

**SYBCOM/SEM-III & IV/ FINANCIAL ACCOUNTING AND AUDITING PAPER – V (MGT ACC) AND
V(AUDIT)/SYLLABUS/QP PATTERN/FROM-2020-21**

Sr. No.	Heading	Particulars
1	Title of Course	Financial Accounting and Auditing- 1.Management Accounting 2. Auditing
2	Eligibility for Admission	FYBCOM PASSED FROM ANY RECOGNISED UNIVERSITY
3	Passing marks	40%
4	Ordinances/Regulations (if any)	--
5	No. of Semesters	III rd and IV th
6	Level	U.G.
7	Pattern	Semester (75:25)
8	Status	Revised
9	To be implemented from Academic year	2020-2021

Preamble

Managerial decision making is a process depends on various managerial techniques and tools so to understand that technique and tools our learners should train in that way so revision of management accounting and Auditing course syllabus is necessary.

Objectives

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1	To enhance the abilities of learners to develop the concept of Management Accounting.
2	To enable the learners to understand, develop and apply the techniques of Ratio Analysis and interpretation.
3	To enable the learners in understanding, Cash flow and Capital Budgeting.
4	To enable the learners in understanding the concept of Auditing.
5	To enable the learners in understanding Audit planning and Procedure
6	To enable the learners in understanding Internal Audit and vouching and verification.

Outcomes

SN	OUTCOMES
1	It will enhance the abilities of learners to develop the concept of Management Accounting.
2	It will enable the learners to understand, develop and apply the techniques of Ratio Analysis and interpretation.
3	It will enable the learners in understanding, Cash flow and Capital Budgeting.

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4	It will enable the learners in understanding the concept of Auditing.
5	It will enable the learners in understanding Audit planning and Procedure
6	It will enable the learners in understanding Internal Audit and vouching and verification.

S. Y. B. Com. – Semester – III- Financial Accounting and Auditing – Paper – V (Management Accounting)

For the subject of Financial Accounting and Auditing i.e. Management accounting there shall be One paper for 45 lectures.

1. Paper-V Module-I will be for 10 Lectures
2. Paper- V Module-II will be for 15Lectures
3. Paper- V Module-III will be for 10 Lectures
4. Paper- V Module-IV will be for 10 Lectures

S. Y. B. Com. – Semester – IV- Financial Accounting and Auditing – Paper – VI (Auditing)

For the subject of Financial Accounting and Auditing i.e. Auditing there shall be One paper for 45 lectures.

1. Paper-VI Module-I will be for 10 Lectures
2. Paper-VI Module-II will be for 15Lectures
3. Paper-VI Module-III will be for 10 Lectures
4. Paper-VI Module-IV will be for 10 Lectures

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Scheme of Examination for Each Semester:

Internal Evaluation: 25 (20 marks internal test and 05 marks for attendance)

Semester End Examination: 75 Marks will be as follows -:

For Financial Accounting and Auditing- V-(Management Accounting)	
Each Practical paper shall be of two and half hour duration.	
All questions are compulsory and will have internal options.	
Q-1	Full length practical question..... 15 M OR Full length practical question..... 15 M
Q-2	Full length practical question..... 15 M OR Full length practical question..... 15 M
Q-3	Full length practical question..... 15 M OR Full length practical question..... 15 M
Q- 4	Full length practical question..... 15 M OR Full length practical question..... 15 M
Q-5	A) Theory question07 M B) Theory question08 M OR Short Notes15 M To be asked 5 To be answered 3

For Financial Accounting and Auditing- VI (Auditing)		
Each Theory paper shall be of two and half hour duration.		
All questions are compulsory and will have internal options.		
I	Q-1	Full length question..... 15 M OR Full length question..... 15 M
	Q-2	Full length question..... 15 M OR Full length question..... 15 M
		Full length question..... 15 M
	Q-3	Full length question..... 15 M OR

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		Full length question..... 15 M
Q-4		Full length question..... 15 M
	OR	Full length question..... 15 M
Q-5		A) Theory question07 M
		B) Theory question08 M
	OR	Short Notes15 M
		To be asked 5 To be answered 3

**Choice Based Credit Grading and Semester System (CBCGS)
S.Y.B. Com. Financial Accounting and Auditing Syllabus
To be implemented from the Academic year 2020-2021
SEMESTER III (Management Accounting)**

Course Code	Unit	Topics	Credits	L / Week
UCM3FA5	I	Introduction to Management Accounting	3	10
	II	Ratio Analysis and Interpretation		15
	III	Cash Flow Statement		10
	IV	Capital Budgeting		10

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SEMESTER IV (Auditing)

Course Code	Unit	Topics	Credits	L / Week
UCM4FA6	I	Introduction to Auditing	3	10
	II	Audit Planning, Procedures and Documentation		15
	III	Auditing Techniques and Internal Audit Introduction		10
	IV	Auditing Techniques : Vouching & Verification		10

