Mandatory

ProgrammeName: M. Com (Advanced Accountancy)
CourseName: Advanced Auditing

TotalCredits:04 **TotalMarks:100**
UniversityAssessment:50 **CollegeAssessment:50**

Aims & Objectives:

1. To acquaint learners with Standards on Auditing and its application in financial reporting systems.
2. To develop the ability to plan and execute audits.
3. To develop an understanding of the types of audit evidence and how to apply appropriate procedures to gather sufficient and reliable evidence.
4. To develop the ability to critically evaluate and interpret audit reports.

Courseoutcomes:

1. Learners will be able to apply auditing procedures to a simulated financial statement audit, ensuring compliance with relevant Standards on Auditing.
2. Learners will be able to prepare an audit working papers and conduct variance analysis to a simulated financial statement.
3. Learners will be able to distinguish between different types of audit evidence (physical, documentary, analytical) and explain the procedures used to gather evidence for specific audit objectives, justifying the choice of procedures based on the nature of the assertion being tested.
4. Learners will be able to identify, analyze an audit report and explain the auditor's opinion on the financial statements, including the rationale for any modifications made to the opinion.

MODULEI: (2CREDITS)

Unit1: Auditing Principles and Auditor's Responsibilities

- Standard on Auditing: Meaning and Introduction.
- Objectives and Checklist of Auditor in accordance with SA 230.
- Objectives and Checklist of Auditor in accordance with SA 240.
- Objectives and Checklist of Auditor in accordance with SA 250.
- Objectives and Checklist of Auditor in accordance with SA 260.
  (Use Case Study method and Check list for teaching and evaluation)

Unit2: Audit Planning, Strategy and Execution

- SA 200 Commencing an Audit: Checklist.
- Factors influencing Audit Strategy & Plan.

- Audit Working Papers: Meaning and Relevance.
- Audit Working Paper on: Planning Scope of Engagement, Initial Audit Check list, Note on understanding client business, key people, Variance Analysis of Balance Sheet and Profit and loss statement.
  (Note Practical Problems on Variance Analysis are to be included)

MODULEII: (2CREDITS)

Unit3: Audit Evidence

- SA 500 and 501: Audit Evidence Considerations.
- SA 505: External Communication.
- SA 510: Initial Audit Engagement: Checking Opening Balances.
- SA 530: Audit Sampling.
- SA 550: Related Party Transactions.

(Use Case Study method and Check list for teaching and evaluation)

Unit4: Audit Report

- Meaning, Elements and Types of Audit Report.
- SA 700: Forming an Opinion and Reporting on Financial Statements & Checklist.
- SA 701: Communicating Key Audit Matters in the Independent Auditor's Report.
- SA 705: Modifications to the Opinion in the Independent Auditor's Report.
- SA 706: Emphasis of Matter Paragraphs and Other Matter Paragraphs in the Independent Auditor's Report.
- Reading and Interpretation Extracts of Audit Report.
  (Use Case Study method and Check list for teaching and evaluation)

Reference Books

- **Guidance notes issued by** Auditing and Assurance Standards Boardand The Institute of Chartered Accountants of India.
- **Arens, A. A., &Loebbecke, J. P. (2023).** Audit Theory and Practice**. Pearson Education Limited.**
- Arens, A. A., Elder, R. J., & Beattie, M. S. (2022). **Auditing and Assurance Services**. McGraw-Hill Education.
- Hodge, T. D., Weiss, E. S., &Arens, G. (2021). **Auditing: A Business Risk Approach**. John Wiley & Sons.
- Louwers, T. J., Vance, C. J., Ricketts, W. M., & Libby, R. H. (2020). **Auditing: An Integrated Approach**. McGraw-Hill Education.
- Carmichael, D. R., Green, C. W., &Sethuraman, K. R. (2019). **Professional Auditing**. CCH Incorporated.
- Desai, M. A., & Sundar, V. (**A conceptual framework for auditing theory**). Springer.
- Mittal, V. K. (**Auditing process and techniques**). Taxmann Publications Pvt. Ltd.
- Gupta, R. K. (**Auditing**). Sultan Chand & Sons.
- Tulsian, P. C. (**Auditing**). Tulsian Publishers Pvt. Ltd.
- Katzenmeyer, J. L. (**The language of audit assertions and evidence**). John Wiley & Sons.