

Features of Karnataka Co-operative Audit Including Souhardha Societies

Feature No. 1

- Co-ops are expected to function as economically sound body corporates
- Section 4 Registration
- Section 9 Body Corporate
- Section 128 Co Act 2013 not apply

Feature No. 2

- PROPRIETY AUDIT
- Rule 29(2) Proviso
- The audit shall in addition to financial audit, also include propriety audit.

Feature No. 3

- Appointment of auditors
- only thru panel
- Management appointment

Feature No. 4

- Director of Co-op Audit
Vis-à-vis
- C & AG

Feature No. 5

- Audit fee
- Section 63(19)
- As per directives of Dept. Based on GTO or WC
- Not negotiable Inclusive of expenses

Feature No. 6

- Scope of Co-op Audit
- Section 63(4) Rule 29(2)
- Format of reports

Feature No. 7

- Method of Accounting
Cash
Mercantile
- ICDS
- Accounting Standards

Feature No. 8

- Submission of a/c & Report
- Society to PREPARE & PRESENT accounts 63(7)
- Auditor to SUBMIT 63(8)

Feature No. 9

- Place of conducting audit
Remote audit
- Section 63(5)
- Headquarters of the society

Feature No. 10

- Audit process
- Documentation
- Rule 29(5)

Feature No. 11

- Joint Audit
- Not in practice But allowed

Feature No. 12

- Rotation of auditors
- Once in 2 years
- Rule 29-B(6)

Feature No. 13

Independence of auditors

- Paneled appointment
- Reporting aspects
- No draft report

Feature No. 14

- Reporting aspects
Section 63(14)
Section 63(15)
Section 63(16)
Section 63(18)

Feature No. 15

- Long form reports
- 19 reports in Kannada
- SA 700 Illustration No. 5

Feature No. 16

- Structure of Co-op Audit report
SA 700 Illustration 5
Section 63 (15) and 63(16)
Long form report

Feature No. 17

- Summary of audit report Is published
- Rule 14-AJ (4)
Brief summary of the important observations in Audit report

Feature No. 18

- KANNADA AUDIT REPORTS