

Core IX**Auditing and Corporate Governance****Course Objectives**

The course aims to provide knowledge of auditing concepts, principles, procedures, and techniques in accordance with current legal requirements.

Course Outcomes

After completion of the course, learners will be able to:

- Summarise the basic concepts of auditing and acquaint with latest developments in the area of auditing.
- Describe the need of auditing and the role of auditors.
- Demonstrate the principles, procedures and techniques of auditing.
- Interpret the contents of audit reports.
- Analyse the provisions of Companies Act, 2013 relating to auditor and auditing.

Unit I: Introduction to Auditing

- Introduction – Meaning - Definition – Objectives – Differences between Accountancy and Auditing – Types of Audit - Advantages of Auditing – Preparation before commencement of new Audit – Audit Notebook – Audit Working Papers – Audit Program, Recent Trends In auditing: Nature & Significance of Tax Audit – Cost Audit - Management audit.
- Internal Control: meaning and objectives. Internal Check: meaning, objectives. Internal Check as regards: Wage Payments, Cash Sales, Cash Purchases. Internal Audit: Meaning - Advantages and Disadvantages of Internal Audit – Differences between Internal Check and Internal Audit.

Unit II: Vouching And Verification And Valuation Of Assets And Liabilities

- Meaning - Definition – Importance – Routine Checking and Vouching – Voucher - Types of Vouchers – Vouching of Receipts: Cash Sales, Receipts from debtors, Proceeds of the sale of Investments. Vouching of Payments: Cash Purchases, Payment to Creditors, Deferred Revenue Expenditure
- Meaning and Objectives of verification and valuation – Position of an Auditor as regards the Valuation of Assets – Verification and Valuation of different Items: Assets: Land & Building, Plant & Machinery, Goodwill – Investments - Stock in Trade. Liabilities: Bills Payable - Sundry Creditors – Contingent Liabilities.

Unit III: Audit of Limited Companies and Audit Report

- Company Auditor – Appointment – Qualification - Powers - Duties and Liabilities – Professional Ethics of an Auditor, Audit of Educational Institutions – Audit of Insurance Companies- Audit of Co-operative societies.

- **Audit Report and Special Audit** Contents and types of audit report, Qualified and Unqualified report; National Financial Reporting Authority. Special Audit: Banking and Insurance company; Forensic Audit.

Unit IV: Corporate Governance

Conceptual framework of Corporate Governance, Corporate Governance Reforms. Major Corporate Scandals in India and Abroad: Common Governance Problems Noticed in various Corporate Failures. Codes & Standards on Corporate Governance.

Suggested Readings

- ✓ *Das / Das Auditing and Corporate Governance, kalyani publisher.*
- ✓ *P N Reddy &Appannaiah, Auditing, HPH*
- ✓ *BN Tandon, Practical Auditing, Sultan Chand*
- ✓ *Dr.NanjeGowda, Principles of Auditing, VBH*
- ✓ *Dr. Alice Mani: Principles & Practices of Auditing, SBH.*
- ✓ *K. Venkataramana, Principles And Practice Of Auditing, SHBP.*
- ✓ *MS Ramaswamy, Principles and Practice of Auditing.*
- ✓ *DinakarPagare, Practice of Auditing, Sultan Chand*
- ✓ *Kamal Gupta, Practical Auditing, TMH*
- ✓ *R.G Sexena - Principles and Practice of Auditing, HPH*