

SK / FORM - 4

AUDIT REQUIREMENTS

NAME OF THE CLIENT
AUDIT FOR THE YEAR / PERIOD ENDED
AUDIT CO-ORDINATOR FROM CLIENT

1. GENERAL :

- 1.1 A comprehensive note on the General nature of business.
- 1.2 Complete list of books including the Memorandum books maintained.
- 1.3 Names and specimen signatures of officers authorized to pass payment vouchers including at branches if any. (References of Board Resolution / other authority under which acting).
- 1.4 Details of assets including additions showing separately those lying with the staff of the company as per company's rules. Possession of assets should be confirmed by the concerned staff every year end.
- 1.5 Details of non-recurring transactions or of exceptional nature.
- 1.6 Pursuant to section 143 (1), we are required to report on followings :
 - a. Whether loans and advances made by company on the basis of security have been properly secured and whether the terms on which they have been made are not prejudicial to the interests of the company and its members.
 - b. Whether transactions of the company, which are represented merely by the book entries, are not prejudicial to the interest of the company.
 - c. Where the company not being an investment company or a banking company, whether so much of the assets of the company as consist of shares, debentures and other securities have been sold at a price less than that at which they were purchased by the company.
 - d. Whether loans and advances made by the company have been shown as deposits.
 - e. Whether personal expenses of directors have been charged to revenue account.
 - f. Where it is stated in the books and documents of the company that any shares have been allotted for cash, whether cash has actually been received in respect of such allotment, and if no cash has actually been so received, whether the position as stated in the account books and the balance sheet is correct, regular and not misleading.

Please provide detailed information regarding the above items.

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- 1.7 Trial Balance.
- 1.8 A copy of final account approved by Board of Director.
- 1.9 Constitution of Board of Directors.
- 1.10 List of Shareholders with the shareholding.
- 1.11 General certificates (In the appropriate Form)
- 1.12 Inventory certificate.
- 1.13 Cash Balance certificate.
- 1.14 List of branches & depots and their addresses with phone numbers.

2. BALANCE SHEET :

- 2.1 Reconciliation statements of Bank Accounts duly signed.
- 2.2 Confirmations of bank / financial institutions in the prescribed form.
- 2.3 In case of loans particulars as to loans secured and unsecured and in the case of guarantee given by directors and others, particulars as to name of directors, amount of guarantees etc.
- 2.4 Confirmations of full accounts with Related parties (including Director's interested concerns)
- 2.5 List of creditors showing credit balances and debit balances separately (with subsequent payment dates / realization date) Highlight those creditors not operated for over a year.
- 2.6 a) List of debtors showing credit balances and debit balances separately giving the following particulars (Total of individual balances should tally with respective control accounts.)
 - i) Name of debtors (Trade Receivable).
 - ii) Outstanding for a period exceeding six months from the due date.
 - a) Considered doubtful-provided for / not provided for
 - b) Others
 - iii) Outstanding for a period less than six months
 - a) Considered doubtful-provided for / not provided for
 - b) Others

Also the subsequent realizations.

 - iv) Considered good.

- a) Fully secured (name of security) – Please not that guarantees are not securities.
- b) Other debtors.
- v) Debts due by Directors, Officers etc with maximum balances any time during the year.
- vi) Due from subsidiary companies and other related parties.

b) Balance in creditors and debtors should be confirmed by the parties concerned if possible directly to us.

2.7 a) Details of unpaid salaries, wages, bonus as at the end of the year in following proforma.

Name	Nature	Amount Rs.	Financial year to which it pertains	Paid on (in the next year)	V. No.	Remark
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1	2	3	4	5	6	7

b) Have unpaid salaries etc. been paid over to the Labour Welfare Fund in time.

2.8 Outstanding liabilities with full particulars to be given.

2.9 Details of VAT/Service Tax/Income Tax/Excise Duty payable, refund due & set off claimed if any and the particulars of assessments as under :

Account Year	Assessment Year	Demand / Refund	Remark (like pending appeals etc.)
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2.10 Amount due to Directors.

2.11 Details of assets sold / discarded.

2.12 Statement of investments, if any market values (where quoted), paid up value where partly paid up profit / loss on sale, bifurcating all investments into trade & otherwise, long term & current, quoted & unquoted etc. Indicate separately those that are pledged and with bank, Government authorities etc.

2.13 List of Advances :

- a) Suppliers
- b) Contractors
- c) Staff
- d) Directors / Officers, etc. with maximum balance at any time during the year.
- e) Others
- f) Subsidiary companies / Holding Companies

Please show the dates when recovered in cash / in kind (in subsequent year).

2.14 List of deposits & confirmation for security deposits from Raw Materials suppliers / others. (A register of deposits with full particulars to be maintained by the company.)

