

SEMESTER-IV
COURSE 11: AUDITING

Theory

Credits: 4

4 hrs/week

Learning Objectives:

This course aims at imparting knowledge about the principles and methods of auditing and their application

Learning Outcomes:

At the end of the course, the student will be able to;

Understanding the meaning and necessity of audit in modern era, Comprehend the role of auditor in avoiding the corporate frauds, Identify the steps involved in performing audit process, Determine the appropriate audit report for a given audit situation, Apply auditing practices to different types of business entities and Plan an audit by considering concepts of evidence, risk and materiality

Unit 1: Introduction: Meaning – Objectives – Importance of Auditing – Characteristics - Book Keeping vs Auditing - Accounting vs Auditing – Role of Auditor in Checking Corporate Frauds.

Unit 2: Types of Audit: Based on Ownership, Time and Objective - Independent, Financial, Internal, Cost, Tax, Government, Secretarial Audits

Unit 3: Planning of Audit: Steps to be taken at the Commencement of a New Audit – Audit Programme - Audit Note Book– Audit Working Papers - Audit Evidence - Internal Check, Internal Audit and Internal Control.

Unit 4: Vouching and Investigation: Definition and Importance of Vouching – Objectives of Vouching -Vouching of Cash and Trading Transactions – Investigation - Auditing vs. Investigation

Unit 5: Company Audit and Auditors Report: Auditor's Qualifications – Appointment and Reappointment – Rights, Duties, Liabilities and Disqualifications - Audit Report: Contents – Preparation - Relevant Provisions of Companies Act, 2013.

Activities:

- Seminars
- Visit the audit firms
- Visit an audit firm; write about the procedure followed by them in Auditing the books of accounts of a firm.
- Guest lecture by an auditor
- Collect the information about types of audit conducted in any one Organization
- Collection of audit reports

- Group Discussions
- Draft an audit program.
- Quiz programs on some topics
- Assignments including technical assignments like working with audit companies for observation
- Internship with an audit firm.
- Invited Lectures and presentations on related topics with qualified auditors

Reference Books:

1. S.Vengadamani, “Practical Auditing”, Margham Publications, Chennai.
2. Ghatalia, “Principles of Auditing”, Allied Publishers Pvt. Ltd., New Delhi.
3. Pradeesh Kumar, BaldevSachdeva&Jagwant Singh, “Auditing Theory and Practice, Kalyani Publications
4. N.D. Kapoor, “Auditing”, S Chand, New Delhi.
5. R.G. Saxena, “Principles and Practice of Auditing”, Himalaya Publishing House New Delhi
6. JagadeshPrakesh, “Principles and Practices of Auditing”, Kalyani Publications
7. Kamal Gupta and Ashok Gupta, “Fundamentals of Auditing”, Tata McGraw Hill
8. B.N. Tondan, “Practical Auditing”, S.Chand, New Delhi.
9. K J Vijaya Lakshmi & A S Roopa, Auditing, Seven Hills International Publishers.