

1. CERTIFICATION OF ACCOUNTS

Audit Certificate

It is the duty of the auditor to give an opinion and to prepare a report after verifying the Annual Financial Statement (Account) of an institution. The audit opinion is to be prepared in a standard format and is given in the name of Audit Certificate to the concerned Institution. When this Certificate is attached to the Annual Financial Statement, the account becomes an auditor certified accounts. The Audit Report is also given to the institution.

Types of Audit Certificates

Unqualified Certificate

If the Auditor is satisfied in all material respects of the Annual Financial Statement, Unqualified Certificate is given. In this case the account will definitely be prepared according to the acts and Rules and as per accepted accounting methods. So the accounts will be reasonably reliable.

Qualified Certificate

If there is serious mistakes in the Annual Financial Statement, Qualified Certificate is given. This may be of two types 1) If there is uncertainty with the amounts, 2) If the auditor has disagreement with the amounts. This difference will be of material nature and will be serious.

But this mistake will not be fundamental in understanding the accounts.

Disclaimer Certificate

If it is not possible for the audit to give an opinion about the Annual Financial Statement, Disclaimer Certificate is given. There may be uncertainty even in the fundamental aspects of the Annual Financial Statement.

Adverse Certificate

If the auditor cannot agree with the fundamental aspects of the Annual Financial Statement, Adverse Certificate is given. The auditor makes clear that the Annual Financial Statement is not acceptable.

Certification of Accounts 2012-13

Total Grama Panchayats

Unqualified

Qualified

Not issued

Disclaimer & Adverse

978

197

759

6

16

Total Municipalities

Certification of Accounts

60

4

49

6

1

Certification of Accounts 2013-14

Total Grama Panchayats

Unqualified

Qualified

Not issued

Disclaimer & Adverse

978

545

416

4

13

Total Municipalities

60

8

41

9

2