

To,

Chartered Accountants

Re: Representation letter for Internal Audit for the year 01-04-200 to 31-03-200

Dear Sir,

This representation letter is provided in connection with your audit of the financial statements of _____ Bank Ltd. _____ Branch for the year ended 31 st March, 200 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view of the state of affairs of the _____ Bank _____ Branch as of 31 st March, 200 and Profit & Loss Account of the Branch for the year ended 31 st March, 200

We acknowledge our responsibility for preparation of financial statements in accordance with circular issued by Head Office and the guidelines issued by Reserve Bank of India and in accordance with other applicable pronouncements.

We confirm, to the best of knowledge and belief, the following representations:

- 1 We confirm that all the transactions entered by the branch have been within the powers of the branch.
- 2 We confirm that branch has complied with Income Recognition norms issued by Reserve Bank of India.
- 3 We confirm that income and expenses of the branch have been recognized as per bank's policy.
- 4 We confirm that there is no omission or material misstatement in the financial statement. All assets and liabilities have been recorded at their cost value.
- 5 We confirm that window dressing has not been done in accounts.
- 6 We confirm that we have fully updated records of the fixed assets.
- 7 We confirm that branch do not hold any investments on its own or on behalf of HO.
- 8 We confirm that branch has not entered in any transaction relating to money at call and short notice, Investments, SGL transactions, Bank receipts.
- 9 We confirm that cash insurance is taken at head office.
- 10 We confirm that all the Subsidiary and General ledger books are tallied except as under:

- 11 We confirm that there was no RBI inspection u/s 35, conducted during the year.
- 12 We confirm that during the year no fraud was detected.
- 13 We confirm that there are no un-reconciled entries outstanding for a period more than six months except informed separately.
- 14 Balance of HO account as per GL as on 31-03-200 is in agreement with statement sent to HO. HO & Branch reconciliation has been done as on _____
- 15 We certify that cash balance as on 31-03-200 amounting to Rs. _____ was physically verified and found correct as per Cashbook & GL.
- 16 We confirm that cash retention limit of Rs. _____ lacs has been fixed by controlling authorities.

- 17 We confirm that cash is maintained in effective joint custody of the two officers as per instructions of the Head office.
- 18 We confirm that the authorized officials of the bank checked cash balance at the branch at periodic intervals.
- 19 We certify that stock of security items (TD receipts, Drafts, PO, cheque books, TC, gift cheques, Bank orders etc) was verified on 31-03-200 and found correct as per register & GL.
- 20 We certify that stamped documents amounting to Rs. _____ were physically verified on 31-03-200 and found correct as per register & GL.
- 21 Security documents / Security pledged by borrower was physically verified with records and found correct.
- 22 We confirm that branch ensures expeditious clearance of items debited to Suspense accounts.
- 23 Credit facility sanctioned beyond the delegated authority or limit of the branch has been reported to higher authorities.
- 24 Rehabilitation programme has not been undertaken in respect of any advance given by the branch.
- 25 List of major items of the contingent liabilities (other than guarantees, letter of credit acceptances endorsements, etc) not acknowledged by the branch given below.

- 26 We confirm that documents of title in relation to branch are / are not available at the branch.
- 27 We confirm that advances against lien of deposits have been properly granted by marking lien on the deposits in accordance with the guidelines of the controlling authorities of the Bank.
- 28 We confirm that the Bank has not issued credit cards.
- 29 We confirm that there are no outstanding amounts of guarantees invoked and funded by the branch at the year-end or Letter of credit funded by the branch. List is attached.

- 30 We confirm that the Branch is not financing any leasing finance activities as per the credit policies of the bank.

Tax Audit Points:

We acknowledge our primary responsibility for preparation of financial statements in accordance with the requirements of section 44 AA of the income tax Act, 1961 as also for providing details in respect of items covered by Form No. 3 CD.

- 1 We confirm that there is no change in method of accounting in current year as compared to accounting method in the previous year.
- 2 We confirm that there are no personal and capital expenses debited to Profit & Loss account.
- 3 We confirm that list of 40 (a) (2) (6) persons is / is not available at the branch.
- 4 We confirm that no payment above Rs. 20000 is made other wise than crossed cheque or bank draft or pay order or by credit to bank account.
- 5 We confirm that branch has not violated the provisions of Sec.269-T of Income Tax Act.

For

_____ **Branch**

Branch Manager

Date: