



<b>Semester: III</b>	
<b>Course Name: Auditing &amp; Assurance</b>	
<b>Course Type: Minor</b>	<b>Course Code: B2BMS2333</b>
<b>Credit: 4</b>	<b>Full Marks: 100</b>

### LEARNING OBJECTIVES:

- To gain basic knowledge of the auditing principles, procedures, and standards.
- To gain an awareness regarding different types of audit, their scope and importance.
- To acquire theoretical knowledge for practice of audit

### LEARNING OUTCOMES:

On successful completion of the course the learner will be able to:

- understand an audit report along with the financial statements.
- do differentiate between different types of audit (like internal audit and external audit)
- apply theoretical knowledge in practice of audit.

### DETAILED SYLLABUS:

#### **Unit 1: Introduction of Auditing [Standards of Auditing (SA 200-299)] (6L)**

Auditing – Meaning, Definition, Objectives of an audit – Primary & Secondary objective, Case Laws on Audit Objectives, Types of Audit – Statutory & Independent Audit, Meaning of errors, Classification of errors, Its detection by an auditor, Frauds – meaning, intention, classification & detection by auditor and prevention of frauds by an auditor, Window dressing of financial statements, An overview of Auditing and Assurance Standards issued by ICAI.

#### **Unit 2: Audit Planning [Standards of Auditing (SA 200 – 599)] (10L)**

Commencing an Audit – Audit Engagement letter, Commencement procedures – (SA 210) Documentation – Documentation as under SA 230 – Audit working papers, Audit files: Permanent and current audit files, Ownership and custody of working papers, Materiality (SA 320), Audit Evidence (SA 500) and documentation.

#### **Unit 3: Internal Control (SAL 265) (10L)**

Concept of Internal Control, Internal check & Internal Audit, objectives, Features of a good Internal Control System, Methods of recording, Existing Internal Control Systems followed by an auditor – Questionnaire, Check list & flow chart methods, Role of the management, Evaluation of Internal Control System, Reporting to clients on Internal Control Weakness (SA 265).

**Unit 4: Vouching and Verification (in specific areas) (4L)**

Meaning and importance of vouching and verification

Receipt / payments, sales and debtors, purchase and creditors, cash and bank balance, fixed assets and investments. Difference between vouching and verification

**Unit 5: The Company Auditor (10L)**

Qualification & Disqualification of an Auditor, Appointment of Auditor, Remuneration, Duties of an Auditor, Rights & Liabilities of an Auditor as per Companies Act 2013.

**Unit 6: Audit Report (SA 700 - 799) (10L)**

Auditors Opinion, Audit Report- Characteristics, Importance and Significance of Audit Report, Types of Audit Report, Qualifications in the Auditors Report - Audit examination, Information & explanation from the management, Statement of facts v/s. Expression of opinion, date of report & signing

**SUGGESTED TEXT BOOKS/ READING MATERIALS:**

1. B. N. Tandon, S. SudharsanamandS. Sundharabahu- A Handbook of Practical Auditing -S. Chand & Co. Delhi.
2. B. N. Tandon-Auditing - S. Chandra & Co. Ltd., Delhi.
3. D. P. Jain-Auditing - Konark Publishers Pvt. Ltd, Delhi
4. DinakarPagare-Practice of Auditing
5. Dr. T. R. Sharma Auditing - SahityaBhavan, Agra.
6. Jagadeesh Prakash-Auditing
7. Kamal Gupta & Ashok Arora-Fundamentals of Auditing - Tata McGraw Hills
8. C. A. Institute study material for Inter and Final examinations