

Audit Note Book

Meaning:

A diary or register which is prepared by the audit staff to note down any queries or doubts arising during the audit procedure and if it requires further clarification and explanation is known as "Audit Note Book". It is also used for recording important points to be included in the auditor's report.

In short, Audit Note Book is a book in which large variety of matters observed during the course of audit is recorded. It helps the auditor in preparing his final report and it can be used as an authentic evidence by the auditor to protect himself against any legal charges, if any.

Contents of Audit Note Book:

The following are the contents of Audit Note Book:

- 1) A list of the account books normally used and maintained.
- 2) The names, duties and responsibilities of the principal officers.
- 3) The particulars of missing receipts and vouchers.

- 4) Mistakes and errors detected
- 5) The doubts and queries which need clarification and explanations.
- 6) The points deserving the attention of the auditor.
- 7) Various totals and balances.
- 8) The points to be mentioned in the auditor's report.
- 9) Date of commencement and completion of the audit.

Speciment of Entries in Audit Note Book

Vouchers	Account Debited	Amount (£)	Query	Solution to Query
70	Advertisement	3,00,000	Managing director sanction required	Sanction obtained
158	Rent	22,500	Rent bill and receipt required	Receipts and bill obtained.
67	Stores	68,275	Invoice required	Copy of Invoice obtained.