Sr.No	Name of the party with whom deposited	Date	Amt. (Rs.)	Purpose of Deposit	When due	Whether any interest payable – see rate of interest	Whether deposit adjusted against demand & if so when, Details to be given.	Any other relevant particulars
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2.15 Details of prepaid expenses, unexpired insurance premium etc.

2.16 Details of current account with insurance companies with confirmation of balances.

2.17 List of bills discounted and subsequently cleared. Whether a bill discounting register maintained in excel.

2.18 Allocation of expenses between capital & revenue for the project in hand and the basis of allocation

2.19 Details of unsecured Loans as under.

2.20 Calculate whether the loan is within the limits as prescribed in Rule, 2015 read with Section 73 and Section 76 of the Companies Act, 2013.

3. STATEMENT OF PROFIT AND LOSS:

3.1 a) Details of depreciation in the proforma given below :

Details of install – ations	Particular	Total cost	Method of Depreciation (WDV / SLM / any other method)	Depreciation to date	W.D.V.	Depreciation for the year	W.D.V. at the year end	Total depreciation as at the year end
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1	2	3	3A	4	5	6	7	8

Notes *:

* Suitable adjustments made to indicate transfer / adjustments etc. If on Straight Line basis the relevant figures should be given.

b) Whether the manufacturing plant has worked for double and/or triple shifts during the year.

c) Provide Fixed Assets Register duly updated for transactions and depreciation for the year.

- 3.2 Certificate regarding closing stock of finished goods, Work in progress, raw materials, stores and loose tools and the mode of valuation with inventory sheets.
- 3.3 Details of repairs & maintenance for
- a) Building
 - b) Plant and Equipment
 - c) Others
- 3.4 Computation of Bonus under Bonus Act, Statutory Books as required to be maintained under the Act to be produced.
- 3.5 Certificates of Actuary required for actuarial valuation of Gratuity and Leave Entitlement.
- 3.6 Details of rent paid with name and address of the lessors.
- 3.7 Details of Insurance of company's properties in the following proforma :

V.N.No.	& Particulars of insured property	Policy No. date	& Period	Pertaining to the year	Prepaid amount	Total
1	2	3	4	5	6	7

- 3.8 Details of interest paid/received showing names & addresses of the parties.
- 3.9 List of Directors meetings and the sitting fees paid / provided.

Name of the Director present	Date of Meeting	Amount (Rs.)	Date of Payment
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- 3.10 a) Details of donations and confirm whether within the provision of Section 181 of the Companies Act, 2013.
- b) Details of donations to Political Parties. Also, confirm whether the same is within the provision of Section 182 of the Companies Act, 2013.
- 3.11 a) Details of legal expenses showing the details of fees paid to whom and for what purpose.
- b) Details of provision against advances to Advocates/ Solicitors.
- c) Details of Contingent Liability linked to ongoing legal cases and payments of fees there against.
- 3.12 Computation of managerial remuneration.
- 3.13 Statement regarding following payment delays and arrears at year ended.
- i) Provident Fund.
 - ii) Employees State Insurance Fund.

- iii) Sales Tax.
- iv) Income Tax. (including T.D.S. payable)
- v) VAT
- VI) Custom Duty
- VII Service tax
- VII Excise Duty
- IX Other Statutory Dues, if any

4. NOTES :

- 4.1 Details of contingent liabilities.
- 4.2 Item wise (or atleast Broad Head Wise) details of value of raw materials consumed, purchases, sales, etc.
- 4.3 Imported & Indigenous Raw materials, spare parts and components consumed & percentage thereof to Total consumption.
- 4.4 Details of C.I.F. value of imports in respect of :
 - i) Components & spare parts.
 - ii) Raw materials &
 - iii) Capital Goods.
- 4.5 Details of expenditure in foreign currency in respect of Royalty know-how, professional & consultation fees, interest & other matters.
- 4.6 Details of earnings in foreign exchange under the following heads :
 - i) Export of goods calculated on F.O.B. basis.
 - ii) Royalty, know-how, professional and consultation fees.
 - iii) Interest & dividends;
 - iv) Other income, indicating the nature thereof.

5. COMPANY LAW RECORDS VERIFICATION :

- 5.1 Minutes Books of :
 - (a) Board Meetings
 - (b) Annual General Meetings

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(c) Extra Ordinary General Meetings, if any.

(d) Audit Committee Meetings.

(e) Other Committee Meetings, if any.

Note :

Certified true copy of important resolutions to be taken and kept in file.

5.2 Register of investments held in the name of nominees u/s. 187 (3)

5.3 Register of deposits u/s. 76.

5.4 Register of charge u/s. 85

5.5 Register of member u/s. 88 (1) (a)

5.6 Register of debenture holders u/s. 88 (1) (b).

5.7 Register of contracts with companies and firms in which directors are interested u/s. 189 (1).

5.8 Register of directors and Key Managerial Personnel and their shareholding u/s. 170.

5.9 Register of loans of the companies “under the same management” sec. 189.

SIGNATURE : _____

NAME : _____