

ACCOUNTING AND AUDITING

(Optional)

Marks : 200

PAPER - I (Marks:100)

Course Outline

ACCOUNTING

Principles of Accounting and their applications to all types of Business Organizations – Banking, Insurance, Investment, Trading and Industrial Concerns, Accounting for non-profit Organizations. Worksheet. Financial statements, Financial Reporting, Financial Analysis and Budgeting, Depreciation, Partnership.

Note: Accounting for Executors, Trustees of Deceased Persons, Liquidators, Receivers, Official Agencies, Assignees etc. and Accounting for Multinational Corporation will not be included.

PAPER-II (Marks:100)

1.

Cost

Accounting:

Principles of Cost Accounting, Relationship of Cost Accounting to Financial Accounting, Cost Accounting as a tool of management—use of Cost information, Cost flow, Cost elements, Costs classification. Process Cost and job-order Cost Accounting, Costing for Joint and by—Products. Standard Cost Accounting, reconciliation of Financial Accounts with Cost Accounts.

2.

Auditing:

Principles of Auditing, The Accounting System, Its importance to independent Audit, Internal Control, Internal Audit. Rights and Duties of Auditors. Professional Liabilities of an Auditor. Application of Auditing Principles and Techniques to all Types of Trading, Commercial. Industrial, Banking, Insurance and Investment under-takings, Audit programme. Special Audit Investigation of actual or suspected Frauds, Limitations of Audit, Audit Report, Certificates and Opinion as required under Companies Act, Securities Exchange Authority Rules. Auditing and EDP Systems.

3.

Income

Tax:

Principles for Computing total income and total world income for purposes of Income Tax, Self Assessment.

Specialized knowledge of Income Tax will not be expected. Candidates will be required to have a sound grasp of the provisions of Section 10 of the Income Tax Act and a working knowledge—only of Sections 9(1), 15, 16(1), 17(1) 19(1), (2), (a), 30(1) & (2), 31(1) 11 No. Schedule (Item No. 66 & 71 to 75) 39(1) & (a) 49, 69(4) 12(II), 1st Schedule 53(1), 55(1), 56, 61, 59(1), 60, 62, 68. 12(2) and the connected rules of the Income Tax Ordinance 1979 as amended to date.

4. Business Organization and Finance:

Nature and Scope of Business Organization, Forms of Business Organization—Sole Proprietorship, Partnership, Joint Stock Company, Cooperative Society, Company Promotion and Management, Insurance, business Combinations, Principles of Business Finance, Short Term, Intermediate Term and Long Term financing, expansion and contraction, Ratio analysis—Sources and flow, statement, Role of Financial Institutions.