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Suggestion for CA Final and IPCC Audit paper November 2014

Dear CA Aspirants,

As we all are aware about the fact that Audit is a very crucial subject for Chartered Accountants from exam and professional career's point of view. Audit is not that subject which leaves you once you passed all your exams. A Chartered Accountant is required to apply audit techniques throughout his/her professional career. So it is very important to develop strong basics and analytical skills regarding audit as a Chartered Accountant will face lots of practical and real time situations during audit of a Company.

From exam point of view Audit is a very tricky paper for IPCC and Final exam and it is a fact that many student find it difficult to cope up with Audit subject. Accordingly Audit subject is considered responsible for student's failure many times. To register success in Audit paper good preparation and planning is very much required. Further Audit is a paper which requires a practical approach towards actual Audit work. As advised by senior Chartered Accountants, while studying audit paper you should consider yourself as an auditor and analyze and comment on the situation as an auditor.

Keeping in view regular trouble of students an attempt has been made from my side to share some suggestion regarding how to handle Audit paper of CA IPCC and Final. Sincerely hope that the same would help you to deal with audit paper. Please find below point wise suggestion:

1. Use of Right reference Book: One of frequently asked question about preparation of Audit is which book to refer for preparation of Audit paper. Lots of options are available in this regard which are listed below:
 - a. **For CA Final Advance Auditing & Professional Ethics** you may refer Surbhi Bansal or Prakhar Sharma or Paduka or V.K Agrawal. However my personal choice would be the book of Surbhi Bansal.
 - b. **For CA IPCC Auditing** you may refer Surbhi Bansal or Paduka or V.K Agrawal. Again my personal choice would be Surbhi Bansal.
2. It is also advisable to refer ICAI Audit study material for preparation. Further use of Practice manuals, Revision test papers and suggested answers can be very handy as far as preparation of audit practical question is concerned.

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3. Audit paper is all Practical questions nowadays. You may find lots of Practical questions in exam based on real life audit problems. Hence it is very important to develop skills to apply your knowledge regarding how you will handle a given Practical situation. These Practical questions usually based on Accounting standards and auditing standards. So it is very important to gain good knowledge of Accounting standards and auditing standards as the same is the real key to score in audit paper.

4. Strategy to prepare Audit

- i. **QUICK READING APPROACH:** First give ICAI audit study a quick reading to understand the depth and figure out the efforts and time required for final preparation. You would appreciate that through this quick reading you would be able to figure out where extra efforts are required in audit subject and plan accordingly.

Make necessary notes or put suggestions or mark strategy for yourself on the study book during first reading. This task helps you to deal with audit subject later on during final preparation. Pre-condition for this first study is --- go ahead for quick study with a completely relax and chilled mind. Your main purpose behind this quick study is observation and formation of a plan to deal with audit.

During first study ride prepare a plan for final preparation. Also use scanner for making the plan. Later on use any good notes to prepare. Remember at this moment you have everything in your mind like what is imp along with basic idea of the topic and chapter.

- ii. **SPECIAL ATTENTION TO SA AND AS:** Also give special attention to SA and AS. Only good knowledge of SA and AS is not enough but you must understand the technique to apply SA and AS in audit practical problems. For this purpose refer ICAI suggested answers and observe the application of SA and AS to the problem. Another benefit of this task is—it also helps you to understand SA and AS in a much better way.
5. It is advisable to study Auditing standards everyday. Daily give 15-20 minutes time in Morning and in Evening. As per my suggestion reading the AS and SA at one stretch will not give good result because when you came to last AS or SA, you'll tend to forget the first AS or SA prepared earlier.
6. **Company Audit:** Without any doubt Company Audit is one of the most important areas in the Auditing for CA IPCC and Final. You can always expect 25-30 marks questions from

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Company Audit chapter. Question may be in practical format. If you study this chapter with heart, you'll find this very interesting. Study of this chapter is also very important keeping in view the fact that in future during your professional working you have to deal with Company Audit.

Read every provision of Company Audit with full attention as you will find various practical based on this chapter regarding qualification, disqualification, appointment, removal of Company auditor etc.

Recently Companies Act 2013 has replaced Companies Act 1956 and accordingly provisions of Company Audit have also been changed. So you are advised to study Companies Act 2013 provisions.

7. **Important of CARO:** From the company audit in every attempt examiner is asking the question from CARO. So you are also advised to prepare Company (Audit Report) Oder [CARO] very well.
8. It is advisable to prepare notes to deal with chapters like Vouching, Internal Control, Government Audit, Fraud & error, Audit evidence etc. This will help you to compile all important exam oriented topics at one place and there will be no need to revise entire chapter at the time of exam.
9. **Read Everything in Audit with Open Mind:** Audit is a paper which requires lots of quick and logical application of mind to answer practical problems. Hence I'd suggest you to give a reading to ICAI audit study material to understand the depth and figure out the efforts and time required for preparation. By this kind of reading you may prepare a strategy for audit purpose.

Regular study of Audit paper along with practical questions based on audit provisions will help you in tuning your mind accordingly. I believe with regular practice and open mind study you'll be able to comment about every audit problem easily.

10. **Other Notable Points:** There are few other notable points which should be remembered while preparing for audit subject:
 - a. Try to develop interest in Audit Paper. There is no need to feel stressed as this is a very interesting subject where you can take slight liberty and write answers in your language.
 - b. There is no harm in quoting sections in Audit paper especially in company audit section. It is advisable to quote section and law only when you are sure about its correctness.
 - c. Students are advised to use ICAI study material and try to solve all questions given in scanner, practice manual and revision test papers.

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- d. Remember thorough reading of audit book will definitely help you in preparation. So at least once give full reading to audit book.
- e. I would also suggest you to keep a query book with you. If during the course of preparation there is any problem which is beyond your understanding, note it in your query book and discuss it later with your teacher to friends.
- f. Revision is also very important to give it a final touch. So prepare and follow a good revision schedule for Audit paper. Revision is actually key to success.
- g. You may prepare a list of frequently asked questions and important questions and refer or revise them just 1-2 hour before leaving for examination. This will help you to recall such topic easily in exam hall.
- h. Lack of good presentation especially in theory paper is one of the major drawbacks for most of the students. In theory subjects good presentation of theory is must along with mentioning case laws and sections etc. So I'd request you all to take note of the same.

Kindly refer my 2 article prepared w.r.t. November 2014 examination:

[November 2014 - Important Info and links for CA CS Student](#)

[Some Exam Suggestions and tips for November 2014 Exam](#)

That's it from my side regarding Audit paper. I believe that above suggestions would be very useful for your exam preparation. In case of any doubt about preparation, let me know.

Thanks

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