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Fixed Asset Verification Checklist

A stage-wise working checklist for planning, conducting and closing a fixed asset verification exercise. Suitable for statutory audit preparation under CARO 2020, internal audits and management reviews. Tick each item as it is completed.

A. Preparation — before the field team arrives

- ■ Define the scope: locations, asset categories and any value threshold covered
- ■ Fix the cut-off date for the exercise
- ■ Extract the Fixed Asset Register (FAR) from the ERP as on the cut-off date
- ■ Freeze asset additions and disposals in the books for the exercise window
- ■ Pause inter-unit and inter-department transfers, or route them through one coordinator
- ■ Clean the FAR: flag duplicates, generic descriptions and grouped entries
- ■ Map ERP location codes to actual physical areas (building / floor / room)
- ■ Nominate a coordinator at every location
- ■ Keep documents ready: additions and disposal registers, transfer records, floor plans, department and location masters
- ■ Identify locked, restricted or inaccessible areas and arrange access approvals in advance
- ■ Plan around operations: shutdown windows, shift timings, no-disturbance zones
- ■ Arrange practical support: ladders, forklifts for high racking, safety gear for plant areas
- ■ Decide the method: full count, sampling or cyclical — and record it in the asset policy
- ■ Prepare tagging stock (barcode / QR / RFID labels) and printers if untagged assets will be tagged
- ■ Set up the mobile scanning application and test offline mode for low-connectivity areas
- ■ Brief the field teams on formats, evidence requirements and escalation contacts

B. Fieldwork — during physical verification

- ■ Sheet-to-floor: physically locate every asset listed in the FAR (tests existence)
- ■ Floor-to-sheet: trace every physical asset back to a FAR entry (tests completeness)
- ■ Scan or record the asset tag number for each asset verified
- ■ Tag assets found without identification, on the spot
- ■ Photograph assets as evidence (at minimum, high-value and exception items)
- ■ Capture serial numbers for IT and serialised equipment
- ■ Record condition: in use / idle / under repair / scrapped
- ■ Record the custodian, user or department for each asset
- ■ Record the precise location: building, floor, room or bay
- ■ Flag look-alike and grouped assets for finance review rather than guessing a match
- ■ Confirm mobile and shared assets (laptops, vehicles, tools) through custodian confirmation

- ■ Log inaccessible assets with the reason and supporting evidence
- ■ Have each location sheet signed by the location coordinator
- ■ Sync field data daily and track coverage against the plan

Verifying in both directions (B1 and B2) is what separates a complete verification from a simple count.

C. Closing — reconciliation and reporting

- ■ Consolidate all field data into one dataset
- ■ Match the verified data against the FAR line by line
- ■ Classify every exception: not found / unrecorded / location mismatch / condition issue / identification gap
- ■ Investigate each exception with supporting documents (invoices, transfer notes, disposal approvals)
- ■ Propose treatment for each category: derecognise, capitalise, or update records
- ■ Obtain management approval for all proposed adjustments
- ■ Update the FAR with a documented audit trail
- ■ Prepare the verification report: scope, methodology, summary, exceptions, evidence
- ■ Share the report and reconciliation with the statutory / internal auditors
- ■ Set the frequency for the next cycle and record it in the fixed asset policy

Need this done for you? TagMyAssets conducts fixed asset verification, tagging and FAR reconciliation across India. Write to connect@tagmyassets.com or call +91 96500 03293.