

304 Auditing & Taxation

Unit No	Unit Title	Contents
1.	Introduction to Principles of Auditing and Audit Process	Definition, Nature-objects-Advantages of Auditing-Types of errors and frauds Various Classes of Audit. Audit programme, Audit Note Book, Working Papers, Internal Control-Internal Check-Internal Audit.
2.	Checking, Vouching and Audit Report	Test checking-Vouching of Cash Book-Verification and Valuation of Assets and Liabilities. Types of Audit Report-Audit Certificate-Difference between Audit Report and Audit Certificate. Auditing and Assurance Standards. (AAS- 1,2,3,4,5)
3.	Company Audit and Tax Audit	<u>Company Audit</u> Qualification, Disqualifications, Appointment, Removal, Rights, Duties and liabilities of Company Auditor
		<u>Tax Audit</u> Provisions under Income Tax Act 1961 (Sec 44AA, 44AB, 44AD, 44ADA,44AE) Recent Amendment made as applicable as per Income Tax Act 1961
4.	Audit of Computerized Systems & Forensic Audit	<u>Auditing in an EDP Environment</u> General EDP Control – EDP Application Control- Computer Assisted Audit Techniques (Factors and Preparation of CAAT) <u>Forensic Audit</u> Definition, Importance of Forensic Auditor, Services Render by Forensic Auditor, Process of Forensic Auditing and Forensic Audit Techniques and Forensic Audit Report
5	Income Tax Act-1961- Important Definitions and Concepts.	Introduction- Features of Income Tax, Scope of Income Tax Act, and Importance of Income Tax payment for development of country. Definitions- Income, Person, Assessee, Deemed Assessee, Assessment year, Pervious year, Agricultural Income, Exempted Income, Gross Total Income (GTI) , Total Taxable

		Income (TTI), Residential Status of an Assessee, PAN, TAN Concept of Capital receipts, revenue receipts and capital expenditure, revenue expenditure
6	Sources and Computation of Taxable Income under the various Heads of Income	<p>1. Income from Salary – Meaning of salary, Salient features of salary Allowances and tax Liability-Perquisites and their Valuation, Treatment of provident fund, Deductions from salary. (Theory and Problems)</p> <p>2. Income from House Property -Basis of Chargeability, Types of property, Annual Value Self occupied and let out property, Deductions allowed (Theory and Problems)</p> <p>3. Income from Profits and Gains of Business and Professions –Definition of Business , profession, vocation, speculative business, Methods of accounting, Deductions expressly allowed and disallowed (Theory And Problems)</p> <p>4. Income from Capital Gains – Meaning, Chargeability-definitions- Capital assets, transfer, cost of acquisition, Cost of Improvement, Short term and long term capital assets and Capital gains, cost inflation Index, Deductions allowed. (Theory only)</p> <p>5. Income from other sources- Chargeability Method of accounting, deductions, Amounts not deductible.(Theory and Problems)</p>
7	Computation of Total Taxable Income (TTI)and tax liability	Gross total Income -Deductions u/s-80C, 80CCC to 80 U – Total Taxable Income, Income Tax calculation of Individual - (Rates applicable for respective Assessment year), Education cess and higher education cess, surcharge, etc.(calculation of tax payable as per old regime and new regime)
8	E-Filing and Eprovisions	Due dates of filing return, E-filing of income tax return and forms used, advance tax , TDS (Tax deducted at source),Assessment, AIR (Annual information return), SFT (Specified financial transactions).