



Kot Bhalwal, Jammu



Model Institute of Engineering
& Technology (Autonomous)
Dr. Arun K. Gupta Teaching-Learning Centre

School of Management

Details of Lesson Plan

S.No.	Particulars	Details
1.	Course Name	AuditingII
2.	Course Code	BCMMJ-502
3.	Academic Year	2024-25
4.	Semester	5
5.	Number of Lesson plans	48
6.	Faculty Assigned	Dr. Deeksha Singh

Deeksha Singh
Faculty Signature



Lesson Plan No. 1	Course Name: Auditing II Topic: Meaning of company auditor	Course No.: Auditing II-502
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Objectives	At the end of the lesson the student shall be able to: a. Understand the concept of auditing and its importance in the business world. b. Define the role of a company auditor. c. Explain the different types of audits. d. Discuss the auditing process and standards. e. Understand the auditor's responsibilities and limitations.
Teaching Aids (if any)	a. PPT
Teaching Development	<ol style="list-style-type: none">1. Introduction (5 minutes)<ul style="list-style-type: none">- Begin by asking students about their understanding of the term 'audit'.- Discuss real-world examples of audits (e.g., tax audits, financial audits).- Emphasize the importance of accurate financial information for businesses and stakeholders2. Development (30 minutes)<ol style="list-style-type: none">a. The Concept of Auditing:<ul style="list-style-type: none">- Define auditing as the systematic and independent examination of financial statements and records to assess their fairness and accuracy.- Explain the purpose of an audit: To verify the accuracy of financial information To detect fraud and errors To assess compliance with laws and regulations To provide assurance to stakeholders- Discuss the different types of audits: Financial audits Operational audits Compliance audits Forensic auditsb. The Role of a Company Auditor:<ul style="list-style-type: none">- Define the role of a company auditor as an independent professional who examines a company's financial records to ensure they are accurate and fairly presented.- Discuss the qualifications and responsibilities of an auditor: Professional accounting qualifications Independence and objectivity Due professional care Adherence to auditing standards- Explain the auditor's relationship with the company, management, and shareholders.c. The Auditing Process:<ul style="list-style-type: none">• Outline the general steps involved in an audit:• Planning and risk assessment



	<ul style="list-style-type: none">• Obtaining evidence• Evaluating evidence and forming an opinion• Issuing an audit report• Discuss the importance of audit evidence and its different forms (e.g., documents, records, interviews). <p>d. Auditor's Responsibilities and Limitations:</p> <ul style="list-style-type: none">- Explain the auditor's responsibility to express an opinion on the fairness of the financial statements.- Discuss the concept of reasonable assurance and the inherent limitations of an audit.- Emphasize the auditor's role in detecting material misstatements but not preventing fraud <p>3. Exercise (5 minutes) – Divide students into groups and ask them to role-play different stakeholders (e.g., investors, creditors, management) discussing the importance of an independent audit.</p> <p>Collect responses and discuss the answers.</p>
Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading https://www.investopedia.com/terms/a/auditor.asp3. Homework Research the major accounting firms and their role in the auditing profession. Spend 5 minutes to wrap up and consolidate the learnings
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.<ul style="list-style-type: none">- What is the role of auditor?- What is the process of auditing? <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 2	Course Name: Auditing II Topic: Meaning of company auditor	Course No.: Auditing II-502
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Objectives	At the end of the lesson the student shall be able to: a. Understand the concept of an independent auditor. b. Identify the key qualifications for appointment as an auditor. c. Explain the concept of auditor independence. d. Discuss the disqualifications for appointment as an auditor. e. Analyze the implications of auditor eligibility on financial reporting.
Teaching Aids (if any)	a. PPT
Teaching Development	<ol style="list-style-type: none">1. Introduction (5 minutes)<ul style="list-style-type: none">- Begin by asking students about the importance of independent verification in financial reporting.- Introduce the concept of an auditor as an independent expert who verifies the accuracy of financial statements.- Explain the need for specific qualifications to ensure auditor competence and independence.2. Development (30 minutes)<ol style="list-style-type: none">a. Qualifications for Appointment of an Auditor:<ul style="list-style-type: none">• Define the term 'auditor' and its legal status.• Discuss the basic qualifications required to be appointed as an auditor, such as:<ul style="list-style-type: none">○ Membership in a professional accounting body (e.g., CA, CPA, CMA)○ Good standing with the professional body○ Adequate experience in auditing○ Independence from the client• Explain the concept of continuing professional education (CPE) and its importance for auditors.b. Auditor Independence:<ul style="list-style-type: none">• Emphasize the significance of auditor independence for the credibility of financial statements.• Discuss the threats to auditor independence (e.g., self-interest, self-review, advocacy, familiarity, intimidation).• Explain the safeguards to protect auditor independence (e.g., corporate governance, ethical codes, quality control).• Discuss the role of audit committees in safeguarding auditor independence.c. Disqualifications for Appointment of an Auditor:<ul style="list-style-type: none">• Explain the concept of disqualifications as restrictions on who can be appointed as an auditor.• Discuss common disqualifications, such as:<ul style="list-style-type: none">○ Conviction of a criminal offense○ Bankruptcy○ Violation of professional ethics○ Conflict of interest• Analyze the impact of disqualifications on the auditing profession.d. Implications of Auditor Eligibility:<ul style="list-style-type: none">• Summarize the importance of auditor eligibility for the reliability of



	<p>financial reporting.</p> <ul style="list-style-type: none">• Discuss the role of regulatory bodies in enforcing auditor eligibility requirements.• Emphasize the consequences of appointing an ineligible auditor. <p>3. Exercise (5 minutes) – Case Study: Auditor Independence Breach Case Background: XYZ & Co., a leading audit firm, has been the auditor of ABC Ltd., a publicly listed company, for the past ten years. Recently, ABC Ltd. has been facing financial difficulties. To improve the company's financial position, the management of ABC Ltd. has offered a lucrative consulting contract to XYZ & Co. in the area of financial management.</p> <p>Questions for Discussion:</p> <ol style="list-style-type: none">1. Identify the potential threats to auditor independence in this case.2. Discuss the implications of accepting the consulting contract on the auditor-client relationship.3. What safeguards can be implemented to mitigate the threats to independence?4. How can the audit committee of ABC Ltd. address this issue?5. What are the potential consequences of an independence breach for XYZ & Co. and ABC Ltd.? <p>This case study provides an opportunity to discuss the concept of auditor independence, the threats to independence, and the measures to safeguard it.</p> <p>Collect responses and discuss the answers.</p>
Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading https://www.investopedia.com/terms/a/auditor.asp3. Homework:<ul style="list-style-type: none">- Research the auditor eligibility requirements in your country and compare them to international standards <p>Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.<ul style="list-style-type: none">- What is the concept of independent auditor?- What qualification is required? <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 3	Course Name: Auditing II Topic: Qualifications and disqualifications of an auditor	Course No.: Auditing II-502
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Objectives	At the end of the lesson the student shall be able to: a. Understand the concept of an independent auditor. b. Identify the key qualifications for appointment as an auditor. c. Explain the concept of auditor independence. d. Discuss the disqualifications for appointment as an auditor. e. Analyze the implications of auditor eligibility on financial reporting.
Teaching Aids (if any)	a. PPT
Teaching Development	<ol style="list-style-type: none">Introduction (5 minutes)<ul style="list-style-type: none">- Begin by asking students about the importance of independent verification in financial reporting.- Introduce the concept of an auditor as an independent expert who verifies the accuracy of financial statements.- Explain the need for specific qualifications to ensure auditor competence and independence.Development (30 minutes)<ol style="list-style-type: none">Qualifications of an Auditor:<ul style="list-style-type: none">- Define the term 'auditor' and its legal status.- Discuss the basic qualifications required to be appointed as an auditor, such as:<ul style="list-style-type: none">- Membership in a professional accounting body (e.g., CA, CPA, CMA)- Good standing with the professional body- Adequate experience in auditing- Independence from the client- Explain the concept of continuing professional education (CPE) and its importance for auditors.Auditor Independence :<ul style="list-style-type: none">- Briefly discuss the concept of auditor independence as a prerequisite for appointment.- Explain how independence is related to the qualifications and disqualifications of an auditor.Disqualifications for Appointment of an Auditor:<ul style="list-style-type: none">- Explain the concept of disqualifications as restrictions on who can be appointed as an auditor.- Discuss common disqualifications, such as:<ul style="list-style-type: none">- Conviction of a criminal offense- Bankruptcy- Violation of professional ethics- Conflict of interest- Analyze the impact of disqualifications on the auditing profession.Implications of Qualifications and Disqualification:<ul style="list-style-type: none">- Summarize the importance of both qualifications and disqualifications for the integrity of the auditing process.- Discuss the role of regulatory bodies in enforcing auditor



	<p>eligibility requirements.</p> <ul style="list-style-type: none">- Analyze the potential consequences of appointing an unqualified or disqualified auditor. <p>3. Exercise (5 minutes) – True or False:</p> <ul style="list-style-type: none">- Membership in a professional accounting body is a mandatory qualification for an auditor.- Conviction of a minor traffic violation can disqualify an individual from being an auditor.- Continuing Professional Education (CPE) is essential for maintaining auditor qualifications <p>Collect responses and discuss the answers.</p>
Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading<ul style="list-style-type: none">- https://www.investopedia.com/terms/a/auditor.asp-3. Homework:<ul style="list-style-type: none">- Research the auditor qualification and disqualification requirements in your country and compare them to international standards. <p>Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.<ul style="list-style-type: none">- What do you mean by independent auditor?- What is his qualification? <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 4	Course Name: Auditing II Topic: Compulsory re-appointment	Course No.: Auditing II-502
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Objectives	At the end of the lesson the student shall be able to: a. Understand the concept of compulsory re-appointment of auditors. b. Explain the rationale behind compulsory re-appointment. c. Discuss the advantages and disadvantages of compulsory re-appointment. d. Analyze the impact of compulsory re-appointment on auditor independence. e. Evaluate the effectiveness of compulsory re-appointment in enhancing audit quality.
Teaching Aids (if any)	a. PPT
Teaching Development	<ol style="list-style-type: none">1. Introduction (5 minutes)<ul style="list-style-type: none">- Begin by discussing the role of auditors in ensuring the reliability of financial statements.- Introduce the concept of auditor rotation and its purpose.- Explain the difference between auditor rotation and compulsory re-appointment.2. Development (30 minutes)<ol style="list-style-type: none">a. Concept of Compulsory Re-Appointment :<ul style="list-style-type: none">- Define compulsory re-appointment as a requirement for companies to change their auditors after a specified period.- Explain the rationale behind compulsory re-appointment, such as:<ul style="list-style-type: none">- Enhancing auditor independence- Reducing the risk of auditor capture- Improving audit quality- Discuss the typical duration of an auditor's term under compulsory re-appointment regulations.b. Advantages of Compulsory Re-Appointment:<ul style="list-style-type: none">- Discuss the potential benefits of compulsory re-appointment, such as:<ul style="list-style-type: none">- Increased auditor objectivity- Reduced risk of audit fatigue- Opportunity for fresh perspectives- Enhanced public confidence in the auditing professionc. Disadvantages of Compulsory Re-Appointment:<ul style="list-style-type: none">- Discuss the potential drawbacks of compulsory re-appointment, such as:<ul style="list-style-type: none">- Loss of institutional knowledge- Increased audit costs- Difficulty in finding qualified auditors- Potential disruption to the audit processd. Impact on Auditor Independence and Audit Quality:



