**Questionnaire for Practice Unit**

**PART A - PROFILE OF PRACTICE UNIT (PU)**

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| 1. | Name of the Practice Unit (PU) |  |
| 2. | Status (Please select)  | Proprietorship | Partnership  | LLP |
| 3. | PU Registration No. |  | Date of establishment  |  |
| 4. | Address of the PU |  |
|  | City: | State: | Pin: |
| 5. | Telephone:  |  | Mobile: |  |
| 6. | Website Address & Email ID |  |
| 7. | Permanent Account Number (PAN) of PU |  |
| 8. | GSTN of the PU |  |
| 9. | Contact Person for Peer Review (along with membership No., mobile number and e-mail) |  |
| 10. | Number of partners including self |  |
| 11.  | Details of Branches:  |
|  | Address of Branch | Member In-Charge | Membership No. |
|  | a) |  |  |
|  | b) |  |  |
|  | c) |  |  |
| 11a. | Particulars about the Constitution of the PU during the period under review (as on the last day of the financial year under review)  |
| Name of the Partner | Membership No. of Partner | Association with PU(in years) | Professional Experience in Practice | Predominant function (e.g. Cost Audit, Internal Audit, Certification, Consulting,Others (please specify)) | Details of Changes |
| Joined (Year) | Left(Year) |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
| 11b. | Particulars of CMAs Employed  |
|  | Name | Membership No. | Association with the PU (in years) | Experience (in years) |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
| 12. | Details of Other Employees/ Trainees  | Number |
|  | a) | Semi-Qualified Assistants (pursuing CMA course) |  |
|  | b) | CMA trainees |  |
|  | c) | Administrative Staff |  |
|  | d) | Others |  |
| 13. | Stipend being paid to CMA trainees (Stipend/ trainee)(whether as per the Institute’s standards) | Yes | No |
| 14. | (a) Indicate the annual turnover of the PU.  |
|  | **Amount (Rs.)** | **Previous Year 1** | **Previous Year 2** | **Previous Year 3** |
|  | Less than 25 Lakh |  |  |  |
|  | Between 25 to 50 Lakh |  |  |  |
|  | More than 50 Lakh |  |  |  |
|  | (b) Indicate percentage of fees earned from different services rendered by the PU. *(Indicate in aggregate for the period under review)*  |
|  | **Type of Service** | **% of Fees** | **Remark, if any** |
| i) | Audit and Assurance Services  |  |  |
| ii) | Other Certification Services |  |  |
| iii) | Consultancy Services |  |  |
| iv) | Others, please specify |  |  |
|  | **Total** |  |  |
| 15. | If the PU renders cost audit services, does it provide any service specified under Section 144 of the Companies Act, 2013 to the same company? | YES | NO  |
| 16.  | Industry/ Sector in which the PU is rendering services |
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|  |  |
|  |  |
| **DISCIPLINARY PROCEEDINGS** |
| 17. | Whether any proceedings relating to matters of professional or other misconduct referred to in any of the Schedules of the Cost Accountants Act, 1959 (as amended) are pending against any of the partners/proprietor of the PU  | YES | NO |
| 18. | If disciplinary proceedings of the Institute have been initiated against any partner/employee of the PU, and remains unresolved, furnish details with case reference.  |
| a) |
| b) |
| c) |
| d) |

**PART B - GENERAL CONTROLS**

**Leadership Responsibilities**

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| --- | --- | --- | --- |
| 19. | 1. Has the PU assigned the responsibility for developing, implementing and operating its Quality Control system for each of its assignments?
 | Yes  | No  |
| 1. Describe how the authorised person has sufficient appropriate experience, ability and authority within the PU to assume the above responsibility?
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|  |
| 20. | 1. Are the quality control policies and procedures well communicated to all team members/ relevant personnel in the PU?
 | Yes  | No  |
| 1. What are the methods used for this communication?
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|  |
| 1. What is the frequency of sending this communication?
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|  |
|  |
| 1. What is the scope of this communication?
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|  |
| 21. | 1. Are the quality control policies and procedures of the PU documented?
 | Yes  | No  |
| 1. Are the same circulated amongst all relevant personnel?
 | Yes  | No  |
| 22. | Is there an established process in the system that encourages the personnel to communicate their views or concerns on quality control matters? | Yes  | No  |
| 23. | 1. Does there exist clear responsibilities of the proprietor/ partners of the firm and other senior personnel for quality control?
 | Yes  | No  |
| 1. Are these responsibilities adequately documented?
 | Yes  | No  |
| 1. Is this responsibility document circulated amongst concerned personnel?
 | Yes  | No  |
| 24.  | Does your PU provide practical guidance in quality control and also covering professional development programs? If yes, enlist the initiatives  | Yes  | No  |
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|  |
| 25. | Does your PU promote an internal culture of quality? If yes, enlist the initiatives | Yes  | No  |
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|  |
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| **ETHICAL REQUIREMENTS** |
| 26. | Does the PU, its partners or the team leaders responsible for the assignment ensure that the team members comply with relevant ethical practices? | Yes  | No  |
| 27. | Are there methods and processes for establishing, promoting and monitoring ethical conduct among all personnel? If yes, kindly elaborate.  | Yes  | No  |
|  |
|  |
|  |
| 28. | 1. Are there policies and procedures to identify non-compliance with ethical requirements and also to resolve any issues of conflict?
 | Yes  | No  |
| 1. If yes, are these policies and procedures adequately documented?
 | Yes  | No  |
| 29. | Are there policies and procedures to ensure that the PU partners and professionals comply with the following professional ethics: | Yes  | No  |
| 1. Independence
2. Integrity
3. Objectivity
4. Professional competence and due care
5. Confidentiality
6. Professional conduct
7. Technical standards

