

Important Questions of Auditing and Assurance for CA IPCC November 2013

by [CA Jatin Bansal](#), Chandigarh

Important Questions for Auditing & Assurance

Basics of Auditing & Internal Control

- Audit Programme
- Inherent limitations of Audit and IC
- Test of Controls & Substantive Procedures
- **Internal Check**
- AR = IR X CR X DR
- **Professional Scepticism**
- **Preconditions for Audit**
- Examination in Depth
- Methods to obtain audit evidence
- Fraud Risk Factors
- Letter of Weaknesses

Vouching & Verification

- Common Points of Vouching with special emphasis on:
 - Goods sold on Approval basis
 - Sale proceeds of junk material
 - Recovery of Bad Debts written off
- Common Points of Verification with special emphasis on:
 - Buildings
 - **Contingent Liabilities**
 - **Copy Rights**

EDP Audit

- Audit through the Computer & CAAT
- Special features of EDP Systems
- Audit Trail

Company Audit I & II

- Casual Vacancy
- Auditor appointed by SR
- **Cost Audit u/s 233 B**
- Auditors lien
- **DRS – Section 217(2AA)**
- Sources of Dividend
- Removal of auditor
- **Points of propriety nature – Section 227(IA)**
- Applicability & Non Applicability of CARO, 2003 with main emphasis on:

Fixed Assets, Internal Control, Transaction u/s 301, Public Deposits, **Internal Audit, Statutory Dues**, Chit Funds, End Use of Funds, End Use of issue proceeds, Preferential Allotment

Audit Report

- **EOM**, OM Para
- **Qualified**, Adverse, Disclaimer
- Auditors Opinion u/s 227(3)(f)

Government Audit

- Expenditure audit
- **Supplementary audit**
- Powers of CAG

Accounting Standards

- FAA
- Events Occurring after B/S date
- **Prior Period Items**
- Changes in Accounting Estimates
- Changes in Accounting Policies

Standards on Auditing

- SA **210**, 230, 300, 315, 320, 330, 505, 530, **540**, **550**, **560**, **570**, 580, 610, 620, 700, **705**, **706**

Special Audit

- Audit of Club
- Audit of Hotels
- Audit of **Hire purchase transactions**

Warm regards,
CA Jatin Bansal,

[Professional Careers Academy](#),

1639, First Floor, Sector 40 B, Chandigarh, pcaclasses@gmail.com, 9814098480, 9814622848

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