

AC –
Item No. –

As Per NEP 2020

Tolani College of Commerce
(Autonomous)



Title of the Course: Auditing
Programme: Bachelor of Commerce (Accounting & Finance)

Semester: V

Syllabus for 4 Credit Course
From the Academic Year 2025-2026

Name of the Course: Auditing

| Sr. No. | Heading | Particulars |
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| 1 | Description the course: | This course provides a comprehensive overview of auditing principles, practices, and methodologies essential for evaluating the financial integrity and accountability of organizations. It is designed for students pursuing careers in accounting, finance, or business management. Through a combination of theoretical knowledge and practical application, students will learn about the auditing process, including planning, risk assessment, evidence collection, and reporting. The course will cover various types of audits, including internal, external, statutory, and forensic audits. Students will explore the role of the auditor in corporate governance, the importance of ethical standards, and the impact of technology on auditing practices. |
| 2 | Vertical: | Major Electives |
| 3 | Type: | Practical |
| 4 | Credit: | 4 credits |
| 5 | Hours Allotted: | 60 Hours |
| 6 | Marks Allotted: | 100 Marks Continuous Evaluation: 40 Semester-End Examination: 60 |
| 7 | Course Objectives: | <ol style="list-style-type: none"> 1. To provide a foundational understanding of auditing, its purposes, and its significance in the financial reporting process. 2. To understand the importance of audit planning and the steps involved in developing a comprehensive audit plan. 3. To explore the application of analytical procedures and substantive testing in evaluating financial statements. 4. To explore specific audit procedures and techniques applicable to various types of accounts, such as cash, receivables, inventory, and fixed assets. |
| 8 | Course Outcomes: | <ol style="list-style-type: none"> 1. Assess the role of auditing in enhancing trust and credibility in financial statements and in supporting effective governance. 2. Learner will able to create a detailed audit plan that identifies audit objectives, scope, resources required, and timelines for the audit engagement. 3. Learner will able to utilize analytical procedures to assess financial information and identify potential misstatements or anomalies. 4. Learner will able to Implement appropriate audit procedures tailored to each specific area, ensuring adequate evidence is obtained for effective decision-making. |
| 9 | Module 1: Introduction to Auditing | (15 Hours) |
| | <ul style="list-style-type: none"> • Basics -Financial Statements, Users of Financial Information, Definition of Auditing, Objectives of Auditing - Primary and Secondary, Expression of Opinion, Detection of Frauds and Errors, Inherent Limitations of Audit | |

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| | <ul style="list-style-type: none"> • Errors and Frauds -Concepts, Reasons and Circumstances, Types of Errors - Commission, Omission, Principle and Compensating, Types of Frauds, Risk of Fraud and Error in Audit, Auditor's Duties and Responsibilities in Respect of Fraud • Principles of Audit -Integrity, Objectivity, Independence, Confidentiality, Skills and Competence, Materiality and Work Performed by Others, Documentation, Planning, Audit Evidence, Accounting System and Internal Control, Audit Conclusions and Reporting • Types of Audit -Meaning, Advantages and Disadvantages of Balance Sheet Audit, Interim Audit, Continuous Audit, Concurrent Audit, Annual Audit |
| | Module 2: Audit Planning, Procedures and Documentation (15 Hours) |
| | <ul style="list-style-type: none"> • Audit Planning- Meaning, Objectives, Factors to be Considered, Sources of Obtaining Information, Discussions with Client, Overall Audit Plan • Audit Programme- Meaning, Factors to be Considered, Advantages, Disadvantages, Overcoming Disadvantages, Methods of Work, Instruction before Commencing Works of Audit, Overall Audit Approach • Audit working Papers-Meaning, Importance, Factors Determining Form and Contents, Main Functions /Importance, Features, Contents of Permanent Audit File, Temporary Audit File, Ownership, Custody, Access of Other Parties to Audit Working Papers, Auditors Lien on Working Papers, Auditors Lien on Client's Books |
| | Module 3: Auditing Techniques (15 Hours) |
| | <ul style="list-style-type: none"> • Test Check-Test Checking Vs Routing Checking, Test Check Meaning, Features, Factors to be Considered, When Test Checks can be Used, Advantages, Disadvantages and Precautions. • Audit Sampling- Audit Sampling, Meaning, Purpose, Factors in Determining Sample Size -Sampling Risk, Tolerable Error and Expected Error, Methods of Selecting Sample Items Evaluation of Sample Results Auditors Liability in Conducting Audit based on Sample • Internal Control- Meaning and Purpose, Review of Internal Control, Advantages, Auditors Duties, Review of Internal Control, Inherent Limitations of Internal Control, Internal Control Samples for Sales and Debtors, Purchases and Creditors, Wages and Salaries |
| | Module 4: Audit of Specific Areas (15 Hours) |
| | <ul style="list-style-type: none"> • Audit of cash and bank transactions. • Audit of receivables and payables. • Audit of inventory and fixed assets. • Audit of revenue and expenses. |