	<ul style="list-style-type: none">- Analyze the relationship between compulsory re-appointment and auditor independence.- Discuss how compulsory re-appointment can affect audit quality, both positively and negatively.- Evaluate the effectiveness of compulsory re-appointment as a tool for improving audit quality. <p>3. Exercise (5 minutes) –</p> <ul style="list-style-type: none">- Divide students into groups and ask them to debate the pros and cons of compulsory re-appointment. <p>Collect responses and discuss the answers.</p>
Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading<ul style="list-style-type: none">- https://www.investopedia.com/terms/a/auditor.asp3. Homework:<ul style="list-style-type: none">- Research the compulsory re-appointment regulations in your country and compare them to international standards.- Analyze the impact of compulsory re-appointment on the auditing profession in a specific industry. <p>Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.<ul style="list-style-type: none">- What is the meaning of reappointment of auditor?- What is the process?- Why compulsory reappointment is done?2. Quiz on Auditing <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 5	Course Name: Auditing II Topic: Rights and Powers of company auditor	Course No.: Auditing II-502
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Objectives	At the end of the lesson the student shall be able to: a. Understand the concept of auditor independence and its relation to rights and powers. b. Identify the key rights granted to a company auditor. c. Explain the powers vested in a company auditor to conduct an effective audit. d. Discuss the limitations of auditor rights and powers. e. Analyze the impact of auditor rights and powers on financial reporting quality.
Teaching Aids (if any)	a. PPT b. White board
Teaching Development	1. Introduction (5 minutes) - Begin by discussing the role of auditors in ensuring the reliability of financial statements. - Introduce the concept of auditor independence and its importance. - Explain that auditors require specific rights and powers to effectively perform their duties. 2. Development (30 minutes) a. Rights of a Company Auditor : - Define the term 'rights' in the context of an auditor. Discuss the key rights granted to a company auditor, such as: - Right of access to books and records - Right to obtain information and explanations - Right to attend and speak at general meetings - Right to receive notices - Right to seek professional advice Explain the legal basis for these rights (e.g., Companies Act). b. Powers of a Company Auditor : - Define the term 'powers' in the context of an auditor. Discuss the key powers vested in a company auditor, such as: - Power to examine books and records - Power to require information and explanations - Power to attend and question directors and officers - Power to report to shareholders - Power to resign Explain how these powers enable auditors to conduct a thorough audit. c. Limitations of Auditor Rights and Powers: Discuss the limitations imposed on auditor rights and powers, such as: - Restrictions on access to certain information - Limitations on the scope of audit - Legal liabilities



	<ul style="list-style-type: none">- Client pressure Analyze the impact of these limitations on audit quality. <p>d. Impact on Financial Reporting Quality :</p> <ul style="list-style-type: none">- Summarize the importance of auditor rights and powers in enhancing financial reporting quality.- Discuss how the exercise of these rights and powers can contribute to fraud prevention and detection.- Emphasize the role of regulatory bodies in protecting auditor rights and ensuring their effective use. <p>3. Exercise (5 minutes) – True or False:</p> <ul style="list-style-type: none">- An auditor has the unrestricted right to access all company records.- Auditors can compel directors to provide information.- Auditors are required to attend all general meetings of a company. <p>Collect responses and discuss the answers.</p>
Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading3. https://www.google.co.in/books/edition/AUDITING/-DK-CAAQBAJ?hl=en4. Homework: Case Study: Auditor's Access Denied Case Background: XYZ Ltd., a publicly listed company, appoints ABC & Co. as its statutory auditor. During the course of the audit, the auditor requests access to certain financial records related to a recently acquired subsidiary. The management of XYZ Ltd. denies the auditor access to these records, citing confidentiality concerns. Questions for Discussion:<ul style="list-style-type: none">- What are the rights of the auditor in this situation?- How can the auditor assert their rights to access the required information?- What are the potential consequences for the company if the auditor is unable to access the necessary information?- How does this case highlight the importance of auditor independence and objectivity?- What steps can the audit committee take to support the auditor's rights in this situation?- This case study explores the challenges auditors may face in exercising their rights and the potential implications for the audit process. Spend 5 minutes to wrap up and consolidate the learnings
Evaluation	<ol style="list-style-type: none">1. Reflective Questions<ul style="list-style-type: none">- What are the rights of an auditor?- How the exercise of these rights and powers can contribute to fraud prevention and detection?



	2. Quiz on Auditing Spend 5 minutes to evaluate student assimilation of the lesson contents
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Lesson Plan No. 6	Course Name: Auditing II Topic: Removal and resignation of an auditor.	Course No.: Auditing II-502
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Objectives	At the end of the lesson the student shall be able to: a. Understand the process of removing an auditor before the end of their term. b. Explain the circumstances under which an auditor might resign. c. Discuss the procedures and formalities involved in removal and resignation. d. Analyze the impact of removal and resignation on the company and its stakeholders.
Teaching Aids (if any)	a. PPT
Teaching Development	<ol style="list-style-type: none">1. Introduction (5 minutes)<ul style="list-style-type: none">- Begin by discussing the role of auditors in ensuring the reliability of financial statements.- Introduce the concept of auditor tenure and the need for mechanisms to change auditors.- Explain the difference between removal and resignation of an auditor.2. Development (30 minutes)<ol style="list-style-type: none">a. Removal of an Auditor:<ul style="list-style-type: none">- Discuss the provisions of the Companies Act, 2013 regarding the removal of an auditor before the end of their term.- Explain the requirement for a special resolution and prior approval from the Central Government.- Discuss the concept of giving the auditor a reasonable opportunity to be heard.- Analyze the implications of removing an auditor on the company's operations and financial reporting.b. Resignation of an Auditor: Explain the circumstances under which an auditor might resign, such as:<ul style="list-style-type: none">- Professional differences with management- Loss of independence- Other justifiable reasons- Discuss the procedures for an auditor to resign, including notice period and reporting requirements.- Analyze the impact of an auditor's resignation on the company and its stakeholders.c. Consequences of Removal and Resignation:<ul style="list-style-type: none">- Discuss the potential consequences of removing or resigning an auditor, such as:<ul style="list-style-type: none">- Impact on financial reporting- Investor confidence- Regulatory scrutiny



	<ul style="list-style-type: none">- Appointment of a new auditor- Analyze the role of the audit committee in managing the process of removal or resignation. <p>3. Exercise (5 minutes) – Multiple Choice:</p> <ol style="list-style-type: none">1. The process of removing an auditor requires:<ul style="list-style-type: none">• A simple majority vote• A special resolution• Consent from the auditor2. An auditor might resign due to:<ul style="list-style-type: none">• Lack of cooperation from management• Personal reasons• Both a and b <p>Collect responses and discuss the answers.</p>
Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading<ul style="list-style-type: none">- https://taxguru.in/company-law/removal-change-auditor-company.html3. Homework:<ul style="list-style-type: none">- Research a recent case of an auditor being removed or resigning and discuss the reasons and consequences.- Compare the procedures for removal and resignation of auditors under different jurisdictions <p>Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.<ul style="list-style-type: none">- Why auditors are removed?- How they are removed?- What is the procedure of removal of auditor?2. Quiz on Auditing <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 7	Course Name: Auditing II	Course No.: Auditing II-502
	Topic: Removal and resignation of an auditor.	

Objectives	At the end of the lesson the student shall be able to: a. Understand the process of removing an auditor before the end of their term. b. Explain the circumstances under which an auditor might resign. c. Discuss the procedures and formalities involved in removal and resignation. d. Analyze the impact of removal and resignation on the company and its stakeholders.
Teaching Aids (if any)	a. PPT b. White board
Teaching Development	<ol style="list-style-type: none">1. Introduction (5 minutes)<ul style="list-style-type: none">- Begin by discussing the role of auditors in ensuring the reliability of financial statements.- Introduce the concept of auditor tenure and the need for mechanisms to change auditors.- Explain the difference between removal and resignation of an auditor.2. Development (30 minutes)<ol style="list-style-type: none">a. Removal of an Auditor:<ul style="list-style-type: none">- Discuss the provisions of the Companies Act, 2013 regarding the removal of an auditor before the end of their term.- Explain the requirement for a special resolution and prior approval from the Central Government.- Discuss the concept of giving the auditor a reasonable opportunity to be heard.- Analyze the implications of removing an auditor on the company's operations and financial reporting.b. Resignation of an Auditor:<p>Explain the circumstances under which an auditor might resign, such as:</p><ul style="list-style-type: none">- Professional differences with management- Loss of independence- Other justifiable reasons<p>Discuss the procedures for an auditor to resign, including notice period and reporting requirements.</p>- Analyze the impact of an auditor's resignation on the company and its stakeholders.c. Consequences of Removal and Resignation:<ul style="list-style-type: none">- Discuss the potential consequences of removing or resigning an auditor, such as:<ul style="list-style-type: none">- Impact on financial reporting- Investor confidence- Regulatory scrutiny



