

## **Audit Objectives and Scope**

The broad objectives of audit are:

- (i) to provide an unbiased, impartial and objective assessment of the reliability and fair presentation of the financial activities and financial position of the Government in their accounts;
- (ii) to provide an assessment of the due observance of the laws, rules, procedures and systems in keeping with the financial interests of and propriety in the functioning of the Government; and
- (iii) to provide an assessment of the achievement of economy, efficiency and effectiveness (value for money) in the implementation of the mandated activities of the Government.

In the process, audit aims to,

- (i) Safeguard the financial interest of the taxpayer
- (ii) Assist the Parliament or State/Union Territory legislature in exercising the financial control over the executive; and
- (iii) Watch the various authorities of the State set up by, or under, the constitution act in regard to all financial matters in accordance with the constitution and the laws of parliament and appropriate legislatures and the rules and orders issued there under.

In pursuance of the statutory responsibilities entrusted to the Comptroller and Auditor General, he is the sole authority to decide the nature and extent of audit to be conducted by him or on his behalf. Accordingly, in regard to certain financial transactions of a secret nature, the Comptroller and Auditor General has

agreed to modify the scope of audit to the extent prescribed in each case. It is the function of the Executive Government to make financial rules and orders and put in place an adequate internal control mechanism that will guard against misuse of public funds. It is the duty of audit not only to verify that the administrative departments properly apply these internal controls but also to point out weaknesses, if any, as may be noticed in the functioning of the control mechanisms.

The Executive Government and not the Indian Audit and Accounts department is responsible for enforcing economy in the expenditure of public moneys. It is however, the duty of Audit to bring to notice wastefulness in public administration and infructuous expenditure and any such criticism may be included in the Audit Reports.