

VEER NARMAD SOUTH GUJARAT UNIVERSITY

Third Year B.Com. (External)

Advanced Accounting & Auditing - Paper-III

(Principles of Auditing)

Course Code - CE 520 A (1)

(Syllabus effective from Academic Year 2021-22)

**Objective:**

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

Unit	Course Contents	Weightage
1	<b><u>Introduction:</u></b> 1.1 Meaning of Auditing, Scope of Auditing and Principle of auditing, difference between auditing and Accountancy and Advantages and Limitation of Auditing 1.2 Objectives of Auditing, 1.3 Types of Audit	12.5%
2	<b><u>Audit Procedure:</u></b> 2.1 Consideration for commencing new audit 2.2 Audit Programme 2.3 Audit Notebook 2.4 Working Papers and Evidences 2.5 Routine checking and test checking.	10%
3	Internal Control System: 3.1 Introduction, 3.2 Overview, 3.3 Internal Check System (In Detail)	10%
4	<b><u>Audit Procedure</u></b> 4.1 Vouching 4.2 Verification and Valuation of assets and liabilities	17.5%
5	<b><u>Audit of Limited Companies</u></b> (with Provisions of Companies Act, 2013 and companies rules 2014 and 2015): (a) <b><u>Company Auditor:</u></b> Appointment (Sec.139); Removal and resignation of auditor (Sec. 140); Eligibility, qualifications and disqualifications of auditor (Sec.141); Remuneration of auditors (Sec.142); Powers & Duties of auditors and Auditing Standards	25%

27-10-2021  
27-10-2021

	(Sec.143, 145, 146, 147); Auditor not to render certain services (Sec.144); Liabilities of an Auditor; Internal Audit (Sec.138) (b) <b>Divisible profits and Dividend:</b> Declaration and payment of dividend (Sec.123, 124, 125, 126, 127) (C) <b>Auditor's Report:</b> Standard Report and Qualified Report	
6	<b><u>Investigation: Audit of Non-profit Companies:</u></b> (a) Where fraud is suspected When a running business is proposed	7.5%
7	<b><u>Preparation or Audit Programs:</u></b> Preparation of Audit Programs for educational institutions, Trust, Co-op. Societies.	7.5%
8	<b><u>Recent Trends in Auditing:</u></b> (a) Nature and Significance of Cost Audit, (b) Nature and Significance of Tax Audit, (c) Meaning and Overview IT Enabled Audit, Audit Vs Certification	10%

**Note:**

- Case law in Auditing is not expected. However, Principles enunciated in such case law is expected to be covered without specific referenceto individual case.
- Marks for Advanced Accounting & Auditing Paper V & VI to be considered in a group.

*Q.15*  
*27-10-2021*

### Suggested Reading

1. Gupta Kamal: Contemporary Auditing; Tata McGraw-Hill, New Delhi
2. Tandon B.N.: Principles and Practice of Auditing;-S. Chand& Co, New Delhi.
3. Pagare Dinkar: Principles and Practice of Auditing;-Sultan-Chand& Co, New Delhi
4. Sharma T.R.: Auditing Principles and Problems; Sahitya Bhawan, Agra.
5. R.G. Saxena: Principle & Practicing of Auditing; Himalaya Publications.
6. Kamal Gupta: Fundamental of Auditing; Tata McGrew Hill, New Delhi.
7. S.V. Ghatalia: Practical Auditing; Allied Publisher.
8. Batra & Bagadia: Text Book of Auditing; Taxman Publication.
9. Auditing and Assurance Module-I, II (Intermediate Course)- The Institute of chartered accountants of India
10. Prin.T.J.RANA :ACCUNTANCY & TAXATION:3 ; B.S.PRAKASH

*Opin*  
27-10-2021