	<ul style="list-style-type: none">- Appointment of a new auditor- Analyze the role of the audit committee in managing the process of removal or resignation. <p>3. Exercise (5 minutes) – Multiple Choice:</p> <ol style="list-style-type: none">1. The process of removing an auditor requires:<ul style="list-style-type: none">• A simple majority vote• A special resolution• Consent from the auditor2. An auditor might resign due to:<ul style="list-style-type: none">• Lack of cooperation from management• Personal reasons• Both a and b <p>Collect responses and discuss the answers.</p>
Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading<ul style="list-style-type: none">- https://taxguru.in/company-law/removal-change-auditor-company.html-3. Homework:<ul style="list-style-type: none">- Research a recent case of an auditor being removed or resigning and discuss the reasons and consequences.- Compare the procedures for removal and resignation of auditors under different jurisdictions <p>Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.<ul style="list-style-type: none">- What is the process of removal of an auditor?- Why auditor is removed compulsory?2. Quiz on Auditing <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 8	Course Name: Auditing II Topic: , Liabilities of an auditor under companies act 2013	Course No.: Auditing II-502
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Objectives	At the end of the lesson the student shall be able to: a. Explain the various liabilities of auditors as outlined in the Companies Act 2013. b. Identify and describe the different categories of auditor liabilities, including criminal, civil, and professional liabilities. c. Analyze the implications of auditor liabilities on their professional conduct and decision-making.
Teaching Aids (if any)	a. PPT b. White board
Teaching Development	<ol style="list-style-type: none">1. Introduction (5 minutes)<ul style="list-style-type: none">- What do you think are the key responsibilities of an auditor in a company?- How can an auditor's liability impact their professional reputation and career?- Can you think of a situation where an auditor might face legal consequences due to their work?2. Development (30 minutes)<ol style="list-style-type: none">a. Meaning of Auditor Liabilities:<ul style="list-style-type: none">- Definition: Auditor liabilities refer to the legal responsibilities auditors have concerning their audit work and the accuracy of financial statements they review.b. Types of Liabilities:<ul style="list-style-type: none">- Criminal Liability: Involves penalties for actions such as fraud or misrepresentation in audit reports (e.g., Section 447).- Civil Liability: Arises when auditors fail to perform their duties, leading to financial losses for clients or stakeholders (e.g., misleading statements in prospectus).- Professional Liability: Refers to the obligation to adhere to professional standards and ethics; failure can lead to disciplinary action from professional bodies.c. Analyzing Consequences:<ul style="list-style-type: none">- Discuss real-world examples where auditors faced legal action due to negligence or misconduct.- Highlight the importance of maintaining ethical standards and thoroughness in audits.3. Exercise (5 minutes)<ul style="list-style-type: none">- Students will work individually on a worksheet that presents hypothetical scenarios involving auditor actions. They will identify potential liabilities based on the Companies Act 2013 and discuss possible outcomes.<ul style="list-style-type: none">- Discuss the potential consequences of removing or resigning an auditor, such as:<ul style="list-style-type: none">- Impact on financial reporting



Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading<ul style="list-style-type: none">- https://www.caclubindia.com/articles/liabilities-of-auditor-under-companies-act-2013-47734.asp-3. Homework:<ul style="list-style-type: none">- Students will work individually on a worksheet that presents hypothetical scenarios involving auditor actions. They will identify potential liabilities based on the Companies Act 2013 and discuss possible outcomes. <p>Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<ol style="list-style-type: none">1. Reflective Questions<ul style="list-style-type: none">- What are the liabilities of an auditor?- What are the different types of an auditor?2. Quiz on Auditing <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 9	Course Name: Auditing II Topic: Audit Report-Meaning and Need	Course No.: Auditing II-502
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Objectives	At the end of the lesson the student shall be able to: a. explain what an audit report is and its purpose in the context of financial reporting. b. identify and describe the key components of an audit report, including the auditor's opinion, scope, and responsibilities. c. differentiate between various types of audit opinions, such as unqualified, qualified, adverse, and disclaimer.
Teaching Aids (if any)	a. PPT
Teaching Development	<ol style="list-style-type: none">1. Introduction (5 minutes)<ul style="list-style-type: none">- What do you think is the primary purpose of an audit report?- How can an auditor's opinion influence stakeholders' decisions?- Can you think of a situation where a company might receive a qualified or adverse audit opinion?- Introduce the topic-audit report- Emphasize the importance of audit report for businesses and stakeholders2. Development (30 minutes)<ol style="list-style-type: none">a. Meaning of Audit Report:<ul style="list-style-type: none">- Definition: An audit report is a formal document prepared by an auditor that provides an opinion on the accuracy and fairness of a company's financial statements. It serves as assurance to stakeholders regarding the reliability of financial reporting.b. Components of an Audit Report:<ul style="list-style-type: none">- Title: Indicates that it is an independent auditor's report.- Addressee: Typically addressed to shareholders or the board of directors.- Auditor's Responsibility: Outlines the auditor's role in conducting the audit.- Scope: Describes what was audited and the standards followed.- Opinion: The auditor's conclusion regarding the financial statements.- Basis for Opinion: Explanation of how the auditor arrived at their opinion.d. Signature and Date: The auditor's signature along with the date of the report.e. Types of Audit Opinions:<ul style="list-style-type: none">- Unqualified Opinion (Clean Report): Indicates that the financial statements are free from material misstatement and comply with GAAP.- Qualified Opinion: Issued when there are specific issues but not pervasive enough to invalidate the financial statements.- Adverse Opinion: Indicates that the financial statements do not present a true and fair view due to significant misstatements.- Disclaimer of Opinion: Issued when the auditor cannot express an opinion due to lack of sufficient evidence.f. Exercise (5 minutes)



	<ul style="list-style-type: none">- Students will work individually on a worksheet that provides excerpts from various audit reports. They will identify the type of opinion expressed in each report and discuss why it was issued.
Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading<ul style="list-style-type: none">- https://www.iedunote.com/audit-report3. Homework<ul style="list-style-type: none">- Students will work individually on a worksheet that provides excerpts from various audit reports. They will identify the type of opinion expressed in each report and discuss why it was issued. <p>. Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.<ul style="list-style-type: none">- Why audit reports are prepared?- What are the different types of audit report?- Who prepare this report?2. Quiz on Accounting <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 10	Course Name: Auditing II Topic: Importance of Audit Report	Course No.: Auditing II-502
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Objectives	At the end of the lesson the student shall be able to: <ul style="list-style-type: none">a. explain why audit reports are essential for stakeholders in assessing a company's financial health.b. identify and describe the key benefits of audit reports, including enhancing transparency, building stakeholder confidence, and detecting errors or fraud.c. analyze how audit reports influence decision-making for various stakeholders, such as investors, creditors, and regulators.
Teaching Aids (if any)	a. PPT
Teaching Development	<ol style="list-style-type: none">1. Introduction (5 minutes)<ul style="list-style-type: none">- Why do you think an independent audit report is crucial for a company's financial statements?- How can an audit report enhance trust between a company and its stakeholders?- Can you think of a situation where a lack of a proper audit report could lead to financial mismanagement or loss?- Emphasize the importance of accurate financial information for businesses and stakeholders2. Development (30 minutes)<ol style="list-style-type: none">a. Importance:<ul style="list-style-type: none">- An audit report is a formal opinion issued by an auditor regarding the accuracy and fairness of a company's financial statements. Its importance lies in providing assurance to stakeholders about the reliability of financial information.b. Key Benefits of Audit Reports:<ul style="list-style-type: none">- Enhancing Transparency: Audit reports ensure that financial statements are presented fairly and comply with accounting standards, fostering transparency in financial reporting.- Building Stakeholder Confidence: Investors, creditors, and regulators rely on audit reports to make informed decisions, which enhances confidence in the company's operations.- Errors and Fraud: Auditors are trained to identify discrepancies, errors, or fraudulent activities in financial statements, helping to mitigate risks associated with financial misstatements.c. Analyzing the Impact:<ul style="list-style-type: none">- Discuss real-world examples where audit reports have played a crucial role in influencing investor decisions or regulatory actions.- Highlight how companies with clean audit reports tend to attract more investment and maintain better relationships with creditors. To assess compliance with laws and regulations3. Exercise<ul style="list-style-type: none">- Students will work individually on a worksheet that provides hypothetical scenarios involving companies with different types of audit opinions (unqualified, qualified, adverse). They will identify potential impacts on stakeholder decisions based



	<p>on these opinions. Collect responses and discuss the answers.</p>
Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading<ul style="list-style-type: none">- https://www.wallstreetmojo.com/audit-report/3. Homework Research the major accounting firms and their role in the auditing profession. Spend 5 minutes to wrap up and consolidate the learnings
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.<ul style="list-style-type: none">- Why Audit report is important?- How it is beneficial to different stake holders <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 11	Course Name: Management Accounting Topic: Reporting Responsibilities of auditor	Course No.: Auditing II-502
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Objectives	At the end of the lesson the student shall be able to: a. explain the reporting responsibilities of auditors under the Companies Act 2013. b. identify and describe the key components of an auditor's report, including the auditor's opinion, scope, and responsibilities. c. analyze Implications: Students will analyze the implications of auditor reports for stakeholders, including management, investors, and regulators
Teaching Aids (if any)	a. PPT
Teaching Development	<ol style="list-style-type: none">1. Introduction (5 minutes)<ul style="list-style-type: none">- What do you think is the primary purpose of an auditor's report?- How can an auditor's opinion influence stakeholders' decisions regarding a company?- Can you think of a situation where an auditor's report significantly impacted a company's operations or reputation?- Emphasize on the responsibilities of an auditor2. Development (30 minutes)<ol style="list-style-type: none">a. Meaning of Reporting Responsibilities:<ul style="list-style-type: none">- Definition: The reporting responsibilities of auditors involve providing an independent assessment of a company's financial statements and ensuring compliance with applicable accounting standards and regulations.b. Key Components of an Auditor's Report:<ul style="list-style-type: none">- Title: Indicates that it is an independent auditor's report.- Addressee: Typically addressed to shareholders or the board of directors.- Auditor's Responsibility: Outlines the auditor's role in conducting the audit.- Scope: Describes what was audited and the standards followed.- Opinion: The auditor's conclusion regarding the financial statements.- Basis for Opinion: Explanation of how the auditor arrived at their opinion.d. Implications for Stakeholders:<ul style="list-style-type: none">- Discuss how different types of opinions (unqualified, qualified, adverse) affect management decisions, investor confidence, and regulatory actions.e. Exercise (5 minutes)f. Students will work individually on a worksheet that provides excerpts from various auditor reports. They will identify the type of opinion expressed in each report and discuss why it was issued.



Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading<ul style="list-style-type: none">- https://linfordco.com/blog/understanding-auditor-responsibilities/-3. Homework <p>Students will write a short report (250 words) discussing how understanding reporting responsibilities can influence an auditor's effectiveness in their role. They should include examples from real cases where auditor reports had significant consequences</p>
Evaluation	<ol style="list-style-type: none">1. Reflective Questions<ul style="list-style-type: none">- What are the main components included in an auditor's report?- Who are the primary users of an auditor's report within a company?- Why is it important for auditors to clearly communicate their findings in their reports2. Quiz on Accounting <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 12	Course Name: Auditing II Topic: Requisites of good audit report	Course No.: Auditing II-502
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Objectives	At the end of the lesson the student shall be able to: a. explain the key requisites of a good audit report, including clarity, accuracy, and completeness. b. identify and describe the essential components that should be included in an effective audit report. c. analyze how the requisites of a good audit report impact stakeholders' decisions and trust in financial reporting.
Teaching Aids (if any)	a. PPT b. White board
Teaching Development	<ol style="list-style-type: none">1. Introduction (5 minutes)<ul style="list-style-type: none">- What do you think makes an audit report effective and reliable?- How can the clarity of an audit report influence stakeholder decisions?- Can you think of a situation where a poorly written audit report led to misunderstandings or issues for a company?- Begin by asking students about their understanding of the term 'audit report'.- Discuss real-world examples of audits (e.g., tax audits, financial audits).2. Development (30 minutes)<ol style="list-style-type: none">a. Meaning of Good Audit Report Requisites:<ul style="list-style-type: none">- A good audit report is one that effectively communicates the auditor's findings, opinions, and recommendations in a clear, concise, and unbiased manner.b. Key Components of a Good Audit Report:<ul style="list-style-type: none">- Title: Clearly states that it is an independent auditor's report.- Addressee: Specifies who the report is intended for (e.g., shareholders, board of directors).- Introductory Paragraph: Identifies the financial statements audited and management's responsibility.- Scope Paragraph: Describes the nature and extent of the audit performed.- Opinion Paragraph: Clearly states the auditor's opinion on whether the financial statements present a true and fair view.- Basis for Opinion: Explains the rationale behind the auditor's opinion, including any significant findings or limitations.- Signature and Date: Includes the auditor's signature and the date when sufficient evidence was obtained.c. Importance of Good Audit Report Requisites:<ul style="list-style-type: none">- Discuss how clear communication in an audit report builds trust among stakeholders, enhances transparency, and aids in decision-making processes.d. Exercise (5 minutes)<ul style="list-style-type: none">- Students will work individually on a worksheet that provides excerpts from various audit reports. They will identify which requisites are met or lacking in each example and discuss



	<p>potential impacts on stakeholders. Collect responses and discuss the answers.</p>
Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading<ul style="list-style-type: none">- https://cleartax.in/s/audit-report3. Homework Students will write a short report (250 words) discussing how adherence to the requisites of a good audit report can enhance corporate governance. They should include examples from real cases where effective reporting made a difference.
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?).<ul style="list-style-type: none">- What are the main components that should be included in an effective audit report?- Who are the primary users of an audit report, and why is it important for them to understand its content?- Why is it critical for auditors to maintain objectivity and clarity in their reports? Allow students to answer and discuss. <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 13	Course Name: Auditing II Topic: Auditor's report vs Auditor's certificate	Course No.: Auditing II-502
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Objectives	At the end of the lesson the student shall be able to: <ol style="list-style-type: none"> explain the key differences between an auditor's report and an auditor's certificate. identify and describe the essential features of both an auditor's report and an auditor's certificate. analyze the implications of these documents for stakeholders, including management, investors, and regulators.
Teaching Aids (if any)	<ol style="list-style-type: none"> PPT
Teaching Development	<ol style="list-style-type: none"> Introduction (5 minutes) <ul style="list-style-type: none"> What do you think is the primary purpose of an auditor's report? How does an auditor's certificate differ in purpose from an auditor's report? Can you think of a scenario where a stakeholder would need to rely on either an auditor's report or a certificate? Begin by asking students about their understanding of the term 'audit report' and 'audit certificate' Development (30 minutes) <ol style="list-style-type: none"> Meaning of Auditor's Report: <ul style="list-style-type: none"> Definition: An auditor's report is a formal document that provides the auditor's opinion on the accuracy and fairness of a company's financial statements after conducting an audit. Purpose: It assures stakeholders about the reliability of financial reporting. Meaning of Auditor's Certificate: <ul style="list-style-type: none"> Definition: An auditor's certificate is a written confirmation that certifies specific financial information or compliance with certain standards without providing an opinion. Purpose: It serves to confirm the accuracy of particular facts or compliance with regulations. Key Differences Between Auditor's Report and Certificate: <ul style="list-style-type: none"> Nature of Content: Auditor's Report: Contains opinions based on audit findings. Auditor's Certificate: Confirms specific facts without expressing opinions. Responsibility: Auditor's Report: The auditor is not held responsible for inaccuracies in financial statements. Auditor's Certificate: The auditor is liable if the information certified is found to be untrue. Usage: Auditor's Report: Used primarily for overall assessment of financial statements. Auditor's Certificate: Used for specific confirmations required by stakeholders.



	<p>d. Implications for Stakeholders:</p> <ul style="list-style-type: none">- Discuss how each document impacts decision-making for management, investors, and regulatory bodies. <p>e. Exercise (5 minutes)</p> <ul style="list-style-type: none">- Students will work individually on a worksheet that provides excerpts from various auditor reports and certificates. They will identify which document type is presented and discuss its implications for stakeholders.
Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading<ul style="list-style-type: none">- https://keydifferences.com/difference-between-audit-report-and-audit-certificate.html3. Homework Students will write a short report (250 words) discussing how understanding the differences between an auditor's report and a certificate can enhance stakeholder trust in financial reporting. They should include examples from real cases where these documents played a significant role.
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?).<ul style="list-style-type: none">- What are the main components included in an auditor's report?- Who are the primary users of an auditor's certificate, and why is it important for them?- Why is it critical for auditors to clearly differentiate between their reports and certificates in their communications?Allow students to answer and discuss. <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 14	Course Name: Auditing II Topic: Particulars to be furnished in the audit report	Course No.: Auditing II-502
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Objectives	At the end of the lesson the student shall be able to: a. identify and describe the key particulars that must be included in an audit report as per auditing standards. b. understand the significance of each component in enhancing the credibility and reliability of the audit report. c. analyze real-world audit reports to evaluate how effectively they communicate the required particulars.
Teaching Aids (if any)	a. PPT
Teaching Development	<ol style="list-style-type: none">1. Introduction (5 minutes)<ul style="list-style-type: none">- What do you think are the essential elements that should be included in an audit report?- How do these particulars contribute to the overall quality and reliability of an audit report?- Can you think of a situation where missing information in an audit report could lead to misunderstandings or issues for stakeholders?2. Development (30 minutes)<ol style="list-style-type: none">a. Particulars to be Furnished in an Audit Report:<ul style="list-style-type: none">- Report Title: Clearly states that it is an independent auditor's report.- Addressee: Specifies who the report is intended for (e.g., shareholders, board of directors).- Introductory Paragraph: Identifies the financial statements audited and management's responsibility.- Scope Paragraph: Describes what was audited, including the standards followed and methodologies used.- Opinion Paragraph: Clearly states the auditor's opinion on whether the financial statements present a true and fair view.- Basis for Opinion: Explains how the auditor arrived at their opinion, including significant findings or limitations.- Auditor's Name and Signature: Includes the auditor's name and signature, confirming accountability for the report.b. Importance of Each Component:<ul style="list-style-type: none">- Discuss how each component enhances transparency, accountability, and trust among stakeholders.c. Real-World Analysis:<ul style="list-style-type: none">- Review actual audit reports to evaluate how effectively they communicate required particulars.d. Exercise (5 minutes)



	<ul style="list-style-type: none"> - Students will work individually on a worksheet that provides excerpts from various audit reports. They will identify which particulars are present or missing in each example and discuss potential impacts on stakeholders. <p>e. imitations:</p> <ul style="list-style-type: none"> - Explain the auditor's responsibility to express an opinion on the fairness of the financial statements. - Discuss the concept of reasonable assurance and the inherent limitations of an audit. - Emphasize the auditor's role in detecting material misstatements but not preventing fraud <p>3. Exercise (5 minutes) – Divide students into groups and ask them to role-play different stakeholders (e.g., investors, creditors, management) discussing the importance of an independent audit.</p> <p>Collect responses and discuss the answers.</p>
Closure	<ol style="list-style-type: none"> 1. Summarize the Lesson Learning Outcomes and get affirmation from students on these. 2. Suggested Reading <ul style="list-style-type: none"> – Taxmann’s Auditing by Jha, Arun and Bhatia, Anuj 3. Homework <ul style="list-style-type: none"> - Students will write a short report (250 words) discussing how adherence to required particulars can enhance stakeholder trust in financial reporting. They should include examples from real cases where effective reporting made a difference. <p>Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<ol style="list-style-type: none"> 1. Reflective Questions (What, Why, Who?). <ul style="list-style-type: none"> - Who are the primary users of an audit report, and why is it important for them to understand its content? - What are the key particulars that must be included in an audit report? - Why is it critical for auditors to clearly communicate their findings in their reports? <p>Allow students to answer and discuss.</p> 2. Quiz on Auditing <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 15	Course Name: Auditing II	Course No.: true and fair view II-502
	Topic: True and Fair view of audit report	

Objectives	At the end of the lesson the student shall be able to: a. Understand the concept of true and fair view and its importance in the business world. b. Discuss the true and fair view process and standards. c. Understand the auditor's responsibilities and limitations.
Teaching Aids (if any)	a. PPT b. White board
Teaching Development	<ol style="list-style-type: none">1. Introduction (5 minutes)<ul style="list-style-type: none">- Begin by asking students about their understanding of the term 'true and fair view of audit'.- Discuss real-world examples of audits (e.g., tax audits, financial audits).- Emphasize the importance of true and fair view of financial information for businesses and stakeholders2. Development (30 minutes)<ol style="list-style-type: none">a. The Concept of Auditing:<ul style="list-style-type: none">- Define true and fair view as the systematic and independent examination of financial statements and records to assess their fairness and accuracy.- Explain the purpose of an audit:<ul style="list-style-type: none">To verify the accuracy of financial informationTo detect fraud and errorsTo assess compliance with laws and regulationsTo provide assurance to stakeholders- Discuss the different types of audits:<ul style="list-style-type: none">Financial auditsOperational auditsCompliance auditsForensic auditsb. The Role of a Company Auditor:<ul style="list-style-type: none">- Define the role of a company auditor as an independent professional who examines a company's financial records to ensure they are accurate and fairly presented.- Discuss the qualifications and responsibilities of an auditor:<ul style="list-style-type: none">Professional accounting qualificationsIndependence and objectivityDue professional careAdherence to true and fair view standards- Explain the auditor's relationship with the company, management, and shareholders.c. The true and fair view Process:<ul style="list-style-type: none">• Outline the general steps involved in an audit:• Planning and risk assessment



