



## MANIPAL UNIVERSITY JAIPUR

School of Business & Commerce

Department of Commerce

Course Hand-out

Auditing| CM 1508 | 3 Credits | 3 0 0 3

Session: July – Dec 18 | Faculty: Arun Gautam | Class: B.Com. V Semester

**Course Outcomes:** At the end of the course, students will be able to-

[CM 1508.1] Describe the audit and other assurance engagements, corporate governance, internal and statutory audit.

[CM 1508.2] Recognize risk assessment, audit planning, documentation and audit evidence.

[CM 1508.3] Describe internal control, internal check, test of control and other audit procedures.

[CM1508.4] Explain sampling, audit of non- current assets, inventory, cash & bank.

[CM1508.5] Discuss the finalization of audit report and types of audit report for creating employability.

### A. SYLLABUS

Unit 1: Auditing: Meaning, definition, Importance, Accounting and Auditing, Limitations, Detection and Prevention of Frauds and Errors: Fraud and fraudulent behavior and their prevention in business, Unit 2: Basic principles governing an audit (SA200), Type of audit, Internal Control, Internal Check and Internal Audit, Evaluation of Internal Control System (SA-256), Internal Control System regarding Purchases, Sales, salaries and wages. Audit Procedure: Audit planning, Audit Programme, Audit working paper, Audit files, Audit Evidence: Methods of obtaining Audit evidence (SA-500 & 501), Financial statement assertions and audit evidence. Unit 3: Vouching-Meaning, Importance, Vouching of cash and trading transactions, Routine Checking and Test Checking, Verification and valuation of Assets and Liabilities, Unit 4: Elementary knowledge of Management Audit, Operational Audit, Efficiency Audit, Corporate Social Audit. Rights, Duties and Liabilities of an auditor and rules. Investigation: Investigation on behalf of perspective purchaser of business and banker and prospective. Audit Reports and Audit Certificates. Unit 5: Audit of Joint Stock Companies: Appointment, Removal and Remuneration of company auditor, Audit of share capital, debentures and managerial remuneration, Audit of Government Companies with reference to Section 619 of the Company Act 1956. Divisible Profits Including Audit of Reserves & Provisions.

### B. TEXT BOOKS

- i. Basu S K; Fundamental of Auditing, Pearson publication.
- ii. Tandan, B.N. : A hand book of practical Auditing, S. Chand & Co. Delhi

