

Contents

CHAPTER	PARTICULARS	PAGE NO.
I	Introduction	1
II	Before Planning Audit Programme	3
III	Planning and Programming of Audit	5
IV	Checklist for Audit Staff	9
V	Checklist for Review of Financial Statements	15
	1. Share Capital	15
	2. Reserves and Surplus	17
	3. Secured Loans	18
	4. Unsecured Loans	20
	5. Current Liabilities	22
	6. Taxation	24
	7. Fixed Assets	25
	8. Investments	28
	9. Inventories	31
	10. Debtors	33
	11. Loans and Advances	35
	12. Cash and Bank Balances	36
	13. Miscellaneous Expenditure	38
	14. Profit and Loss Account	39
	15. Final Review Checklist	47
	16. Notes to Accounts	48
	17. Contingent Liabilities & Commitments Disclosures	51
	Annexures in connection with the Financial statements review:	
	A. Ratios	53
	B. Companies Act Compliance Checklist	55
	C. Statutory Records – Compliance Checklist	59
	D. Documentation of Audit Work	60
VI	Checklist for Audit Report under CARO	65
VII	Checklist for Accounting Standards	81
	1. AS 1 : Disclosure of Accounting Policies	83
	2. AS 2 : Valuation of inventories	84
	3. AS 3 : Cash flow statements	87
	4. AS 4 : Contingencies and events occurring after the balance sheet date	89
	5. AS 5 : Net Profit or Loss for the period, prior period items and changes in accounting policies	91

6.	AS 9	: Revenue recognition	93
7.	AS 10	: Accounting for Fixed Assets	95
8.	AS 11	: The effects of changes in foreign exchange rates	98
9.	AS 13	: Accounting for investments	102
10.	AS 15	: Accounting for retirement benefits	105
11.	AS 17	: Segment Reporting	108
12.	AS 20	: Earning per share	111
13.	AS 21	: Consolidated Financial Statements	112
14.	AS 22	: Accounting for taxes on income	116
15.	AS 23	: Accounting for investments in associates in Consolidated Financial statements	118
16.	AS 26	: Intangible Assets	121
17.	AS 28	: Impairment of Assets	125
18.	AS 29	: Provisions, contingent liabilities and contingent assets	131
VIII	Checklist for Auditing and Assurance Standards		137
1.	AAS 3	: Documentation	139
2.	AAS 4	: Auditors' responsibility regarding Fraud and Error	142
3.	AAS 5	: Audit Evidence	147
4.	AAS 6	: Evaluation of Internal Control	149
5.	AAS 7	: Relying upon the Work of an Internal Auditor.	154
6.	AAS 8	: Audit Planning	155
7.	AAS 13	: Audit Materiality	157
8.	AAS 14	: Analytical Procedures	159
9.	AAS 16	: Going Concern	161
10.	AAS 17	: Audit Practices Quality Control for Audit Work	165
11.	AAS 20	: Knowledge of the Business	167
12.	AAS 21	: Consideration of Laws and Regulations in an Audit of Financial Statements	169
13.	AAS 23	: Related Parties	171
14.	AAS 29	: Auditing in a Computer Information Systems Environment	173
IX	Additional Checklists		
1.	Corporate Governance		177
2.	Peer Review		183
3.	Return of Deposits Checklist		187
X	Pronouncements of the Institute of Chartered Accountants of India		191