Inventory Audit Program Format Stock Verification

1. Audit Details

Audit Reference No.	
Location	
Date of Verification	
Person(s) Responsible	
Period Covered	

2. Objectives

- To ensure physical existence of inventory.
- To confirm accuracy of inventory records and valuation.
- To identify obsolete, slow-moving or damaged stock.

3. Scope

- All inventory items at the specified location as of the verification date.
- Includes raw materials, work-in-progress, and finished goods.
- Excludes consignment stock not owned by company.

4. Procedures

1. Obtain a copy of the inventory listing as per records.
2. Select items for verification on a sample or full basis.
3. Physically count selected inventory items.
4. Compare counted quantities with inventory records.
5. Document and investigate all discrepancies.
6. Check storage conditions and identify damaged/obsolete stock.
7. Review stock movement and cut-off procedures.
8. Test accuracy of unit costs and calculations.
9. Sign and date stock sheets after verification.

5. Results & Observations

Item Code	Description	Book Balance	Physical Count	Difference	Remarks

6. Conclusion

Summary of key findings and discrepancies:

7. Audit Team Sign-off

Name	Signature	Date

Important Notes

- Stock verification should be done in the presence of responsible personnel from both audit and inventory teams.
- All discrepancies must be documented with appropriate reasons and actions taken.
- Ensure all unused stock sheets are cancelled and accounted for.
- Inventory records should be updated immediately after completion of verification.
- This document should be retained as part of the audit evidence for future reference.