

AUDITING

B.Com. Honours Part-1, Paper-2

Topic – Audit Programme (Part-1)

By- Dr. Jitendra Kumar

P.G. Dept. of Commerce & Business Management

H.D. Jain College, Ara, Bhojpur, Bihar- 802301

AUDIT PROGRAMME

An audit programme is the auditor's plan of action. It indicates the audit tests and procedures to be followed to collect adequate and reliable evidence in support of his opinion as to the truth and fairness of the representation made in the financial statements of the enterprise.

According to Prof. Meigs, "a detailed plan of the auditing work to be performed, specifying the procedure to be followed in verification of each item in the financial statements and giving the estimated time required."

In the words of Howard Stateler, "The audit programme is an outline of all procedures to be followed in order to arrive at an opinion concerning a client's financial statement."

In the words of W. W. Big, "An audit programme is a detailed plan of the auditing work to be performed, specifying the procedure to be followed in verification of each item in the financial statements and giving the estimated time required."

An audit programme is a written plan prepared by the auditor to distribute work to be followed during the course of audit. It indicates three things —

- a. How much work is to be done?
- b. Who is responsible for work?
- c. What is the duration of time by which the work is to be completed?

OBJECTIVES

1. To divide the auditor's work between staff members.
2. To maintain the performance of audit work.
3. To complete the audit work under duration of time.
4. To fix the responsibility of staff members for the work done.
5. To inspect and check the limitations of audit work time to time.
6. To detect shortcomings and lapses in the distribution and performance of work.
7. To ensure that the work is performed in an orderly manner.
8. To prepare a truth and fair audit report.