

Answer No-6

The Various law require the Appointment of auditors. The law under which we appoint lays down the procedure of appointment of auditors and also the rights, duties and the functions of the auditors. An auditor shall be Independent, Here we will discuss the Appointment of an Auditor as per the provisions of the Companies Act, 2013.

Audit Notebook contains Information regarding day-to-day work performed by the Audit staff on any particular date.

Notes about all types of errors, difficulties and unclear queries or points to be discussed with the auditors or clients and the points which are to be Incorporated in the report are noted down.

Audit Notebook is a diary on which auditors scribble down all Important Inquiries to avoid the possibility of unquestioned materials facts.

* Importance of the Audit Report

- Provide Assurance on Financial Statements. It is issued by the professional Auditor
- As the Auditor is Independent Auditor It is proof that the company is true to their Shareholder or not.
- The Reports ✓ helps the users of the Financial Statements to assurance that Financial Information is correct or not.
- Audit Report helps the Shareholders as the Shareholder can believe that company is good and there is no problem.

* Advantage of Audit Report

- Provide assurance on Financial Statement
- Prove Management Integrity on their Shareholders.
- It is the Requirement of law and Regulation
- It is the Requirement of Shareholder.
- Parent Company's Requirement
- Help Stakeholder's to understand about entity's Financial and Operational Situation.