

Q.8

Auditor's Report

As per Section 301(a), an auditor has to give a statement of affairs containing the following points, to the shareholders of the banking company in his report as under section 227 of the Companies Act 1956 if the banking company is incorporated in India:

- (1) Whether or not the information & explanation required by him have been found to be satisfactory.
- (2) Whether or not the transactions of the company which have come to his notice have been within the power of the company.
- (3) Whether or not the transactions or returns received from the branch officers of the company have been found adequate for the purposes of his audit.

* Audit Report Contents :-

- (1) Title.
- (2) Addressee.
- (3) The Responsibility of the auditor and the management of the company.
- (4) The Scope of audit.
- (5) The opinion of the auditor.
- (6) Basis of opinion.
- (7) Signature of auditor.
- (8) Place of signature.
- (9) Date of the audit Report.
- (10) Date of signature.

Q-8 * Why Audit Programme is Prepared :-

Prepare an audit program which outlines the nature and the extent of audit tests that will be performed.

An audit programme is a detailed written statement designed by the auditor indicating the work to be performed by the audit assistants, specifying the time limit for completion of work, instruction and guidance to the audit staff.