

**STELLA MARIS COLLEGE (AUTONOMOUS), CHENNAI - 600 086**  
**B.Com (A & F) DEGREE: ACCOUNTING AND FINANCE**

**SYLLABUS**  
**(Effective from the academic year 2015 -2016)**

**AUDITING TECHNIQUES**

**CODE: 15CM/MC/AT54**

**CREDITS : 4**

**L T P : 4 0 0**

**TOTAL TEACHING HOURS. : 52**

**OBJECTIVES OF THE COURSE**

- To provide an understanding of the objective and concepts of auditing
- To provide a working knowledge of generally accepted auditing procedures and techniques

**Unit 1 (10 hrs.)**

**1.1 Introduction**

- 1.1.1 Auditing – Meaning, Definition and Objective
- 1.1.2 Basic Principles Governing an Audit
- 1.1.3 Ethical Principles and Concept of Auditors Independence
- 1.2 Auditing and Assurance Standards
- 1.3 Auditing Engagements- Audit Planning, Audit Programme
- 1.4 Documentation
  - 1.4.1 Audit Working Papers
  - 1.4.2 Audit Files – Permanent and Current Files
- 1.5 Audit Evidence
  - 1.5.1 Audit Procedure for obtaining Evidence
  - 1.5.2 Sources of Evidence
  - 1.5.3 Methods of obtaining Evidence

**Unit 2 (10 hrs.)**

**2.1 Internal Control**

- 2.1.1 Elements of Internal Control
- 2.1.2 Review and Documentation
- 2.1.3 Evaluation of Internal Control System
- 2.1.4 Internal Control and Computerized Environment
- 2.1 Audit Sampling
  - 2.1.1 Types of Sampling
  - 2.1.2 Test Checking
  - 2.1.3 Techniques of test Check

**Unit 3 (10 hrs.)**

**3.1 Audit of Ledger**

- 3.1.1 Audit of Payments – General consideration – Wages, Capital Expenditure and Other Payments
- 3.1.2 Audit of Receipts – Cash Sales, Receipts from Debtors and Other Receipts
- 3.1.3 Audit of purchases – Vouching cash and credit purchases

- 3.1.4 Audit of Sales – Vouching of Cash and Credit Sales
- 3.1.5 Audit of Suppliers Ledger and Debtors Ledger
- 3.1.6 Audit of Impersonal Ledger
- 3.1.7 Audit of Assets and Liabilities

**Unit 4**

**Company Audit**

**(12 hrs.)**

- 4.1 Appointment and Removal of Auditor
- 4.2 Rights, Duties and Liabilities as per Companies Act 2013
- 4.3 Audit Report - Method of Reporting - Reporting of Fraud under Companies Act 2013

**Unit 5**

- 5.1 Audit Report **(10 hrs.)**
- 5.2 Audit of Different Types of Undertaking – Educational Institution, Hotels and Hospitals
- 5.3 Government audit – Features and Basic Principles

**BOOK FOR STUDY**

Tandon, B. N. *Handbook of Practical Auditing*. New Delhi: S.Chand, 2012.

**BOOKS FOR REFERENCE**

De Paula, F.R.M. *Principles of Auditing: A practical manual for student and practitioners*. London: E.L.B.S., 2005.

Gupta, Kamal. *Contemporary Auditing*. New Delhi: Tata McGraw Hill, 2006.

Kumar, Pradeep, Sachdeva, Baldev and Singh Jagwant. *Auditing Theory and Practice*. New Delhi: Kalyani, 2007.

Pagare, Dinakar. *Basics of Auditing*. New Delhi: Sultan Chand, 2007.

Saxena, R. G. *Principles and Practices of Auditing*. Mumbai: Himalaya, 2004.

**JOURNALS**

International Journal of Auditing

Auditing: A journal of Practice and Theory

Journal of Accounting, Auditing and Finance

Accounting, Auditing and Accountability Journal

Journal of International Accounting, Auditing and Taxation

International Journal of Auditing Technology

**WEB RESOURCES**

[www.neoxen.com/neoxen/methodology/docs/intro\\_auditing\\_online.pdf](http://www.neoxen.com/neoxen/methodology/docs/intro_auditing_online.pdf)

[www.academia.edu/7505528/VERIFICATION\\_AND\\_VALUATION](http://www.academia.edu/7505528/VERIFICATION_AND_VALUATION)

[www.e-economic.co.uk/accountingsystem/glossary/auditors-report](http://www.e-economic.co.uk/accountingsystem/glossary/auditors-report)

[accountlearning.blogspot.in/2012/02/advantages-of-audit-program.html](http://accountlearning.blogspot.in/2012/02/advantages-of-audit-program.html)

**PATTERN OF EVALUATION**

**Continuous Assessment:**

**Total Marks: 50**

**Duration: 90 mins.**

Section A –  $7 \times 2 = 14$  Marks (no choice)

Section B –  $2 \times 8 = 16$  Marks (from a choice of three)

Section C –  $1 \times 20 = 20$  Marks (from a choice of two )

**Third Component:**

**List of Evaluation modes:**

Seminar

Group Discussion

Assignments

Class Presentations

**End Semester Examination:**

Total Marks: 100

Duration: 3 Hours

Section A – short answers (max. 30 words) -  $10 \times 2 = 20$  Marks

Section B – Essay answers (Max. 500 words)  $5 \times 8 = 40$  Marks (From a choice of 7)

Section C – Essay answers (Max. 1200 words)  $2 \times 20 = 40$  Marks (From a choice of 4)