

University of the Punjab Course Outlines

Associated Degree in Commerce (Specialization in Accounting & Finance)

Semester	3 rd		
Course Name	Audit & Assurance		
Course Code	ADC 405		
Credit Hours	3		
Prerequisites	The course requires basic knowledge of Business, Accounting and Financial Reporting-courses		
Follow Up	If any required		
Objectives to achieve	Keeping in view the volatile world of business and its need this course on auditing is developed. The purpose of this course is to equip the students with the basic knowledge of auditing and the process of carrying out audit and review of financial statements.. This course will also equip students with the latest tools and techniques in internal and external auditing and applicable legal, regulatory and ethical framework		
Teaching Strategies	e.g. i. Lectures ii. Handouts iii. Group discussions iv. Class-room presentations v. Projects and term paper vi. Quizzes vii. Case study, reading assignment		
Assessment Criteria	Mid-term (Assessment by respective College)		Final Examination (Assessment by University of the Punjab)
	40 %		60 %
	Quizzes and Tests, Assignment and Presentations, Viva, Attendance, Class Participations and discipline etc.	Written Paper	Written Paper

Weekly Lecture Plan/Syllabus

Week	Topic	Detail
1	Introduction and Scope of Auditing	What is auditing? Levels of assurance Objective of audit Scope of audit Materiality True and fair view Limitations of audit
2	Risk Management:	Evaluate accounting and internal control systems and identify and communicate control risks, potential consequences and recommendations thereon.
3	External Audit:	Various types of external audit, suitable type of audit, merits and demerits of different types of audit, Auditor's working papers and auditor's note book
4	Audit Planning	Aims of planning, knowledge of the business. Audit risk. Analytical procedures. Related party transactions. Using the work of another auditor. Using the work of an expert. The overall audit plan. The audit program.
5	Vouching: Audit techniques and applications.	Explain and evaluate sources of evidence, describe the nature, timing and extent of tests on class of transactions and account balances (including sampling and analytical procedures) and design programs for audit and review assignments
6	Auditor: Appointment, rights, duties and liabilities.	To know the procedure of Appointment of auditors. Resignation and removal of auditors. Duties and rights of auditors. Other legal considerations, Code of corporate governance
7	Liabilities of Auditors:	Liabilities of Auditors under relevant Laws and Case Laws regarding Auditor's Liabilities
8-9	Audit Report: Statutory, Prospectus, Annual, Unqualified and Qualified report	Explain how the conclusions from audit work are reflected in different types of audit report. Distinction between reports and certificates. Contents of audit report. Modified report. Qualifications in auditor's report. Audit reports of companies. Signing of audit report. Audit reports in the case of banks and insurance companies. Statutory Report. Reports in company prospectus. Audit reports and certificates for special purposes. Report on review of accounts. Certificate on corporate governance How conclusions from audit work are reflected in different types of audit report. Distinction between reports and certificates. Contents of audit report. Modified report.
10	Revision	
11	Divisible Profit: Divisible Profit and Auditor duties in this	How division of profit is done and how it can be represented as a reporting tool? Various responsibilities of auditor in verification and preparation of reports.

	respect.	
12-13	Specialized Audit: Audit of Textile Mills, Sugar Mill, Bank, Newspaper and Hotel.	Making reports on various types of firms and contents of these reports. What specific points should be considered by the auditors while conducting audit. Making reports on various types of firms and contents of these reports. What specific points should be considered by the auditors while conducting audit.
14	Audit of Computerized Accounting Record: Computer Assisted audit techniques	How to use technology effectively and the points that should be carefully observed while making audit using computers, software, or other modern technology.
15	Investigation: Meaning, difference with audit, Detection of Frauds.	Role of investigations in detecting misrepresentations, frauds, and other accounting errors.
16	Review of the whole course	Review and consultation with class regarding ambiguities.

Primary Recommended Book	Khawaja Amjad Saeed. Auditing. Accountancy & Taxation Services Institute, P.O. Box 1164, Lahore
Additional Books	<ol style="list-style-type: none"> 1. Muhammad Irshad, Auditing. Naveed Publication, Lahore. 2. Zafar M. Zaidi. Auditing. 3. Meigs & Larson. Principles of Auditing. University of Congress Richard, D. Irwin. 4. Attwood and Stein, N.D. de Paula's Auditing Principles and Practice. Pitman Publishing Ltd., London. 5. Muhammad Ramzan. Principles of Auditing