



Unveiling Statutory Audits

Ensuring Financial
Transparency —●

What is a Statutory Audit?

A Legal Assurance —●

- A statutory audit is an independent examination of a company's financial record, accounts, and statements by a qualified professional.
- It verifies the accuracy, transparency and compliance of the financial statements, ensuring compliance with regulations and accounting standards.
- This independent opinion provides assurance to stakeholders like investors, creditors, and regulators, regarding the reliability of the financial information presented by the company.

Who Needs a Statutory Audit?

Understanding Eligibility —●

Statutory audits are mandated by law for certain entities. Here's a breakdown of who typically requires them:

Companies: All companies registered are required to conduct statutory audit.

Limited Liability Partnerships (LLPs): LLPs exceeding a certain turnover limit as prescribed by the Limited Liability Partnership Act, 2008.

Other Entities: Specific regulations may mandate statutory audits for certain government bodies, trusts, societies, or banking institutions.

The exact thresholds and applicability criteria may vary depending on the size, nature, and legal structure of the entity.

The Scope of a Statutory Audit

What Gets Examined? —●

- A statutory audit goes beyond simple record-keeping checks.
- The auditor examines various aspects, including:
 - Internal controls
 - Risk of financial misstatements
 - Accounting policies and compliance
 - Underlying transactions and supporting documentation

Objective:

Form a reasonable assurance that financial statements are free from material misstatement and present a true and fair view of the company's financial health.

Benefits of a Statutory Audit

More Than Just Compliance —●

Statutory audits offer significant advantages beyond legal requirements:

Increased Trust:

Provides stakeholders with confidence in the **accuracy of financial information.**

Error Detection:

Helps **identify and address potential errors or risks** in financial reporting.

Improved Processes:

May **uncover areas for improvement** in internal controls and financial management.

Beyond Compliance —

Strategic Value of a Statutory Audit

A statutory audit offers valuable insights beyond just meeting legal requirements.

It can be a strategic tool for:

Identifying areas for business improvement and growth.

Strengthening internal controls and risk management practices.

Gaining a competitive advantage through transparency and accountability.

Next Steps: Consult a Treelife expert to streamline your Statutory Audit —●

At Treelife

Seamless Auditor Appointment: Leverage our network to secure a qualified, independent auditor.

Comprehensive Audit Execution: We collaborate with the appointed auditor to ensure a thorough and compliant statutory audit.

Enhanced Compliance: Ensuring adherence to accounting standards, laws, and regulations.

Financial Reporting Guidance: Expert advice on financial reporting, policies, and disclosures for accurate and transparent financial statements.