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CORE CONCEPT OF PRINCIPLE OF AUDITING

Advantages of Audit Note Book

1. Audit Report

The audit notebook is helpful to prepare audit report. The auditor can record the weakness of accounting records. The queries not properly answered are started in the audit report when the auditor is satisfied he can submit a clear report.

2. Staff Honesty

The audit notebook is used to determine the integrity and honesty of audit clerks. The moral and ethical value can be examined through audit work. When a person completes his work in time. Time period auditor can appreciate him. If there is pending work after the expiry of time period, he can be held responsible for it. The audit staff must be honest in his work.

3. Helpful For Memory

The audit notebook is help to keep things fresh in memory. The auditor can read the book on daily basis. He can note the weakness on fingertips. The auditor can retain the data in his memory for a longer period of time. He can ask the management to clear the doubtful points before preparing audit report.

4. Reference

The audit notebook is useful for reference. In future it can provide information to the audit staff. The past data gives an insight into business matters. The auditor can note the changes. He can form an opinion about the changes in the nature and size of the business.

5. New Auditor

The audit notebook is useful for new auditor. They can see the weakness of previous years. The old weak points may not be repeated this year.

6. Court Cases



The audit notebook is helpful to defend an auditor in court cases. The people can go to court of law in order to fix liability for negligence of duty. The audit notebook is a written proof of work performed by an auditor.

Audit Programme - Meaning, Nature, Advantages & Disadvantages

Definition:

Audit programme may be defined as the auditor's plan of action indicating the work to be accomplished, the audit tests and procedures to be followed, the persons responsible for the accomplishment of the work, and the time within which the work is to be accomplished.

Some Authoritative Definitions

“An Audit programme is a detailed plan of the auditing work to be performed, specially the procedures to be followed in verification of each item in the financial statements and giving the estimated time required”.

An audit programme is a flexible planned procedure of examination.

Meaning & Nature of the Audit Programme

Audit programme consists of a set of detailed guiding points or instructions describing the nature, timing and extent of the audit procedures required to implement the overall audit plan. It is a description, memorandum, outline or written scheme designed to identify the work to be done. It is the auditor's plan indicating the work to be accomplished, the audit tests and procedures to be followed, the persons responsible for the accomplishment of the work, and the time within which the work is to be accomplished. The audit programme includes audit objectives for each area. The level of detail in the audit programme depends upon the complexity of audit.

It is a written scheme of the exact details of the work done by the auditor and his staff in connection with the particular work. All the work which is assigned to each member of the audit team is written in the audit programme. Audit programme guides the audit personal in work to audit be done.

Following are the methods by which the programme is carried out :

Methods of Audit Programme

1. Complete Programme:

Complete programme is on the file. Completed items are ticked off by the particular assistant. Assistant knows what he has to do. He also knows that by which date each item is to be completed.