

" A PROPER GENUINE TOTAL GUIDELINES GIVEN FOR 'ARTICLE ASSISTANTS & MEMBERS OF ICAI ' FOR STATUTORY AUDIT, TAX AUDIT U/S 44AB CASES (APPLICABLE FOR A COMPANY, PARTNERSHIP FIRM & A SOLE PROPRIETORSHIP BUSINESS) "

- 1) First you examine Proper Documentary Evidences regarding appointment/reappointment of an Auditor.
- 2) Examine Last Year's copy of Audited Balance sheet, profit & loss account , schedules, notes on accounts along with 3CA/3CB, 3CD & Audit Report.
- 3) Auditor must verify that Whether Last year's closing dues for various Government Payments like E.S.I, PF, Excise duty(if any), Service tax (if any), Customs, VAT, CST etc. actually paid during the year or not. If not yet paid, then auditor should require an explanation from Management /Directors of the relevant Concern.
- 4) Carefully Examine the internal control system of the company.
- 5) Purchase bill Files.
- 6) Sale bill Files.
- 7) Quaterly VAT Return According to Vat Input Output Register.
- 8) Bank Reconciliation Statement .
- 9) Salary and wages register.
- 10) Bills of Various Assets Purchased during the Year.
- 11) Telephone bill, Electricity Bill for the relevant year.
- 12) Rent bill(if any).
- 13) Verify Vat payment challan .
- 14) Verify CST payment challan.
- 15) Verify P.F paid challan for the last year outstanding.
- 16) Verify E.S.I paid challan for the last year outstanding.
- 17) Verify Employees P.TAX paid challan.
- 18) Verify P.TAX (FOR COMPANY) paid challan .
- 19) Trade License for the company.
- 20) Payment of Advance Tax challan.
- 21) Verify TDS Certificates with Form 26AS Annual Tax credit statement.
- 22) Auditor Must verify that, is there any Undercharged/ Overcharged of Depreciation or not.
- 23) Direct Confirmation of Account (test check) of Debtors & Creditors Balances.
- 24) If There is Any revenue expenditure (other than Govt. dues & Capital Exp.) of a single payment exceeds Rs. 20,000/=, then the related exp. Should be Disallowed, & the auditor should look into this matter very carefully.
- 25) Each and Every Revenue Expenditure debited to Trading & P&L A/C should be verified with their original documentary Evidences.
Whether T.D.S has been Deducted or not for the following Exp. Debited to Profit & loss A/c:
 - i) Labour Charges Paid (if aggregate payment exceeds Rs 75,000/= , then subject to T.D.S)
 - ii) Technical/Consultancy Charges paid.
 - iii) Salary Paid.
 - iv) Professional Fees paid.And if T.D.S not deducted , then the above expenditure should be disallowed & auditor should qualify his report.
- 26) Verify Investments papers i.e, FD.
- 27) If any Double Benefits Taken Like Depreciation Debited to P&L A/c as well as Input Vat Credit/ CENVAT Credit taken, then in that case Auditor Should look into this matters very Carefully
- 28) Physical verification of stock-in trade.
- 29) Therefore each and every aspect of accounts are require to be verify with their relevant documentary evidences by the Auditor himself.

Thanks,

Bhawani Pratap Singh

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