	<ul style="list-style-type: none">• Obtaining evidence• Evaluating evidence and forming an opinion• Issuing an audit report• Discuss the importance of audit evidence and its different forms (e.g., documents, records, interviews). <p>d. Auditor's Responsibilities and Limitations:</p> <ul style="list-style-type: none">- Explain the auditor's responsibility to express an opinion on the fairness of the financial statements.- Discuss the concept of reasonable assurance and the inherent limitations of an audit.- Emphasize the auditor's role in detecting material misstatements but not preventing fraud <p>3. Exercise (5 minutes) – Divide students into groups and ask them to role-play different stakeholders (e.g., investors, creditors, management) discussing the importance of an independent audit.</p> <p>Collect responses and discuss the answers.</p>
Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading<ul style="list-style-type: none">- https://www.google.co.in/books/edition/AUDITING/-DK-CAAQBAJ?hl=en3. Homework Research the major accounting firms and their role in the true and fair view profession. Spend 5 minutes to wrap up and consolidate the learnings
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.2. Quiz on Accounting <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 16	Course Name: Auditing II Topic: Contents of Audit Report	Course No.: Auditing II-502
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Objectives	At the end of the lesson the student shall be able to: a. Understand the content of audit report and its importance in the business world. b. Discuss the content of audit report
Teaching Aids (if any)	a. PPT b. White board
Teaching Development	<ol style="list-style-type: none">Introduction (5 minutes)<ul style="list-style-type: none">Begin by asking students about their understanding of the term 'content of audit report'.Discuss real-world examples of auditsEmphasize the importance of accurate content of audit reportDevelopment (30 minutes)<ol style="list-style-type: none">Components of an Audit Report:<ul style="list-style-type: none">Title: Indicates it is an independent auditor's report.Addressee: Specifies to whom the report is directed (e.g., board of directors).Introduction Paragraph: Summarizes the purpose and scope of the audit.Scope Paragraph: Describes the methodologies used during the audit.Findings and Recommendations: Details significant issues identified and suggested corrective actions.Opinion Paragraph: States whether financial statements are presented fairly in all material respects.Signature and Date: Validates the report with auditor's signature and date of completion.Best Practices for Writing Audit Reports:<ul style="list-style-type: none">Use clear language and avoid jargon to enhance understanding.Include both positive findings and areas needing improvement to provide a balanced view.Document evidence supporting each finding to ensure transparency.Exercise (5 minutes) –<ul style="list-style-type: none">Divide students into small groups and provide them with a sample audit report. Ask each group to identify at least three key components and discuss their significance in understanding the overall findings. Collect responses and discuss the answers.
Closure	<ol style="list-style-type: none">Summarize the Lesson Learning Outcomes and get affirmation from students on these.Suggested Reading<ul style="list-style-type: none">https://cleartax.in/s/audit-reportHomework<ul style="list-style-type: none">Write a one-page summary of an actual audit report available online, focusing on its key components and findings.Prepare a list of questions you would ask the auditor based on



	your reading of the report. -
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.<ul style="list-style-type: none">- What are the main components that must be included in every audit report?- How do different types of opinions (unqualified, qualified, adverse) affect stakeholder perceptions?- Why is it important for auditors to include both positive findings and areas for improvement in their reports? <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 17	Course Name: Auditing II	Course No.: Auditing II-502
	Topic: Types of Audit Report	

Objectives	At the end of the lesson the student shall be able to: <ol style="list-style-type: none"> identify and describe the four main types of audit reports. understand the implications of each type of audit report on stakeholders and decision-making. able to evaluate different scenarios and determine the appropriate type of audit report based on given information.
Teaching Aids (if any)	<ol style="list-style-type: none"> PPT White board
Teaching Development	<ol style="list-style-type: none"> Introduction (5 minutes) <ul style="list-style-type: none"> Begin by explaining the significance of audit reports in the financial landscape. Highlight that these reports provide stakeholders with insights into the accuracy and reliability of a company's financial statements Introduce the four main types of audit reports: unqualified, qualified, adverse, and disclaimer of opinion, emphasizing how each type conveys different levels of assurance. Begin by asking students about their understanding of the term 'audit'. Discuss real-world examples of audits (e.g., tax audits, financial audits). Emphasize the importance of accurate financial information for businesses and stakeholders Development (30 minutes) <ol style="list-style-type: none"> Types of Audit Reports: <ul style="list-style-type: none"> Unqualified Opinion (Clean Report): Indicates that financial statements are free from material misstatements and comply with GAAP. Qualified Opinion: Issued when there are specific issues that do not comply with GAAP but are not pervasive enough to invalidate the entire report. Adverse Opinion: Indicates significant misstatements or non-compliance with GAAP, suggesting that financial statements do not accurately represent the company's financial position. Disclaimer of Opinion: Used when auditors cannot obtain sufficient evidence to form an opinion, often due to lack of access to necessary information. Implications for Stakeholders: Discuss how each type affects stakeholders differently. For example, an unqualified opinion builds trust, while an adverse opinion may raise red flags for investors. Exercise (5 minutes) – Present students with brief descriptions of various financial scenarios. Ask them to work in pairs to determine which type of audit report would be appropriate for each scenario and justify their reasoning. Collect responses and discuss the answers.



Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading -https://accountinguide.com/4-types-of-audit-report/3. Homework<ul style="list-style-type: none">- Research a recent company that received an adverse or disclaimer audit report and summarize the reasons behind it in one page.- Create a chart comparing the four types of audit reports, including key characteristics and implications for stakeholders
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.<ul style="list-style-type: none">- What distinguishes an unqualified opinion from a qualified opinion?- How might an adverse opinion impact a company's ability to attract investors?- In what situations would an auditor issue a disclaimer of opinion?2. Quiz on Auditing <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 18	Course Name: Auditing II Topic: Signing of Audit Report	Course No.: Auditing II-502
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Objectives	At the end of the lesson the student shall be able to: a. Understand the significance of the auditor's signature on an audit report and its implications for accountability. b. Identify the essential elements that accompany the signing of an audit report, including date and location. c. Analyze the responsibilities of auditors as reflected in their signature
Teaching Aids (if any)	a. PPT b. White board
Teaching Development	<ol style="list-style-type: none">1. Introduction (5 minutes)<ul style="list-style-type: none">- Begin by discussing what an audit report is and its role in financial transparency.- Explain that the auditor's signature is a critical component, serving as a formal endorsement of the report's findings and conclusions.- Emphasize that this signature signifies accountability and integrity in the auditing process, ensuring that stakeholders can trust the information presented.2. Development (30 minutes)<ol style="list-style-type: none">a. Components of Signing an Audit Report:<ul style="list-style-type: none">- Signature of the Auditor: Represents personal accountability for the report's content and conclusions- Date of Signing: Indicates when the auditor completed their review and issued the report, which is crucial for understanding the timeliness of information- Location of Signing: Specifies where the audit was conducted, adding context to the report.b. Responsibilities Associated with Signing:<ul style="list-style-type: none">- Auditors must ensure that their findings are based on sufficient evidence and comply with applicable auditing standards.- The signature reflects that the auditor has adhered to ethical guidelines and professional standards throughout the audit process.c. Real-World Implications:<ul style="list-style-type: none">- Discuss how a signed audit report influences stakeholders' decisions, including investors, regulators, and management.d. Highlight cases where failure to sign or improper signing led to legal or reputational consequences for auditors.e. Exercise in Class (5 min)f. Activity: Provide students with a sample audit report (with personal information redacted). Ask them to identify where the auditor's signature appears, discuss its importance, and consider what might happen if it were missing.3. Exercise (5 minutes) – Provide students with a sample audit report (with personal information redacted). Ask them to identify where the auditor's signature appears, discuss its importance, and consider what might happen if it were missing.



	Collect responses and discuss the answers.
Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading<ul style="list-style-type: none">- https://learn.quicko.com/board-meeting-signing-of-the-audit-report-by-the-auditor3. Homework Research the major accounting firms and their role in the auditing profession. Spend 5 minutes to wrap up and consolidate the learnings
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.<ul style="list-style-type: none">- Write a one-page reflection on why an auditor's signature is critical for stakeholders relying on financial statements.- Research a recent case where an audit report was questioned due to issues with signing or accountability, summarizing the key points in one page.2. Quiz on Auditing <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 19	Course Name: Auditing II	Course No.: Management auditing II-502
	Topic: Management audit- Concept and Features	

