & A.G Audit Department but was later discontinued due to various reasons.

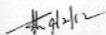
In view of the above, it is necessary to constitute an internal audit / pre-audit wing in VUDA. However since there is acute shortage of staff in VUDA for constituting the same with VUDA employees, it has been proposed to constitute the internal audit wing with 3 members from the Government Departments like Works Department / State Audit Department / A.G's office, who are well versed with Audit & Accounting Principles to work under the control of Chief Accounts Officer, VUDA.

The following staff pattern is proposed for the Internal Audit / Pre- Audit wing

1. One Divisional Accounts Officer Grade-I from Works Department or Assistant Audit Officer from State Audit Department or Audit officer from A.G's office
2. Two Senior Accountants / Divisional Accounts Officers Grade-II from Works Department or two Senior Auditors from State Audit Department or two Assistant Audit officers from A.G's Office

The Government have been requested in this office letter Rc No.5515/2006/K1 dated 11.12.2011 to permit VUDA to establish a Pre audit / Internal Audit wing in VUDA with staff on deputation from other Departments for ensuring accuracy of accounts and correct statement of financial transaction of the organization.

The matter is placed before the Board for approval



Vice Chairman



Chairman

Wt.  
4/2/2012  
C.A.B.

## VUDA RESOLUTION NO. 58, DT. 08-05-2012

The Board discussed the matter and resolved to approve the subject



CHAIRMAN