

Q-8

Ans-8 The auditor's report is a written letter from the auditor containing the opinion of whether a company's financial statements comply with generally accepted accounting principles (GAAP). The independent and external auditor's report is typically published with the company's annual report. The auditor's report is important because banks and creditors require an audit of a company's financial statements before lending to them.

Content of audit report

Title

This is generally addressed as 'Independent Auditors Report'.

Address

Given the fact that Auditors are appointed by the share holders of the company.

Responsibility

(Responsibility of the management, as well as the Auditor)

An audit programme provides a basic plan for the audit team regarding the entity's business, its size, how to conduct the audit, allocation of work among team members, and the estimation of time within which it should complete the work.

An auditor may exercise the audit programme if he considers it necessary due to prevailing circumstances.