

THE AUDIT OF FIXED ASSETS
- VERIFICATION AND THE LIABILITY OF THE AUDITORS

A Paper Submitted to the
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1.0 INTRODUCTION

"The Audit of Fixed Assets - Verification and the liability of the Auditors", the topic of this project paper will be looked into based on the findings from the method which the writer will mention in the Methodology. The writer will first start the project paper by stating the reason for choosing the topic and what she intends to do with it. The writer will then elaborate the meaning of audit and also the meaning of fixed assets.

1.1 Why the writer chooses this topic

As fixed assets often comprise a major portion of the total assets of an enterprise and are significant in the presentation of financial statements, the writer chooses the above topic for the project paper. The main objective of this project paper is to give a clearer picture on how the auditing process of fixed assets is carried out. With respect to that, the reason why the writer chooses this topic is to analyse the auditing process while mainly stressing on the verification. Besides the above objective, another objective of this project paper is to substantiate the importance of the audit of fixed assets as carried out by the auditors. In view of that, this project paper also intends to create awareness among those intending to have their own business, the importance of keeping proper records of fixed assets. Finally the reason why the writer chooses this topic is to achieve another objective that is to carry out a research to study the liability of the auditors in carrying out their duties with regards to the audit of fixed assets.

The writer's experience during her 4 1/2 months period of practical training in an audit firm has also contributed to the reason why she chooses this topic. The practical exposure that she has obtained in the field with regards to the audit of fixed assets especially has nevertheless assisted her in writing this project paper.