Explain if the response is NO |
| 30. | Are there policies, processes and safeguards established by the PU to mitigate the ***familiarity threat*** to its independence? Explain if the response is NO | Yes  | No  |
| **HUMAN RESOURCES** |
| 31. | What steps has the PU taken to ensure that the personnel it hires have the desired capability, competence and commitment to ethical principles to perform as per the professional standards, regulatory and legal requirements? |
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| 32. | What process does the PU follow for determining the appropriateness of an engagement team? |
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| 33. | What are the considerations for assigning responsibility for an engagement to a particular partner? |
|  |
| 34. | What steps has the PU taken to ensure that its partners participate in CPD & Professional Development programmes that enable them to accomplish assigned responsibilities? |
|  |
| 35. | What steps has the PU taken to ensure that its employees participate in CPD& Professional Development programmes that enable them to accomplish assigned responsibilities? |
|  |
|  |
| 36. | How does the PU ensure that personnel selected for advancement have the qualifications to fulfil the responsibilities they will be called upon to assume? |
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| **PERFORMANCE EVALUATION** |
| 37. | Has your PU taken steps for: |  |  |
| a) Making personnel aware of the PU’s expectations regarding their performance? | Yes | No  |
| b) Providing performance evaluation reports with the personnel? | Yes  | No  |
| c) Helping personnel understand that advancement to positions of greater responsibility depends, amongst other things, upon performance quality? | Yes  | No  |
| d) Explaining personnel in clear terms that the failure to comply with the PU’s policies and procedures may result in disciplinary action? | Yes  | No  |
| Kindly elaborate: |  |  |
|  |  |  |
| 38. | In order to evaluate the performance are the following documented in your PU: |
| a) Overall quality standards set for an assignment | Yes  | No  |
| b) Responsibility of engagement partner to ensure quality standards | Yes  | No  |
| c) Mapping of engagement quality and consistency through use of manuals and/or software tools or other forms of standardized documentation and industry/ subject-matter specific guidance | Yes  | No  |
| d) Supervision, quality control & documentation of work during the engagement | Yes  | No  |
| e) SOPs for the assembly of final engagement files | Yes  | No  |
| 39. | Is the work done by the less experienced team members in the engagement team reviewed by more experienced personnel prior to the issue of auditor’s report? | Yes  | No  |
| **MONITORING** |
| 40. | 1. Do you have well documented SOPs for monitoring the PU’s quality controls in terms of:
 |
| 1. Its personnel and human resources
 | Yes  | No  |
| 1. Assignment performance
 | Yes  | No  |
| 1. Professional development of personnel
 | Yes  | No  |
| 1. Please elaborate:
 |
| **REPORTING UNDER COST AUDIT MECHANISM** |
| 41. | Do the engagement team members discuss their findings with the appropriate management personnel? | Yes  | No  |
| 42. | While reporting, do the engagement team members discuss the corrective actions taken or planned discussed with the appropriate management personnel? | Yes  | No  |
| 43. | Does the PU follow a system of discussion with the management in connection with the following issues before finalizing the report in case of cost audit:  |  |  |
| 1. Abnormal expenditure pertaining to idle capacity, idle machine hours, strike, lock out etc.
 | Yes  | No  |
| 1. Variation in raw material consumption as compared to norms.
 | Yes  | No  |
| 1. Valuation of inventory and its impact on overall profitability.
 | Yes  | No  |
| 1. Way forward for optimum Capacity Utilization
 | Yes  | No  |
| 44. | In your PU, what is the scope for the modification of quality control policies and procedures in view of the monitoring reports? Please elaborate: |
| 45 | Does the PU submit signed Cost Audit Report in form CRA-3 with annexures, duly authenticated by the persons authorised to sign on behalf of the company and addressed to the Board of Directors?  | Yes  | No  |
| 46 | Has the PU visited the company and its different locations for conducting the Cost Audit? | Yes  | No  |
| **QUALITY WITH RESPECT TO CUSTOMER & CUSTOMER RELATIONSHIP****Acceptance & continuation of client relationship & specific assignments** |
| 47. | While establishing and continuing relationships with its clients, do there exist clear SOPs in the PU that ensure: |
| 1. The PU has competence, capability, time and resources to carry out the assignment.
 | Yes  | No  |
| 1. The PU complies with the relevant ethical requirements?
 | Yes  | No  |
| 48. | Is there a complaint against the client or any pending proceedings for violation of statute or other irregularities? If yes, please specify. | Yes  | No  |
| 49. | Does the PU have clear SOPs for evaluation of prospective clients and for their approval as clients?  | Yes  | No  |
| 50. | Who evaluates the information obtained regarding the prospective clients and to make the acceptance decision in your PU? Kindly mention with the designation of the official. |

I hereby declare that the information furnished above is true to the best of my knowledge.

Signature of the authorised representative of the PU with seal

Name of the authorised representative:

Membership No:

Date:

Place: