

Vouching- A Splendid Jewel of Auditing

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ABSTRACT

Vouching is evaluating all the fact based cues i.e invoices, bills, minute records, wage sheet, counterfoils to see whether all the recording in books of accounts are bona-fide or not. Vouching is such a panoramic concept of auditing which meddle with every material thing, as it is done for Cash book, purchase book, sales book, sales return book, debtors ledger, Creditor ledger etc. This paper is regarding what is vouching? , why to resort to vouching is material? , how routine checking and vouching is not same. This paper also tell about what to do & what not to do by the auditor while vouching? The information contained in this paper is collected from different websites and from already published research papers. A special thanks to researchers who already contributed to this study. In today's era where malfunctions are booming day by day there is need to chop such activities, so that we can get fructiferous consequence of auditing. And solution to this is 'VOUCHING' which is splendid Jewel of auditing.

KEYWORDS: Vouching, Vouchers, Auditing, Auditor.

INTRODUCTION

As we all know the pertinence of auditing in today's era. Auditing is obligatory for some specified concerns according to The Companies Act, 2013. Now the interrogatory situation is; which thing make the task of auditing victorious. There are many contributory strand in this regard & VOUCHING is one such. Yes you heard it right; vouching is one of the foremost cause of victorious auditing. Here, Vouching means scrutiny of books of accounts with the means of vouchers; also to vetting about the legitimacy of available vouchers. Now the question is what is Voucher? Simply saying, Voucher is what seller issue to business organization whenever a organization make any transaction(buy or sell). Different forms of Voucher's are-

- Bill
- Pay in Slip
- Invoice
- Counterfoil
- Wage Sheet
- Receipt

Nowadays, the number of scams are increasing day by day which is serious concern. The need of hour demand to unmask such things & surely vouching is such fruitful yardstick. Vouching is done for cash book, purchase book, purchase return book, sales book, sales return book, creditor ledger, debtor ledger, general ledger. Vouching strongly follows a theme namely:

NO ENTRY- WITHOUT VOUCHER**NO VOUCHER- WITHOUT ENTRY**

This means vouching adhere to the principal of reciprocity. Also while Vouching; the auditor should inspect the authority, it's stamp, relative number of voucher, figures represented therein. All should be done cautiously by auditor for clear picture.

WHY TO GO FOR VOUCHING? –

The answer to this WHY is mentioned below-

- **TO GO BEYOND ARITHMETICAL ACCURACY-** Yes, it is rightly said that vouching is something beyond the arithmetical accuracy. As routine checking just reveal about the arithmetical correctness. But if we put light on the performance outcome of Vouching it is something more than routine checking as it calls for corroboration as such; Bill, Invoice, Counterfoil etc.
- **TO SPECKLE FOR TRICKERY THINGS-** There are so many causes for which business organization today hide the true picture. Not just hiding reality but also many deceitful activities can be seen. The only solution to these trickery malfunction is to go for vouching which ask for documentary evidence for everything unless there would be countless frauds continues.
- **COMPREHENSIVE-** As mentioned earlier in this paper, there is a theme which Vouching use to adhere I.e NO ENTRY- WITHOUT VOUCHER

NO VOUCHER WITHOUT ENTRY; it namely vouching touches every single entry passed in books of accounts. It make sure that nothing should be left out.

- **LEAD TO WINNING OVER AUDITING OBJECTIVE-** The foremost sight of auditing is to work towards the truthfulness of books of accounts. This main aim of auditing is satisfied only through the contribution of vouching which is edifice of auditing. As vouching studies every transaction through evidence.
- **TO HUNT ABOUT ALL EVIDENCE-** The work of auditor is not just limited to check all bill, invoice; but in addition to this he has to go through each and every evidence in depth because many a times they may be fabricated. Auditor has to satisfy himself regarding the legitimacy of every proof presented to him. This widens the scope of vouching & also of auditor's duty.
- **ADHERE 'CHECK EVERYTHING' PRINCIPLE-** The concept of vouching is gaining momentum as it reach out to principle of 'CHECK EVERYTHING' . .As in vouching it is done for-
 - Cash Book
 - Purchase Book
 - Purchase Return Book
 - Sales Book
 - Sales Return Book
 - Creditor Ledger
 - Debtor Ledger
 - Petty Cash Book etc; in other words, vouching does not fail to include anything from it's eyes.
- **BROAD – RANGING PERFORMANCE-** The work in vouching is not restricted to some specified functions; but it is such a intelligent procedure where the aim of routine checking also fulfil, in addition to this it also unmask all fraudulent minds of organization whoever put mask for window dressing. Thus, Vouching is a broad ranging one.