Objectives	At the end of the lesson the student shall be able to: a. able to define what a management audit is and explain its purpose within an organization. b. identify the key components and objectives of a management audit, including its scope and methodology. c. evaluate the effectiveness of management audits in improving organizational performance and decision-making.
Teaching Aids (if any)	a. PPT
Teaching Development	<ol style="list-style-type: none">1. Introduction (5 minutes)<ul style="list-style-type: none">- Begin by introducing the concept of a management audit as a comprehensive evaluation of an organization's management practices, policies, and procedures.- Explain that unlike financial audits, management audits focus on assessing the efficiency and effectiveness of management in achieving corporate objectives.- Highlight the importance of such audits in identifying strengths and weaknesses within the management structure, ultimately leading to improved performance.2. Development (30 minutes)<ol style="list-style-type: none">a. What is a Management Audit?<ul style="list-style-type: none">- Definition: A systematic analysis of an organization's management practices aimed at enhancing overall effectiveness and efficiency.b. Purpose: To evaluate how well management is executing its responsibilities in alignment with organizational goals.c. Key Components of a Management Audit:d. Scope: Covers various aspects including strategic planning, resource allocation, decision-making processes, and compliance with regulations.e. Methodology: Involves data collection through surveys, interviews, document reviews, and performance metrics.f. Objectives of Management Audit:<ul style="list-style-type: none">- Evaluate the effectiveness of management practices.- Identify strengths and weaknesses in organizational processes.- Assess resource utilization for optimal efficiency.- Recommend improvements to enhance overall performance.g. Benefits of Conducting a Management Audit:<ul style="list-style-type: none">- Promotes accountability and transparency within the organization.- Facilitates better decision-making by providing actionable insights.- Helps align management practices with strategic objectives.3. Exercise in Class (5 min)<ul style="list-style-type: none">- Divide students into small groups and provide them with a case study outlining an organization facing operational challenges. Ask each group to discuss how a



	management audit could help identify issues and suggest improvements.
Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading<ul style="list-style-type: none">- https://www.investopedia.com/terms/m/management-audit.asp#:~:text=A%20management%20audit%20is%20an%20assessment%20of%20how,interests%20of%20shareholders%2C%20employees%2C%20and%20the%20company%27s%20reputation.3. Homework<ul style="list-style-type: none">- Students will work individually on a worksheet that provides excerpts from various management audit reports. They will identify the type of opinion expressed in each report and discuss why it was issued. <p>. Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.<ul style="list-style-type: none">- Why management audit reports are prepared?- What are the different types of management audit report?- Who prepare this report?2. Quiz on Auditing <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 20	Course Name: Auditing II Topic: Objectives and Need of Management audit	Course No.: Auditing II-502
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Objectives	At the end of the lesson the student shall be able to: a. define management audit and explain its significance in organizational effectiveness. b. identify the main objectives of conducting a management audit and understand how these objectives support organizational goals. c. assess the necessity of management audits in enhancing performance, risk management, and compliance
Teaching Aids (if any)	a. PPT
Teaching Development	<ol style="list-style-type: none">1. Introduction (5 minutes)<ul style="list-style-type: none">- introducing the concept of a management audit as a systematic evaluation of an organization's management practices, policies, and procedures.- Explain that unlike financial audits, management audits focus on assessing the effectiveness and efficiency of management in achieving organizational objectives.- Highlight that these audits provide insights that can lead to improved decision-making and operational performance2. Development (30 minutes)<ol style="list-style-type: none">a. What is a Management Audit?<ul style="list-style-type: none">- Definition: A comprehensive examination of an organization's managerial actions aimed at improving overall effectiveness.b. Purpose: To evaluate how well management is executing its responsibilities and identify areas for improvement.c. Objectives of Management Audit:<ul style="list-style-type: none">- Evaluate Management Effectiveness: Assess how effectively management practices align with organizational goals.- Identify Strengths and Weaknesses: Pinpoint areas where management excels or needs improvement.- Assess Resource Utilization: Evaluate how efficiently resources (financial, human, etc.) are being utilized.- Review Decision-Making Processes: Analyze the effectiveness and timeliness of decisions made by management.- Evaluate Risk Management Practices: Assess how well risks are identified and mitigated.d. Need for Management Audit:<ul style="list-style-type: none">- Enhance Operational Efficiency: Identify inefficiencies in processes and recommend improvements.- Support Strategic Decision-Making: Provide insights that aid in informed decision-making at all levels.- Ensure Compliance: Verify adherence to laws, regulations, and internal policies to prevent legal issues.- Promote Accountability: Foster a culture of accountability within the management team.



	<p>Exercise in Class (5 min)</p> <ul style="list-style-type: none">- Provide students with a brief case study of an organization facing operational challenges. Ask them to work in pairs to discuss how a management audit could address these challenges and what specific objectives it might focus on.
Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading<ul style="list-style-type: none">- https://www.investopedia.com/terms/m/management-audit.asp3. Homework<ul style="list-style-type: none">- Write a one-page report on a real-world example where a management audit led to significant improvements in an organization's performance.- Create a list of potential risks that could be identified during a - audit and suggest ways to mitigate them. <p>. Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.<ul style="list-style-type: none">- What are the primary objectives of conducting a management audit?- How does a management audit differ from a financial audit?- Why is it important for organizations to regularly conduct management audits? <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 21	Course Name: Auditing II Topic: Objectives and Need of Management audit	Course No.: Auditing II-502
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Objectives	At the end of the lesson the student shall be able to: a. explain its significance in organizational effectiveness. b. identify the main objectives of conducting a management audit and understand how these objectives support organizational goals. c. assess the necessity of management audits in enhancing performance, risk management, and compliance
Teaching Aids (if any)	a. PPT
Teaching Development	<ol style="list-style-type: none">1. Introduction (5 minutes)<ul style="list-style-type: none">- Introducing the concept of a management audit as a systematic evaluation of an organization's management practices, policies, and procedures.- Explain that unlike financial audits, management audits focus on assessing the effectiveness and efficiency of management in achieving organizational objectives.- Highlight that these audits provide insights that can lead to improved decision-making and operational performance2. Development (30 minutes)<ol style="list-style-type: none">a. What is a Management Audit?<ul style="list-style-type: none">- Definition: A comprehensive examination of an organization's managerial actions aimed at improving overall effectiveness.b. Purpose: To evaluate how well management is executing its responsibilities and identify areas for improvement.c. Objectives of Management Audit:<ul style="list-style-type: none">- Evaluate Management Effectiveness: Assess how effectively management practices align with organizational goals.- Identify Strengths and Weaknesses: Pinpoint areas where management excels or needs improvement.- Assess Resource Utilization: Evaluate how efficiently resources (financial, human, etc.) are being utilized.- Review Decision-Making Processes: Analyze the effectiveness and timeliness of decisions made by management.- Evaluate Risk Management Practices: Assess how well risks are identified and mitigated.d. Need for Management Audit:<ul style="list-style-type: none">- Enhance Operational Efficiency: Identify inefficiencies in processes and recommend improvements.- Support Strategic Decision-Making: Provide insights that aid in informed decision-making at all levels.- Ensure Compliance: Verify adherence to laws, regulations, and internal policies to prevent legal issues.- Promote Accountability: Foster a culture of accountability within the management team.



	<p>Exercise in Class (5 min)</p> <ul style="list-style-type: none">- Provide students with a brief case study of an organization facing operational challenges. Ask them to work in pairs to discuss how a management audit could address these challenges and what specific objectives it might focus on.
Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading<ul style="list-style-type: none">- https://www.investopedia.com/terms/m/management-audit.asp3. Homework<ul style="list-style-type: none">- Write a one-page report on a real-world example where a management audit led to significant improvements in an organization's performance.- Create a list of potential risks that could be identified during a - audit and suggest ways to mitigate them. <p>. Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.<ul style="list-style-type: none">- What are the primary objectives of conducting a management audit?- How does a management audit differ from a financial audit?- Why is it important for organizations to regularly conduct management audits? <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 22	Course Name: Auditing II	Course No.: Auditing II-502
	Topic: Caselet on Management Audit	

Objectives	At the end of the lesson the student shall be able to: a. able to define what a management audit is and articulate its purpose in organizational performance improvement. b. identify the primary objectives of conducting a management audit and understand how these objectives support overall business goals. c. assess the necessity of management audits in enhancing operational efficiency, risk management, and compliance within organizations.
Teaching Aids (if any)	a. PPT
Teaching Development	<ol style="list-style-type: none">1. Introduction (5 minutes)<ul style="list-style-type: none">- Caselet: Management Audit at Tech Innovators Inc.- Background- Tech Innovators Inc. is a mid-sized technology company specializing in software development and IT consulting services. Over the past few years, the company has experienced rapid growth, leading to increased complexity in its operations. However, recent internal reviews have indicated several inefficiencies and communication breakdowns among departments, resulting in project delays and customer dissatisfaction.2. Development (20 minutes)<ul style="list-style-type: none">- Scenario<ul style="list-style-type: none">- In early 2024, the management team at Tech Innovators decided to conduct a comprehensive management audit to assess their operational effectiveness and identify areas for improvement. They engaged an external consulting firm specializing in management audits to provide an objective evaluation of their practices.- Objectives of the Management Audit<ul style="list-style-type: none">- Evaluate Management Effectiveness: The audit aimed to assess how well the management team was executing its strategic goals and aligning departmental objectives with the overall mission of the company.- Identify Strengths and Weaknesses: The auditors were tasked with pinpointing areas where the management team excelled, as well as identifying weaknesses that hindered productivity and collaboration- Findings<ul style="list-style-type: none">- Upon completion of the audit, several key findings emerged:- Communication Gaps: There were significant communication breakdowns between the software development and sales teams, leading to misunderstandings about project timelines and deliverables.- Inefficient Resource Allocation: The audit revealed that some teams were overstaffed while others were understaffed, causing delays in project completion.



	<ul style="list-style-type: none"> - Lack of Performance Metrics: The management team had not established clear performance metrics to evaluate employee performance or project success, making it difficult to identify areas needing improvement. - Recommendations - Based on these findings, the auditors provided several recommendations: - Improve Interdepartmental Communication: Implement regular cross-departmental meetings to ensure alignment on project goals and timelines. - Optimize Resource Allocation: Conduct a thorough review of staffing needs across departments to ensure that resources are allocated effectively based on project requirements. - Establish Performance Metrics: Develop clear performance indicators for both individual employees and project outcomes to facilitate ongoing evaluation and improvement. - Conclusion - The management team at Tech Innovators Inc. took the audit findings seriously and began implementing the recommendations immediately. Within six months, they noticed improvements in project delivery times, enhanced collaboration between teams, and increased customer satisfaction. The management audit not only identified critical issues but also provided actionable insights that helped steer the company back on track for sustainable growth. - Discussion Questions - What specific objectives did Tech Innovators Inc. aim to achieve through the management audit? - How did the findings from the audit highlight the need for improved communication within the organization? - What steps can Tech Innovators take to ensure that they maintain the improvements achieved post-audit? - Related - What are the essential components of a caselet - How can I structure a caselet to keep students engaged - What are some common pitfalls to avoid when framing a caselet - How can I ensure the caselet is relevant to current business trends <p>What are some effective ways to present data in a caselet</p>
<p>Closure</p>	<ol style="list-style-type: none"> 1. Summarize the Lesson Learning Outcomes and get affirmation from students on these. 2. Discussion Questions <ul style="list-style-type: none"> - What specific objectives did Tech Innovators Inc. aim to achieve through the management audit? - How did the findings from the audit highlight the need for improved communication within the organization? - What steps can Tech Innovators take to ensure that they maintain the improvements achieved post-audit? <p>. Spend 5 minutes to wrap up and consolidate the learnings</p>



