



**PARISUTHAM INSTITUTE OF TECHNOLOGY AND SCIENCE**  
**(Approved by AICTE, Affiliated to Anna University, Chennai, India)**  
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We have given below the various internal and external financial audits carried out during the last five years with the mechanism for settling audit objection.

### **Internal Audit and External Audit**

Internal auditors will examine issues related to business practices and risks, while external auditors examine the financial records and issue an opinion regarding the financial statements of the business.

Internal audits are conducted throughout the year, while external auditors conduct a single annual audit.

Concurrent audit is a systematic and timely examination of financial transactions on a regular basis to ensure accuracy, authenticity, compliance with procedures and guidelines. The emphasis under concurrent audit is not on test checking but on substantial checking of transactions.

### **Internal Audit Process**

1. Distribute Audit Notification.
2. Conduct Pre-Audit Meeting.
3. Interview Department Personnel.
4. Review Policies and Procedures.
5. Understand and Document the Business Processes.
6. Perform Risk Assessment.
7. Prepare a Detailed Audit Program.
8. Prepare audit budget .

An External Audit is a periodic audit conducted by an independent qualified auditor with the aim to determine whether the accounting records for a business are complete and accurate. He is responsible for evaluating payroll,

### **The 8 Steps of the Accounting Cycle**

1. Step 1: Identify Transactions. ...
2. Step 2: Record Transactions in a Journal. ...
3. Step 3: Posting. ...
4. Step 4: Unadjusted Trial Balance. ...
5. Step 5: Worksheet. ...
6. Step 6: Adjusting Journal Entries. ...
7. Step 7: Financial Statements. ...
8. Step 8: Closing the Books.

