

B. Com. (Hons.)
Semester-5
Auditing - 1
Course Code: DSC-C-ACC- 353
Credit Mark Distribution -04

Unit 1	Introduction to Auditing <ol style="list-style-type: none"> 1. Definition, scope, objectives and importance of auditing 2. Evolution and classification of auditing 3. Types of Audits (Overview): <ol style="list-style-type: none"> a. Based on Function: Statutory Audit, Internal Audit, Management Audit b. Based on Time: Interim Audit, Final Audit, Continuous Audit c. Based on Approach: Risk-based Audit, Transaction Audit, System Audit d. Special Audits: Forensic Audit, Environmental Audit, Social Audit, Tax Audit 4. Auditor v/s Accountant: Roles and responsibilities 5. Ethical principles and independence of an auditor 	25%
Unit 2	Audit Planning and Internal Control <ol style="list-style-type: none"> 1. Audit planning: meaning, steps and significance 2. Audit strategy and audit plan 3. Understanding internal control and internal check 4. Evaluation of internal control systems 5. Audit risk and materiality 6. Audit risk and Materiality in the Digital Era: A Brief Overview 	25%
Unit 3	Vouching and Verification <ol style="list-style-type: none"> 1. Vouching: meaning, objectives and importance 2. Vouching of receipts and payments: cash book, purchase book, sales book, wages, etc. 3. Verification: meaning, objectives and methods 4. Verification and valuation of assets and liabilities 5. Vouching and Verification under Digital Era 	25%
Unit 4	Company Audit – Legal Framework <ol style="list-style-type: none"> 1. Provisions under the Companies Act, 2013 2. Appointment, reappointment, removal and remuneration of auditors 3. Rights, duties, and liabilities of auditors 4. Auditor’s Report: contents, types of audit opinions 5. CARO (Companies Auditor’s Report Order) – key clauses 6. Company Audit - Practical Examples and Case Studies 7. Emerging era of Company Audit 	25%

Pre-requisite – Student should have primary understanding of the Financial Accounting.

Co-requisite- Student should take up theoretical and practical aspects of Financial Accounting & Corporate Accounting and be competent to understand the practical implications thereof.

Mode of Evaluation: Evaluation will be divided in two parts.

External: Semester End Examination will be conducted by the Gujarat University of 50 Marks.

Internal: Internal Evaluation will be decided by the College/Institutes/University Department as per the instruction given by the University from time to time.

Assessment Tools: Projects, Assignments, MCQ tests

Course Objectives:

By the end of this course, students will:

1. Understand the **fundamental concepts, scope, objectives and importance** of auditing in business.
2. Explore the **evolution, classification and different types of audits** relevant in modern business environments.
3. Develop skills in **audit planning, internal control evaluation** and understanding audit risks and materiality.
4. Gain practical knowledge of **vouching and verification procedures** for various business transactions and financial elements.
5. Acquire a clear understanding of the **legal framework of company audits** especially under the Companies Act, 2013.
6. Comprehend the **roles, responsibilities and ethical standards** expected of auditors, including independence and accountability.
7. Understand the impact of the **digital era** on auditing practices and technological advancements in vouching, verification, and risk assessment.

Course Outcome

After completing this course, students will be able to:

1. **Define and explain** the concepts, scope and objectives of auditing and differentiate between types of audits.
2. **Classify and describe** various audits (statutory, internal, forensic, etc.) and identify their specific uses and applications.
3. **Design a basic audit plan and strategy** and **evaluate internal control systems** in business organizations.

4. **Assess audit risks and materiality** including emerging challenges in the digital environment.
5. **Perform vouching and verification** of key business transactions and financial statements using appropriate methods.
6. **Interpret and apply provisions** of the Companies Act, 2013 related to auditors and their responsibilities.
7. **Draft and evaluate audit reports** with appropriate opinions and understand key clauses of CARO.
8. **Demonstrate ethical behavior**, objectivity and professional skepticism essential to auditing practices.
9. **Apply concepts through case studies** and real-life company audit examples, especially in the context of the evolving audit landscape.

FBLD (Flip Blended Learning Design Template)

- Any One Unit from the above syllabus can be discussed by the faculty through online mode.
- Online mode can be SWAYAM MOOC Course or any other suggested by the UGC or Gujarat University.

Taxonomy

MOOC Courses

On Auditing or any topics related to Auditing & Assurance which is part of the above syllabus.

References

- Arora, M. N. (2021). *A textbook of auditing*. Himalaya Publishing House.
- Tandon, B. N., Sudharsanam, S., & Sundharabahu, S. (2018). *A handbook of practical auditing*. S. Chand Publishing.
- Gupta, K., & Arora, N. (2022). *Fundamentals of auditing*. Tata McGraw-Hill Education.
- Institute of Chartered Accountants of India. (2023). *Auditing and assurance standards*. ICAI.
- Kumar, R. (2020). *Contemporary auditing*. Taxmann Publications.
- Singh, A. K. (2019). *Auditing theory and practices*. Galgotia Publishing Company.
- Companies Act, 2013. Ministry of Corporate Affairs, Government of India. Retrieved from <https://www.mca.gov.in>
- Institute of Chartered Accountants of India. (2023). *CARO 2020 – Clause-wise analysis*. ICAI.
- Ghosh, T. P. (2023). *Auditing: Principles and techniques*. PHI Learning Pvt. Ltd.
- Sawyer, L. B., Dittenhofer, M. A., & Scheiner, J. H. (2016). *Sawyer's internal auditing: The practice of modern internal auditing* (6th ed.). Institute of Internal Auditors.