Audit on the basis of the Organisation of Business :

1. Statutory Audit :

Statutory Audit is a type of audit which is mandated by a law or a Statute to ensure that the books of accounts presented to the public are true and fair. The informations such as bank balances, book-keeping records and financial transactions are examined.

2. Private Audit :

Private audit are carried by the interested parties and not to fulfill Statutory requirements. The terms and conditions between the client and the auditor defines the scope of an auditor's work.

On the basis of the Ownership of Business :

1. Audit of Companies :

The audit of the financial Statements of a company is compulsory in India under the Companies Act, 1956. A number of amendments have been made in the Companies Act, 1956 and 2013 regarding appointment, duties, qualifications, power and liabilities of a qualified auditor.

2. Audit of Trusts :

The provisions of the Public Trust Act

and Trust Deed provide that accounts of trusts should be audited by a qualified auditor. The auditor has to certify the truthness and fairness of the working of the trusts.

3. Audit of Co-operative Societies:

Co-operative societies are established under the Co-operative Societies Act, 1912. Companies Act is not applicable to Co-operative societies The Registrar of co-operative societies shall appoint an auditor to audit the accounts of the society once in every financial year.

4. Audit of Government Offices:

The government of India maintains Accounts and Audit Department which is headed by the Comptroller and Auditor General of India. This department works strictly according to the rules and regulations of the government.

5. Audit of Proprietorship:

In Case of Sole-proprietorship, the owner of the business decides regarding the audit of the financial record. It is the owner who ~~des~~ decides ~~ab~~ about the scope of audit and appoitment of auditor.