

**B. Com. – II**

**Group 'D'**

**Paper No. VIII: Auditing**

1. **Introduction:** Meaning, Scope, Objective and Limitation of Auditing, Audit Process, Classification of Audit – Interim, Final and Continuous Audit, Internal and External Audit, Audit Standards and Audit Guidelines, Commencement and Conducting an Audit, Audit Programme, Audit Files and Working Papers, Test Checking and Routine Checking, Audit Evidence, Difference between Audit and Investigation.
2. **Internal Check:** Meaning, Objective, Implications, Distinction with Internal Control and Internal Audit, Essentials of a Sound System of Internal Check, Internal Check System with regard to specific areas – Purchase and Trade Creditors, Sales and Trade Debtors, Stock and Work-in-Progress, Wages and Salaries, Reliance of Auditor on Internal Check System.
3. **Vouching of Transactions:** Meaning, Objective, Significance and General Principles of Vouching, Vouchers and Their Reliability, Vouching of Specialised Transactions, Vouching of Trading Transaction, Vouching of Cash Transactions.
4. **Verification and Valuation:** Meaning, Objective and Principles of Verification and Valuation, General Considerations for Valuation of Assets, Guidelines on Verification of Assets issued by Institute of Chartered Accounts of India, Verification and Valuation of various Assets and Liabilities.
5. **Company Auditor and Conduct of Company Audit:**
  - a. **Company Auditor:** Appointment, Qualifications, Disqualifications, Remuneration, Removal, Rights, Duties, Powers and Liabilities of Company Auditor.
  - b. **Conduct of Company Audit:** Preliminaries to the Audit of Limited Companies, Company Books of Accounts, Share Capital Transactions, Borrowing Powers, Managerial Remuneration, Provisions of Companies Act, 1956 relevant to Audit.
6. **Auditor's Report:** Scope, Contents, Qualified, Modified and Unqualified Audit Report, Consideration for making Qualifications in Audit Reports, Disclosure of Extraordinary events after Balance-sheet, Specimen of Audit Reports.
7. **Provision, Reserves and Appropriations:** Duties of the Auditor towards the provision for depreciation, Companies Act and depreciation, Types of reserves, Duties of Company auditor towards reserves, Divisible Profit, Dividends and Interim Dividend.
8. **Audit of Banking and Insurance Companies:** Features and special points relating to Audit of Banking Company and Insurance Company.
9. **Cost Audit and Management Audit:** Meaning, Objectives and Significance of Cost Audit and Management Audit, Cost Audit Report Rules in various Industries, Professional misconduct in Cost and Works Accountants Act, Distinction of Management Audit with Cost Audit, Financial Audit and Responsibility Audit.
10. **Audit of Statutory Corporations, Government Companies and other Organisations:** Special Points and Basic Principles in Audit of Statutory Corporations, Government Companies, Local Bodies, Aided Educational Institutions, Comptroller and Auditor General and its Constitutional Role.