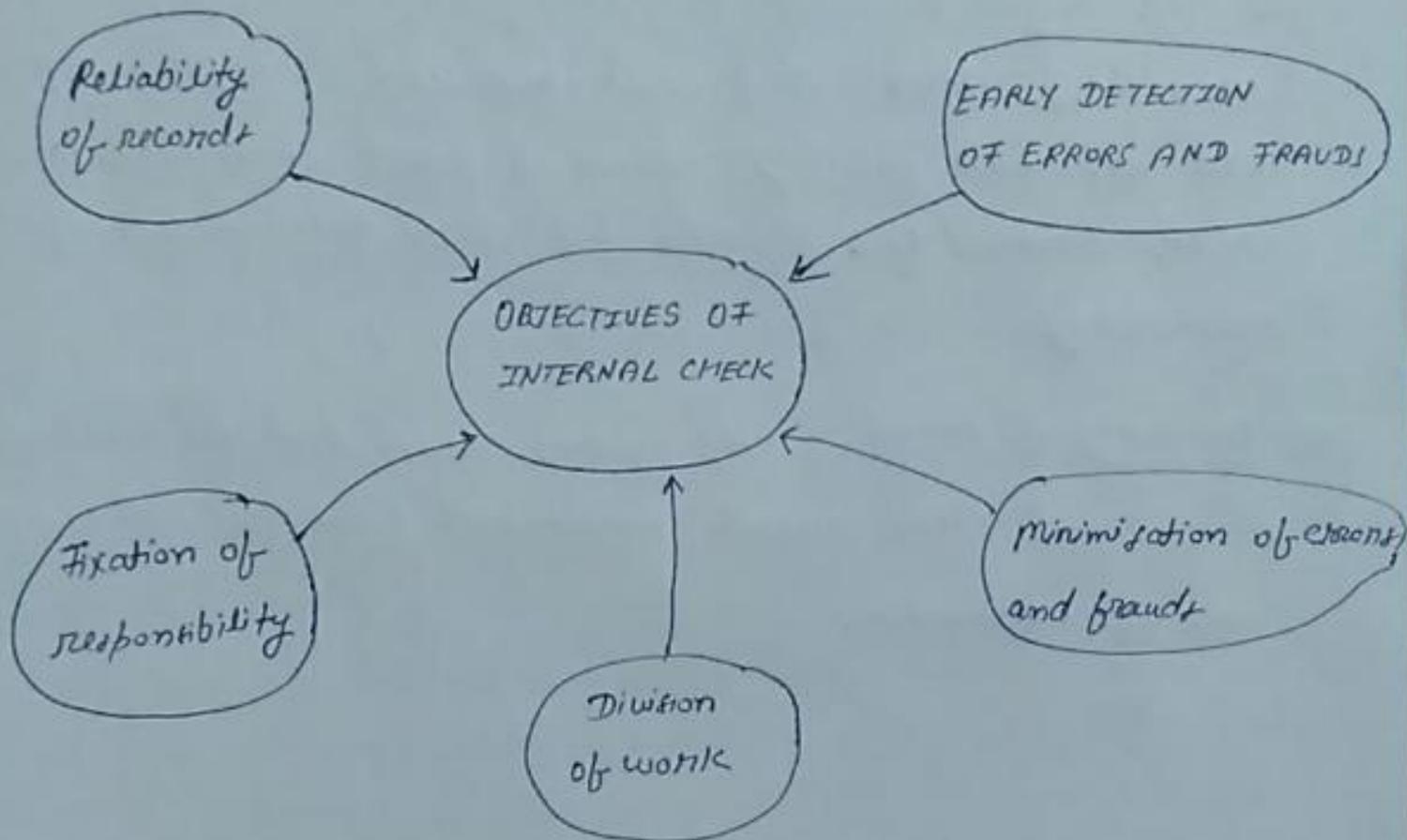


SUBJECT - AUDITING

OBJECTIVES OF INTERNAL CHECK



The objectives of internal check are as follows:

1. Early Detection of Errors and Frauds: - The main objective of internal check is to detect and prevent the occurrence of errors and frauds at an early stage. This is possible as the work of each and every person is independently checked.
2. Minimization of Errors and Frauds: - It is one of the primary objectives of internal check. As the work performed by each individual is checked by another person. There is a check on the

work of dishonest person. Hence, the possibility of errors and frauds are minimized to a greater extent.

3. Division of work: - Internal check provides for proper division of work based upon each and every person's skill, ability, specialization and effectiveness.
4. Fixation of Responsibility: - The total work is divided into smaller units and assigned to different persons. Each and every person knows what is expected from him/her and he/she will be held responsible for any errors or fraud which takes place in it. Internal check provides for clear determination of responsibility.
5. Reliability of Records: - The system ensures that the books of accounts and other records maintained provides reliable source of information.