

BC-505

AUDITING

External Marks: 80

Internal Marks: 20

Time: 3 Hours

Note: Paper setter will set nine questions in all. Question No. 1 comprising of five short types questions carrying four (4) marks each is compulsory. It covers the entire syllabus. Answer to each question should not be more than one page. Candidate is required to attempt four questions from the remaining eight questions carrying 15 marks each.

Introduction: meaning, objectives and advantages of auditing; types of audit: internal and external audit, proprietary and efficiency audit.

Audit process: audit programme; audit working papers and evidences; audit of e-commerce transactions.

Methods of audit work: routine checking and test checking; internal control and internal checking system.

Vouching: meaning, objectives and importance of vouching; vouching of cash books, purchase book, sale book, bill receivable book, bill payable book, journal proper and debtor creditor ledgers, verification of assets and liabilities.

Audit of limited companies: company auditor – appointment, powers, duties and liabilities, Directions of Comptroller and Auditor General of India.

Audit reports: various types of audit reports.

Investigation: meaning, nature, procedure and objectives, investigation and due diligence

Professional ethics of auditing

REFERENCES

- Basu, S. K., Fundamentals of Auditing, Pearson Publications, New Delhi.
- Grover, L.C.B.; Principle of Modern Company Law, Stevens & Sons, London.
- Gupta Kamal, Contemporary Auditing, Tata McGraw Hill, New Delhi.
- Jha, Aruna, Auditing, Taxmann Publications, New Delhi.
- Kuchal, M.C., Modern India Company Law, Shree Mahavir Books, Noida.
- Ramaiya, A.; Guide to the Companies Act, Wadhwa & Co., Nagpur.
- Sharma Ashok, Company Law and Auditing, V.K. Publishing House, New Delhi.
- Singh Avtar, Company Law, Eastern Book Co., Lucknow.