

AUDITING AND ASSURANCE

Instructional Hours – 90

Credits: 4

Module I

Introduction-Meaning and Nature of Auditing- Definition of Audit- Basic Principles Governing an Audit, Scope of Audit, Objectives of Audit- Main Object and Subsidiary Objects -Advantages of an Audit, Inherent Limitations of Audit , Differences between Accountancy and Auditing. The Auditor: Qualities and Qualifications of an Auditor- Types and Conduct of Audit- Tax Audit- Performance AuditSocial Audit. Auditing standards : Overview, Role of Auditing and Assurance Standards Board in India (17 Hours)

Module II

Audit Engagement, Documentation and Evidence – Audit Planning, Audit Programme Preparation before Audit. Audit files: Permanent and current audit files, Ownership and custody of working papers, Audit working papers. Audit evidence – Meaning, Types, Reliability of audit evidence, Methods of obtaining audit evidence- Physical verification, Documentation, Direct confirmation, Re-computation, Analytical review techniques, Representation by management. (15 Hours)

Module III

Internal Control –Concept of internal control, Internal Control and the Auditor, Internal Control Questionnaire, Internal Control and Computerized Environment-General Control and Application Controls- Internal Check - Meaning and Definition , Objects of Internal Check, Auditors Duties as Regards Internal Check, Internal Audit- Internal Auditor and independent Auditor - Difference between Internal Check- Internal Control and Internal Audit- Internal Check as Regards Cash Transactions, purchases- sales- wages and stores. Vouching- meaning of Vouching- Definition -Vouchers- Points to be noted in Vouchers- Importance of vouching- Vouching of Cash Transactions - Vouching of Receipts and Payments, Vouching of Wages. Verification and Valuation of Assets and Liabilities - Concept, objects, Auditors Duty in Verification and Valuation. (25 Hours)

Module IV

Audit of Limited Companies –(based on Companies Act 2013) Company Auditor- Qualifications Disqualifications- Appointment Removal- Powers and Duties of an Auditor- Liabilities of an Auditor - Audit Report- Contents and Types. (15 Hours)

Module V

Special Audits and Investigation – Government Audit, General Duties and powers of Comptroller and Audit General , Miscellaneous Audits (Procedure only)- Audit of Charitable organizations- Educational Institutions (College) – Hospital - Club- Audit in computerized environment- Audit around computer and audit through computer- Investigation- Meaning and Definition of Investigation- Scope of investigation Distinction between Investigation and Auditing- Investigation on Acquisition of Running Business, Investigation when Fraud is suspected.