**==========================================================================Title: Advance Auditing Code: ACC 546**

**Credit Hours: 3 Year /Semester: II/IV**  **48 Hours**

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**Course Objectives:**

1. To provide the student a deep understanding of various national and international auditing and assurance standards.
2. To provide the student with in-depth knowledge and skills of auditing and develop the capabilities of planning and performing various types of audits.

**Unit 1 Overview of Standard on Auditing 10 Hours**

Overview of Standard on Auditing including International Auditing Standards; Standard on Auditing setting Process; Nepal Standards on Auditing Issued by ICAN; Issue of Guidance Notes and their relevance; Auditing Standard Board of Nepal and its role; Role of Institute of Chartered Accountant of Nepal (ICAN); Fundamental Accounting Assumptions and other Accounting Concepts; Standard on Quality Control (SQC)

**Unit 2 Audit Engagement & Audit Process 12 Hours**

Terms of Audit Engagement; Understanding the Clients Business; Assessing the Risk & Internal Control; Development Audit Plan & Audit Programme; Designing & use of Audit Strategy & Audit Technique; Review of Internal Control; Conducting Audit; Audit Sampling; Test Check; Control of Quality of Audit Work; Delegation & Supervision of Audit work; Documentation of Working Papers & Files; Sources & Reliability of Audit Evidences; Method of obtaining Audit Evidences; Audit Materiality

**Unit 3 Auditor’s Report and Professional Ethics 6 Hours**

Audit report; Contents of audit report; Signing on Audit Report; Types of audit Report; The Chartered Accountants Act; Audit Act; Professional Negligence; Civil & Criminal Liabilities; Professional Code of Conducts

**Unit 4 Audit of Companies 8 Hours**

Special Consideration in an Audit of Companies; Books of Accounts; Annual Accounts; Accounting Standards; Provisions relating to Appointment & Reappointment of Auditor; Disqualification of Auditor; Powers & Duties of Auditor; Remuneration of Auditor; Removal of Auditor; Audit of Balance Sheet Items; Audit of Revenue Items; Audit of Off- Balance Sheet Items; Auditor’s Duty with regard to Payment of Dividends; Reporting & Certification under Companies Act, 2063

**Unit 5 Audit of Public Sector Undertakings 5 Hours**

Features and basic principles of Government audit; Concept of Proprietary Audit; Standard on Public Accounting in Nepal; International Auditing Standards issued by INTOSAI; Role of Auditor General in Government Audit

**Unit 6 Special Audit 7 Hours**

Concept of Objective of Audit under Fiscal Laws, Concept of Full Audit; Cost & Management Audit; Audit of NGOs; Audit of Schools, Audit of Co-operatives & reporting requirements; Audit of Local Bodies; EDP Audit; Management Audit; Performance Audit; Energy Audit; Environment Audit

**Reference Books:**

1. Gupta, Kamal: ***Contemporary Auditing***, Tata Mc-Graw-Hill Publishing Company Ltd. , New Delhi
2. Tondon, B.N., Sudharsanam S. And Sudharababu S.: ***A Handbook of Practical Auditing*** , S. Chand & Company Ltd., New Delhi
3. Sharma,T.R.: ***Auditing***, Sahitya Bhavan, Agra
4. ***Auditing Act***, 2048
5. ***Nepal Standard on Auditing***: The Institute of Chartered Accountant of Nepal, Kathmandu
6. ***NGOs Audit Directives***: The Institute of Chartered Accountant of Nepal, Kathmandu
7. ***Schools Audit Directives***: The Institute of Chartered Accountant of Nepal, Kathmandu
8. ***Co-operatives Audit Directives***: The Institute of Chartered Accountant of Nepal, Kathmandu
9. ***Nepal Company Act, 2063***, Ministry of Law & Parliamentary Affairs, Nepal
10. ***Banking & Financial Institution Act, 2063***, Directives issued by Office of Auditor General of Nepal