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Semester - III

Sr. No.	Modules / Units
1	Introduction to Management Accounting
	<p>A. Introduction to Management Accounting – Meaning, Nature, Scope, Functions, Decision Making Process, Financial Accounting V/s Management Accounting</p> <p>B. Analysis and Interpretation of Financial Statements</p> <p>i) Study of Balance sheet and Income statement / Revenue statements in vertical form suitable for analysis</p> <p>ii) Relationship between items in Balance Sheet and Revenue statement</p> <p>iii) Tools of analysis of Financial Statements (i) Trend analysis (ii) Comparative Statement (iii) Common Size Statement</p> <p>Note : (i) Problems based on trend analysis (ii) Short Problems on Comparative and Common sized statements</p>
2	Ratio Analysis and Interpretation
	<p>(Based on Vertical Form of Financial statements) – Meaning, classification, Du Point Chart, advantages and Limitations)</p> <p>A. Balance Sheet Ratios :</p> <p>i) Current Ratio</p> <p>ii) Liquid Ratio</p> <p>iii) Stock Working Capital Ratio</p> <p>iv) Proprietary Ratio</p> <p>v) Debt Equity Ratio</p> <p>vi) Capital Gearing Ratio</p> <p>B. Revenue Statement Ratio:</p> <p>i) Gross Profit Ratio</p> <p>ii) Expenses Ratio</p> <p>iii) Operating Ratio</p> <p>iv) Net Profit Ratio</p> <p>v) Net Operating Profit Ratio</p> <p>vi) Stock Turnover Ratio</p> <p>A. Combined Ratio :</p> <p>i) Return on capital employed (Including Long Term Borrowings)</p> <p>ii) Return on proprietor's Fund (Shareholders Fund and Preference Capital)</p> <p>iii) Return on Equity Capital</p> <p>iv) Dividend Pay-out Ratio</p> <p>v) Debt Service Ratio</p> <p>vi) Debtors Turnover</p> <p>vii) Creditors Turnover</p> <p>(Practical Question on Ratio Analysis)</p>
3	Cash Flow Statement
	Preparation of Cash Flow Statement with reference to Ind AS-7 (Indirect method only)
4	Capital Budgeting

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	<p>A. Introduction: B. The classification of capital budgeting projects C. Capital budgeting process D. Capital budgeting techniques - Payback Period, Accounting Rate of Return, Net Present Value, The Profitability Index, Discounted Payback. (Excluding calculation of cash flow)</p>
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Reference Text :

1. Cost and Management Accounting - Colinn Dury 7th Edition
2. Cost and Management Accounting- Dbarshi Bhattacharyya pearson Publications 2013 edition
3. Management Accounting - M.Y.Khan
4. Management Accounting - I.M.pandey

Semester – IV

Sr. No.	Modules / Units
1	Introduction to Auditing
	<p>A. Basics – Financial Statements, Users of Information, Definition of Auditing, Objectives of Auditing, Inherent limitations of Audit, Difference between Accounting and Auditing, Investigation and Auditing. B. Errors & Frauds – Definitions, Reasons and Circumstances, Types of Error, Types of frauds, Risk of fraud and Error in Audit, Auditors Duties and Responsibilities in case of fraud. C. Principles of Audit, Materiality, True and Fair view D. Types of Audit – Meaning, Advantages, Disadvantages of Balance sheet Audit, Interim Audit, Continuous Audit, Concurrent Audit and Annual Audit, Statutory Audit E. Audit Of ledger – General Consideration , Scrutiny of ledger of Assets, personal , revenue accountants</p>
2	Audit Planning, Procedures and Documentation
	<p>A. Audit Planning – Meaning, Objectives, Factors to be considered, Sources of obtaining information, Discussion with Client, Overall Audit Approach B. Audit Program – Meaning, Factors, Advantages and Disadvantages, Overcoming Disadvantages, Methods of Work, Instruction before commencing Work, Overall Audit Approach. C. Audit Working Papers – Meaning, importance, Factors determining Form and Contents, Main Functions / Importance, Features, Contents of Permanent Audit File, Temporary Audit File, Ownership, Custody, Access of Other Parties to Audit Working Papers, Auditors Lien on Working Papers, Auditors Lien on Client’s Books.</p>
3	Auditing Techniques and Internal Audit Introduction
	<p>A. Test Check – Test Checking Vs Routing Checking, test Check meaning, features, factors to be considered, when Test Checks can be used, advantages, disadvantages, precautions. B. Audit Sampling – Audit Sampling, meaning, purpose, factors in determining sample size – Sampling Risk, Tolerable Error and expected error, methods of selecting Sample Items Evaluation of Sample Results auditors Liability in conducting audit based on Sample C. Internal Control – Meaning and purpose, review of internal control, advantages, auditors duties, review of internal control, Inherent Limitations of Internal control, internal control samples for sales and debtors, purchases and creditors, wages and salaries. Internal Checks Vs Internal Control, Internal Checks Vs Test Checks. D. Internal Audit : Meaning, basic principles of establishing Internal audit, objectives, evaluation of internal Audit by statutory auditor, usefulness of Internal Audit, Internal Audit</p>

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	Vs External Audit, Internal Checks Vs Internal Audit
4	Auditing Techniques : Vouching & Verification
	A. Audit of Income : Cash Sales, Sales on Approval, Consignment Sales, Sales Returns Recovery of Bad Debts written off, Rental Receipts, Interest and Dividends Received Royalties Received B. Audit of Expenditure : Purchases, Purchase Returns, Salaries and Wages, Rent, Insurance Premium, Telephone expense Postage and Courier, Petty Cash Expenses, Travelling Commission Advertisement, Interest Expense C. Audit of Assets Book Debts / Debtors, Stocks – Auditors General Duties; Patterns, Dies and Loose Tools, Spare Parts, Empties and Containers Quoted Investments and Unquoted Investment Trade Marks / Copyrights Patents Know-How Plant and Machinery Land and Buildings Furniture and Fixtures D. Audit of Liabilities : Outstanding Expenses, Bills Payable Secured loans Unsecured Loans, Contingent Liabilities

Reference Books

1. B.N. Tondan, A Hand book on Practical Auditing,
2. Ravinder Kumar and Virendra Sharma, Auditing: Principles and Practices
3. Varsha Ainapure and Mukund Ainapure, Auditing and Assurance
4. T. J. Rana, Auditing -1