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| 10 | <p>Reference Books:</p> <ol style="list-style-type: none"> 1. Auditing and Assurance Services <ul style="list-style-type: none"> • Authors: Alvin A. Arens, Randal J. Elder, Mark S. Beasley • Publisher: Pearson • Edition: 17th Edition, 2019 2. Principles of Auditing and Other Assurance Services" <ul style="list-style-type: none"> • Authors: Ray Whittington, Kurt Pany • Publisher: McGraw-Hill Education • Edition: 21st Edition, 2020 3. Auditing: A Risk-Based Approach to Conducting a Quality Audit <ul style="list-style-type: none"> • Authors: Karla M. Johnstone, Audrey A. Gramling, Larry E. Rittenberg • Publisher: Cengage Learning • Edition: 11th Edition, 2018 4. Modern Auditing: Assurance Services and the Integrity of Financial Reporting <ul style="list-style-type: none"> • Authors: William C. Boynton, Raymond N. Johnson, and Walter G. Kell • Publisher: Wiley • Edition: 8th Edition, 2005 5. Auditing and Assurance <ul style="list-style-type: none"> • Authors: CA Pankaj Garg • Publisher: Taxmann Publications • Edition: Latest Edition, frequently updated for Indian context |
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| 11 | Internal Continuous Assessment: 40% | Semester End Examination: 60% | |
| 12 | Continuous Evaluation through: | | |
| | Sub-components | Maximum Marks | Conditions for passing |
| | 1) Assignment/Case Studies/Project/Field Visit | 15 | A learner must be present for each of the sub-components. |
| | 2) Presentation/Book Review/Research Paper Report | 15 | |
| | 3) MCQ Based Test | 10 | |
| | Total | 40 | |

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| 13 | Format of Question Paper: | |
| | Semester End Examination Question Paper Pattern | |
| | Maximum Marks: 60 Duration: 2 Hours All Questions are Compulsory Carrying 15 Marks each. | |
| | Question No | Particular |
| | Q-1 | Attempt the following: (Any 2 out of 4) a. Theory/ Practical Questions b. Theory/ Practical Questions c. Theory/ Practical Questions d. Theory/Practical Questions |
| Q-2 | Attempt the following: (Any 2 out of 4) a. Theory/ Practical Questions b. Theory/ Practical Questions c. Theory/ Practical Questions d. Theory/Practical Questions | |
| Q-3 | Attempt the following: (Any 2 out of 4) a. Theory/ Practical Questions b. Theory/ Practical Questions c. Theory/ Practical Questions d. Theory/Practical Questions | |
| Q-4 | Attempt the following: (Any 2 out of 4) a. Theory/ Practical Questions b. Theory/ Practical Questions c. Theory/ Practical Questions d. Theory/Practical Questions | |
| | 15 Marks | |

Signatures of Team Members

| Sr. No | Name | Signature |
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| 1. | Mr. Murugan Nadar | |
| 2. | Mr. Mubeen Shaikh | |