Subject: Audit & Assurance

On successful completion of this exam, candidates should be able to:

1. Explain the concept of audit and assurance and the functions of audit, corporate governance, including ethics and professional conduct.
2. Demonstrate how the auditor obtains and accepts audit engagements, obtains an understanding of the entity and its environment, assesses the risk of material misstatement (whether arising from fraud or other irregularities) and plans an audit of financial statements.
3. Describe and evaluate internal controls, techniques and audit tests, including IT systems to identify and communicate control risks and their potential consequences, making appropriate recommendations. Describe the scope, role and function of internal audit.
4. Identify and describe the work and evidence obtained by the auditor and others required to meet the objectives of audit engagements and the application of the International Standards on Auditing (ISAs).
5. Explain how consideration of subsequent events and the going concern principle can inform the conclusions from audit work and are reflected in different types of auditor’s report, written representations and the final review and report.
6. Know the Indian Auditing framework for various types of entities and statutes.

Sr No | Syllabus Coverage
---|---
1 | Basics of Auditing  
(Detailed International Auditing and Assurance Standards with Comparison to applicable Indian AAS)

  A Audit framework and regulation  
  1. The concept of audit and other assurance engagements  
  2. External audits  
  3. Corporate governance  
  4. Professional ethics and Code of Ethics and Conduct

  B Planning and risk assessment  
  1. Obtaining, accepting and continuing audit engagements  
  2. Objective and general principles  
  3. Assessing audit risks
4. Understanding the entity and its environment  
5. Fraud, laws and regulations  
6. Audit planning and documentation  

C Internal control  
1. Internal control systems  
2. The use and evaluation of internal control systems by auditors  
3. Tests of controls  
4. Communication on internal control  
5. Internal audit and governance and the differences between external audit and internal audit  
6. The scope of the internal audit function, outsourcing and internal audit assignments  

D Audit evidence  
1. Financial statement assertions and audit evidence  
2. Audit procedures  
3. Audit sampling and other means of testing  
4. The audit of specific items  
5. Automated tools and techniques  
6. The work of others  
7 Not-for-profit organisations  

E Review and reporting  
1. Subsequent events  
2. Going concern  
3. Written representations  
4. Audit finalization and the final review  
5. The Independent Auditor’s Report  

2 Indian Audit Framework with regards to –  
   A. Audit of Small & Medium Companies- Statutory Audit requirements under Co.’s Act 2013  
   B. Audit of LLP’s- Statutory Audit requirements under LLP Act 2008  
   C. Trust /Societies Audits-Trust & Societies Audit Reporting requirements  
   D. Co Op society Audit- Major Statutory requirements of co-op society audit
### Exam Structure -

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(***All questions compulsory no optional questions given)