

BCAF-05: ADVANCED AUDITING (MAJOR)

Objective:

This course aims at imparting knowledge about the advanced methods of auditing and there applications.

Unit- I: Audit of Limited Companies:

Inspection of documents Books and Registers. Audit of Preliminary expenses, profit prior to incorporation, public deposits, managerial remunerations, share capital. The Visible profits and dividends- meaning, provisions of Companies act in regard to declaration and payment of dividend. Auditor's duties as regards to divisible profits.

Unit-II: Special Audit and investigation:

Audit of Banking Companies and Audit of insurance Companies. Investigation-Meaning, types, Distinction between investigation and Audit, investigation when fraud is suspected, investigation when running a business is proposed to be purchased, Investigation on behalf of a Bank intending to sanction a loan to a concern, investigation under Companies Act 1956.

Unit-III: Audit of public accounts and Government Accounts:

Legislature and financial control over revenue and expenditure of Government: Consolidated fund-Public Accounts and Contingency funds: CAG of India-Appointment, Duties and powers, audit functions by CAG: public account Committee: estimate committee: Committee on public undertaking: provision relating to audit of public undertakings: provision of companies act with regards to audit of government companies. Audit of banking companies, Audit of Insurance companies, Audit of Educational Institutions, Audit of co-operative societies.

Unit-IV: Auditing in an EDP Environment

Approach to computer Auditing, types of computer system, characteristics of an EDP Environment, Approach to auditing in an EDP Environment, Internal controls in an EDP Environment, Special techniques of Auditing in an EDP Environment, Special considerations in case of stand-alone personal computers, Special consideration in case of on – line systems/data Communication networks, special consideration in case of EDI, special considerations in case of Data Processed through computer service centers.

Unit-V: Professional conduct an ethics:

Provisions of chartered accountants Acts 1949- Management council, Standing Committee, membership: Professional misconduct and negligence/procedure of and inquiry.

Suggested Readings: -

1. O.P. Gupta- Auditing, Sahitya Bhawan, Agra
2. A. K. Talukdar- Modern Auditing, Amiya Prakashani, Sonitpur
3. B. N. Tandon- Principles of Auditing: S. Chand and Co. New Delhi.
4. T.R. Sharma- Auditing Principles and problems: Sahitya Bhawan Agra.
5. Gupta Kamal- Contemporary Auditing: S. Chand and Co., New Delhi.