- **VOUCHING IS LIKE ‘LABORATORY REPORTS TO DOCTOR’**- Just as a doctor before giving any sort of view regarding any disease to patient have in need of reports of patient in like manner auditor require to jump into various counterfoil, pay-in-slip, invoices as evidence. Not only this he is required to go into the legitimacy of all above mentioned documents.

VOUCHING NOT TO MISJUDGE AS ROUTINE CHECKING- The below mentioned discussion let us know that Vouching & Routine Checking are both not same:

- Routine checking is like examine the arithmetical correctness & proper posting of all principle of auditing must be adhere to, whereas vouching is the checking for authenticity.
- As the name itself suggest, routine checking is routine work which is done almost on monthly basis but vouching is yearly.
- Vouching is supercilious than routine checking.
- Latitude of routine checking is narrow- gauged but vouching is outspread.
- Client personnel indulge in routine checking while they are not suppose to barge into vouching.
- Vouching divulge bamboozlement more than the routine checking.

DO’S & DONT’S IN VOUCHING

- **CONTENT MENTIONED**- The auditor should examine the below mentioned things mentioned therein vouchers:
 - Date of voucher
 - Serial number of voucher
 - Amount in words as well as in figures
 - Reconcile the amount in voucher & books of accounts
 - Signature of proper authority
- **EVERYTHING IN ONE SIT**- For fruitful outcome of vouching; the auditor should make perfect all his work in one sit as vouching is a continuous process. So principle of ‘EVERYTHING IN ONE SIT’ should be adhere to.
- **STAMP**- As a general rule, there must be a revenue stamp on every voucher. So while examine the various bills , invoices, wage sheet; a revenue stamp must be there as all authentic voucher bear a revenue stamp.
- **PARTIES INVOLVED IN ISSUANCE OF VOUCHER**- When the auditor is fulfil the task of vouching he must go through the parties to it. Seller & buyer; this is because the invoice should be in name of client or any of it’s member. The bill should be related to client . He should also verify the signature of parties, whether they are suppose to do so or not. The signatories should be in authority for doing so.
- **DO NOT LET CLIENT PARTY TO INDULGE**- If the auditor want a accurate view regarding the truthfulness of books of accounts then he has to follow this principle. He should not indulge any other person who is related to client in one or another way.
- **TO OPT FOR TEST CHECKING**- If the auditor is well pleased to the affairs of client he may resort to test checking. But he is responsible himself for this sampling.
- **DO USE OF SPECIAL MARK**- Sometimes client produced one evidence twice or many times to manipulate facts. So, while doing vouching auditor can use the special tick or mark on the vouchers

so that no voucher can be produced before him time and again.

- **MISSING OR LOST VOUCHER-** If in case auditor will not get all the demanded evidence as they were lost, auditor can freely ask for the duplicate ones. Not only this he can also ask about the causes for lost vouchers. He should ensure that lost voucher should miss in reality, which means they should not be masked by client deliberately.
- **MUST VERIFY ARITHMETICAL CORRECTNESS-** As routine checking also indulges in vouching function, so while vouching auditor should go through the correctness regarding:
 - Addition
 - Subtraction
 - Posting
 - Multiplication
 - Division

CONCLUSION

The benefaction of vouching is indubitably commendable. Vouching is the key with the aid of which an auditor can expel his perspective in audit report. Vouching is test of authenticity of working of its client & its books of accounts as well. An auditor while vouching should reminisce to examine its content, why lost voucher is lost? , not to let interference of client, use of special ticks. Auditing is able to go to its aim just because of vouching as vouching is broad ranging, its like laboratory reports to doctor, study every tricky things, also it is comprehensive. Not only this it is best hunt for all evidences. So, surely 'vouching is a splendid jewel of auditing'.

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