Evaluation	<p>1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.</p> <ul style="list-style-type: none">- What specific objectives did Tech Innovators Inc. aim to achieve through the management audit?- How did the findings from the audit highlight the need for improved communication within the organization?- What steps can Tech Innovators take to ensure that they maintain the improvements achieved post-audit? <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>
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Lesson Plan No. 23	Course Name: Auditing II Topic: Cost Audit -Introduction	Course No.: Auditing II-502
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Objectives	At the end of the lesson the student shall be able to: a. define cost audit and explain its significance in organizational effectiveness. b. identify the main objectives of conducting a cost audit and understand how these objectives support organizational goals. c. assess the necessity of cost audits in enhancing performance, risk management, and compliance
Teaching Aids (if any)	a. PPT
Teaching Development	<ol style="list-style-type: none">1. Introduction (5 minutes)<ul style="list-style-type: none">- introducing the concept of a cost audit as a systematic evaluation of an organization's management practices, policies, and procedures.- Explain that unlike financial audits, cost audits focus on assessing the effectiveness and efficiency of management in achieving organizational objectives.- Highlight that these audits provide insights that can lead to improved decision-making and operational performance2. Development (30 minutes)<ol style="list-style-type: none">a. What is a Cost audit?<ul style="list-style-type: none">- Definition: A comprehensive examination of an organization's managerial actions aimed at improving overall effectiveness.b. Purpose: To evaluate how well management is executing its responsibilities and identify areas for improvement.c. Objectives of Cost audit:<ul style="list-style-type: none">- Evaluate Management Effectiveness: Assess how effectively management practices align with organizational goals.- Identify Strengths and Weaknesses: Pinpoint areas where management excels or needs improvement.- Assess Resource Utilization: Evaluate how efficiently resources (financial, human, etc.) are being utilized.- Review Decision-Making Processes: Analyze the effectiveness and timeliness of decisions made by management.- Evaluate Risk Management Practices: Assess how well risks are identified and mitigated.d. Need for Cost audit:<ul style="list-style-type: none">- Enhance Operational Efficiency: Identify inefficiencies in processes and recommend improvements.- Support Strategic Decision-Making: Provide insights that aid in informed decision-making at all levels.- Ensure Compliance: Verify adherence to laws, regulations, and internal policies to prevent legal issues.- Promote Accountability: Foster a culture of accountability within the management team.



	<p>Exercise in Class (5 min)</p> <ul style="list-style-type: none">- Provide students with a brief case study of an organization facing operational challenges. Ask them to work in pairs to discuss how a cost audit could address these challenges and what specific objectives it might focus on.
Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading<ul style="list-style-type: none">- https://www.investopedia.com/terms/m/management-audit.asp3. Homework<ul style="list-style-type: none">- Write a one-page report on a real-world example where a cost audit led to significant improvements in an organization's performance.- Create a list of potential risks that could be identified during a - audit and suggest ways to mitigate them. <p>. Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.<ul style="list-style-type: none">- What are the primary objectives of conducting a cost audit?- How does a cost audit differ from a financial audit?- Why is it important for organizations to regularly conduct cost audits? <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 24	Course Name: Auditing II	Course No.: Auditing II-502
	Topic: Objectives and Need of Cost audit	

Objectives	At the end of the lesson the student shall be able to: a. explain its significance in organizational effectiveness. b. identify the main objectives of conducting a cost audit and understand how these objectives support organizational goals. c. assess the necessity of cost audits in enhancing performance, risk management, and compliance
Teaching Aids (if any)	a. PPT
Teaching Development	<ol style="list-style-type: none">1. Introduction (5 minutes)<ul style="list-style-type: none">- Introducing the concept of a cost audit as a systematic evaluation of an organization's management practices, policies, and procedures.- Explain that unlike financial audits, cost audits focus on assessing the effectiveness and efficiency of management in achieving organizational objectives.- Highlight that these audits provide insights that can lead to improved decision-making and operational performance2. Development (30 minutes)<ol style="list-style-type: none">a. What is a Cost audit?<ul style="list-style-type: none">- Definition: A comprehensive examination of an organization's managerial actions aimed at improving overall effectiveness.b. Purpose: To evaluate how well management is executing its responsibilities and identify areas for improvement.c. Objectives of Cost audit:<ul style="list-style-type: none">- Evaluate Management Effectiveness: Assess how effectively management practices align with organizational goals.- Identify Strengths and Weaknesses: Pinpoint areas where management excels or needs improvement.- Assess Resource Utilization: Evaluate how efficiently resources (financial, human, etc.) are being utilized.- Review Decision-Making Processes: Analyze the effectiveness and timeliness of decisions made by management.- Evaluate Risk Management Practices: Assess how well risks are identified and mitigated.d. Need for Cost audit:<ul style="list-style-type: none">- Enhance Operational Efficiency: Identify inefficiencies in processes and recommend improvements.- Support Strategic Decision-Making: Provide insights that aid in informed decision-making at all levels.- Ensure Compliance: Verify adherence to laws, regulations, and internal policies to prevent legal issues.- Promote Accountability: Foster a culture of accountability within the management team. <p style="text-align: right;">Exercise in Class (5 min)</p>



	<ul style="list-style-type: none">- Provide students with a brief case study of an organization facing operational challenges. Ask them to work in pairs to discuss how a cost audit could address these challenges and what specific objectives it might focus on.
Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading<ul style="list-style-type: none">- https://taxguru.in/company-law/cost-audit-companies-act-2013-rules.html-3. Homework<ul style="list-style-type: none">- Write a one-page report on a real-world example where a cost audit led to significant improvements in an organization's performance.- Create a list of potential risks that could be identified during a - audit and suggest ways to mitigate them. <p>. Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.<ul style="list-style-type: none">- What are the primary objectives of conducting a cost audit?- How does a cost audit differ from a financial audit?- Why is it important for organizations to regularly conduct cost audits? <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 25	Course Name: Auditing II	Course No.: Auditing II-502
	Topic: Aim and Objectives of Cost Audit	

Objectives	At the end of the lesson the student shall be able to: a. define what a cost audit is and explain its significance in organizational financial management. b. identify the primary objectives of conducting a cost audit and understand how these objectives contribute to effective cost management. c. assess the necessity of cost audits in enhancing operational efficiency, compliance, and decision-making within organizations..
Teaching Aids (if any)	a. PPT
Teaching Development	<ol style="list-style-type: none">1. Introduction (5 minutes)<ul style="list-style-type: none">- Begin by introducing the concept of a cost audit as a systematic examination of a company's cost records and practices.- Explain that the primary goal of a cost audit is to ensure accuracy, efficiency, and compliance with relevant regulations.- Highlight that cost audits are essential for identifying inefficiencies, enhancing profit margins, and providing stakeholders with reliable financial2. Development (30 minutes)<ol style="list-style-type: none">a. What is a Cost Audit?<ul style="list-style-type: none">- Definition: A detailed evaluation of an organization's cost accounting records to ensure accuracy and adherence to established standards.b. Purpose: To provide assurance to stakeholders regarding the reliability of reported costs.c. Key Objectives of Cost Audit:<ul style="list-style-type: none">- Verifying Accuracy: Ensure that cost data is accurate, reliable, and free from material misstatements.- Enhancing Cost Control: Identify areas for improvement in cost control processes to achieve cost savings and improved profitability.- Identifying Inefficiencies: Pinpoint unnecessary costs or inefficiencies in production processes that can be improved.- Ensuring Compliance: Verify adherence to relevant regulations and guidelines set by governmental agencies or professional bodies.- Improving Decision-Making: Provide management with insights into the company's cost structure, aiding informed decisions regarding resource allocation.d. Need for Cost Audit:<ul style="list-style-type: none">- Operational Efficiency: Helps organizations streamline operations and reduce waste.- Financial Transparency: Enhances trust among stakeholders by ensuring accurate reporting of costs.- Regulatory Compliance: Assists organizations in adhering to laws and regulations, reducing the risk of legal issues.



	<ul style="list-style-type: none">- Strategic Planning: Provides valuable data that supports strategic decision-making and long-term planning.e. Exercise in Class (5 min)- Activity: Divide students into small groups and present them with a hypothetical scenario where a company is facing financial difficulties due to high operational costs. Ask each group to discuss how a cost audit could help identify issues and suggest improvements.
Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading3. https://www.financestrategists.com/accounting/management-accounting/cost-audit4. Homework3. Students will work individually on a worksheet that provides excerpts from various audit reports. They will identify the type of opinion expressed in each report and discuss why it was issued.. Spend 5 minutes to wrap up and consolidate the learnings
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.<ul style="list-style-type: none">- What are the primary objectives of conducting a cost audit?- How does a cost audit contribute to improving operational efficiency?- Why is it important for organizations to ensure compliance through regular cost audits? <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 26	Course Name: Auditing II Topic: Forms of Cost Audit	Course No.: Auditing II-502
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Objectives	At the end of the lesson the student shall be able to: <ol style="list-style-type: none"> a. define what a cost audit is and explain its significance in organizational financial management. b. identify and describe the different forms of cost audits and their specific purposes. c. assess the relevance of each form of cost audit in enhancing operational efficiency and compliance
Teaching Aids (if any)	<ol style="list-style-type: none"> a. PPT
Teaching Development	<ol style="list-style-type: none"> 1. Introduction (5 minutes) <ul style="list-style-type: none"> - Begin by introducing the concept of a cost audit as a systematic examination of an organization's cost records and practices. - Explain that cost audits are essential for ensuring accuracy, efficiency, and compliance with regulations. - Highlight that understanding the various forms of cost audits helps organizations implement effective cost management strategies. 2. Development (30 minutes) <ol style="list-style-type: none"> a. What is Cost Audit? <ul style="list-style-type: none"> - Definition: A thorough review of a company's cost accounting records to ensure accuracy and adherence to established standards. - Purpose: To provide assurance to stakeholders regarding the reliability of reported costs. b. Forms of Cost Audit: <ul style="list-style-type: none"> - Statutory Cost Audit: <ul style="list-style-type: none"> - Required by law for specific industries to ensure compliance with regulations. - Example: Audits conducted under the Companies Act for certain companies. - Management Cost Audit: <ul style="list-style-type: none"> - Conducted internally to evaluate the efficiency and effectiveness of management practices. - Focuses on internal controls and decision-making processes. - Operational Cost Audit: <ul style="list-style-type: none"> - Examines operational processes to identify inefficiencies and recommend improvements. - Aims to enhance productivity and reduce costs. - Efficiency Audit: <ul style="list-style-type: none"> - Measures how effectively resources are utilized in achieving organizational objectives. - Focuses on optimizing resource allocation. - Propriety Audit: <ul style="list-style-type: none"> - Assesses whether expenditures are appropriate and justified. c. Ensures that costs incurred align with organizational goals. d. Cost Audit for Government Compliance: <ul style="list-style-type: none"> -



Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading<ul style="list-style-type: none">- https://www.geektonight.com/cost-audit/-3. Homework<ul style="list-style-type: none">- Students will work individually on a worksheet that provides excerpts from various audit reports. They will identify the type of opinion expressed in each report and discuss why it was issued. <p>. Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.<ul style="list-style-type: none">- What are the key differences between statutory cost audits and management cost audits?- How does an operational cost audit contribute to improving productivity within an organization?- Why is it important for organizations to understand the various forms of cost audits?2. Quiz on Auditing <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 27	Course Name: Auditing II Topic: Distinction between Financial audit and cost audit	Course No.: Auditing II-502
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Objectives	At the end of the lesson the student shall be able to: a. able to define both cost audit and financial audit, explaining their purposes and significance in organizational management. b. Identify and articulate the key differences between cost audits and financial audits, including their objectives, scope, and methodologies. c. Evaluate the importance of both audits in enhancing organizational performance and ensuring compliance with regulations..
Teaching Aids (if any)	a. PPT
Teaching Development	<ol style="list-style-type: none">1. Introduction (5 minutes)<ul style="list-style-type: none">- Begin the lesson by introducing the concepts of cost audit and financial audit.- Explain that both types of audits are essential for organizations but serve different purposes.- A cost audit focuses on the accuracy and efficiency of cost management practices, while a financial audit examines the overall financial statements to ensure they present a true and fair view of the organization's financial position.- Highlight that understanding these distinctions is crucial for effective financial management.2. Development (30 minutes)<ol style="list-style-type: none">a. What is a Cost Audit?<ul style="list-style-type: none">- Definition: A systematic examination of an organization's cost records to ensure accuracy, compliance with cost accounting standards, and efficiency in cost management.- Purpose: To provide assurance regarding the reliability of reported costs, identify inefficiencies, and enhance decision-making.b. What is a Financial Audit?<ul style="list-style-type: none">- Definition: An independent examination of financial statements to determine whether they are presented fairly in accordance with applicable accounting standards.- Purpose: To provide stakeholders with confidence that the financial statements are free from material misstatements.c. Key Differences Between Cost Audit and Financial Auditd. Exercise (5 minutes)<ul style="list-style-type: none">- Divide students into pairs and provide them with scenarios involving an organization facing issues related to costs or financial reporting. Ask each pair to determine whether a cost audit or a financial audit would be more appropriate for addressing the issues presented.
Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading



	<ul style="list-style-type: none">- https://testbook.com/key-differences/difference-between-cost-audit-and-financial-audit- <p>3. Homework</p> <ul style="list-style-type: none">- Students will work individually on a worksheet that provides excerpts from various audit reports. They will identify the type of opinion expressed in each report and discuss why it was issued. <p>. Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<p>1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.</p> <ul style="list-style-type: none">-What are the primary objectives of conducting a cost audit compared to a financial audit?- How do the scopes of cost audits and financial audits differ?- Why is it important for organizations to conduct both types of audits regularly? <p>2. Quiz on Auditing</p> <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 28	Course Name: Management Accounting Topic: Activity on Cost Audit	Course No.: Auditing II-502
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Objectives	At the end of the lesson the student shall be able to: <ul style="list-style-type: none">a. define cost audit and explain its significance in organizational financial management.b. identify the primary objectives of conducting a cost audit and understand how these objectives support effective cost management.c. apply their understanding of cost audit concepts through practical exercises and discussions.
Teaching Aids (if any)	a. PPT
Teaching Development	<ol style="list-style-type: none">1. Introduction (5 minutes)<ul style="list-style-type: none">- Begin the lesson by introducing the concept of a cost audit as a systematic examination of an organization's cost records and practices.- Explain that the primary goal of a cost audit is to ensure accuracy, compliance with regulations, and efficiency in cost management.- Highlight the importance of cost audits in identifying inefficiencies, reducing costs, and enhancing decision-making.Development (30 minutes)<ol style="list-style-type: none">a. Meaning of Audit Report:<ul style="list-style-type: none">- Definition: An audit report is a formal document prepared by an auditor that provides an opinion on the accuracy and fairness of a company's financial statements. It serves as assurance to stakeholders regarding the reliability of financial reporting.b. Components of an Audit Report:<ul style="list-style-type: none">- Title: Indicates that it is an independent auditor's report.- Addressee: Typically addressed to shareholders or the board of directors.- Auditor's Responsibility: Outlines the auditor's role in conducting the audit.- Scope: Describes what was audited and the standards followed.- Opinion: The auditor's conclusion regarding the financial statements.- Basis for Opinion: Explanation of how the auditor arrived at their opinion.d. Signature and Date: The auditor's signature along with the date of the report.e. Types of Audit Opinions:<ul style="list-style-type: none">- Unqualified Opinion (Clean Report): Indicates that the financial statements are free from material misstatement and comply with GAAP.- Qualified Opinion: Issued when there are specific issues but not pervasive enough to invalidate the financial statements.- Adverse Opinion: Indicates that the financial statements do not present a true and fair view due to significant misstatements.- Disclaimer of Opinion: Issued when the auditor cannot express



	<p>an opinion due to lack of sufficient evidence.</p> <p>f. Exercise (5 minutes)</p> <ul style="list-style-type: none">- Students will work individually on a worksheet that provides excerpts from various audit reports. They will identify the type of opinion expressed in each report and discuss why it was issued.
Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading<ul style="list-style-type: none">- https://www.iedunote.com/audit-report3. Homework<ul style="list-style-type: none">- Students will work individually on a worksheet that provides excerpts from various audit reports. They will identify the type of opinion expressed in each report and discuss why it was issued. <p>. Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.<ul style="list-style-type: none">- Why audit reports are prepared?- What are the different types of audit report?- Who prepare this report?2. Quiz on Accounting <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No.29	Course Name: Auditing II Topic: Case Study: Cost Audit	Course No.: Auditing II-502
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Objectives	At the end of the lesson the student shall be able to: <ol style="list-style-type: none"> explain what an audit report is and its purpose in the context of financial reporting. identify and describe the key components of an audit report, including the auditor's opinion, scope, and responsibilities. differentiate between various types of audit opinions, such as unqualified, qualified, adverse, and disclaimer.
Teaching Aids (if any)	<ol style="list-style-type: none"> PPT
Teaching Development	<p>Caselet: Cost Audit at GreenTech Manufacturing</p> <p>Background GreenTech Manufacturing is a mid-sized company specializing in eco-friendly products, such as biodegradable packaging and sustainable household items. Over the past year, the company has experienced rising production costs, leading to decreased profit margins and concerns from management about operational efficiency.</p> <p>Scenario In early 2024, the management team at GreenTech decided to conduct a comprehensive cost audit to identify inefficiencies and improve cost management practices. They engaged an external cost audit firm to provide an objective evaluation of their cost records and operational processes.</p> <p>Objectives of the Cost Audit</p> <p>Verify Accuracy: The primary objective was to ensure that the cost data reported by the company was accurate and free from material misstatements.</p> <p>Enhance Cost Control: The audit aimed to identify areas where costs could be reduced without compromising product quality or sustainability.</p> <p>Identify Inefficiencies: The auditors were tasked with pinpointing inefficiencies in production processes that could lead to unnecessary expenditures.</p> <p>Audit Process The cost audit process included the following steps:</p> <p>Review of Cost Records: The auditors reviewed all relevant cost accounting records, including production costs, labor costs, and overheads. They examined the accuracy of cost reports and statements against actual expenditures.</p> <p>Verification of Compliance: The auditors ensured that the company's costing practices adhered to relevant cost accounting standards and principles. They verified that all costs included in product pricing were necessary and justified.</p> <p>Analysis of Operational Efficiency: The audit team analyzed production workflows to identify</p>



	<p>bottlenecks or areas of waste. They compared actual costs against budgeted costs to highlight discrepancies. Findings Upon completion of the audit, several key findings emerged: High Labor Costs: The audit revealed that labor costs were higher than industry benchmarks due to inefficient scheduling and overtime practices. Material Waste: There was significant material waste during production, leading to increased raw material costs. Lack of Performance Metrics: The company did not have clear performance metrics in place to evaluate the efficiency of production processes. Recommendations Based on these findings, the auditors provided several recommendations: Optimize Labor Scheduling: Implement a more efficient scheduling system to reduce overtime and align labor hours with production needs. Reduce Material Waste: Introduce training programs for employees focused on minimizing waste during production processes. Establish Performance Metrics: Develop key performance indicators (KPIs) for production efficiency to facilitate ongoing monitoring and improvement. Conclusion The management team at GreenTech Manufacturing took the audit findings seriously and began implementing the recommendations immediately. Within six months, they noticed a reduction in production costs by 15%, improved profit margins, and enhanced employee engagement through training programs. The cost audit not only identified critical issues but also provided actionable insights that helped steer the company toward greater operational efficiency.</p>
Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading - https://www.iedunote.com/audit-report3. Homework - Students will work individually on a worksheet that provides excerpts from various audit reports. They will identify the type of opinion expressed in each report and discuss why it was issued. <p>. Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss. -Discussion Questions - What were the primary objectives of conducting a cost audit at



	<p>GreenTech Manufacturing?</p> <ul style="list-style-type: none">- How did the findings from the audit highlight areas for improvement within the organization?- What steps can GreenTech take to ensure that they maintain improvements achieved post-audit? <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>
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Lesson Plan No.30	Course Name: Auditing II Topic: Case Study: Cost Audit	Course No.: Auditing II-502
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Objectives	At the end of the lesson the student shall be able to: <ol style="list-style-type: none"> explain what an audit report is and its purpose in the context of financial reporting. identify and describe the key components of an audit report, including the auditor's opinion, scope, and responsibilities. differentiate between various types of audit opinions, such as unqualified, qualified, adverse, and disclaimer.
Teaching Aids (if any)	<ol style="list-style-type: none"> PPT
Teaching Development	<p>Caselet: Cost Audit at GreenTech Manufacturing</p> <p>Background GreenTech Manufacturing is a mid-sized company specializing in eco-friendly products, such as biodegradable packaging and sustainable household items. Over the past year, the company has experienced rising production costs, leading to decreased profit margins and concerns from management about operational efficiency.</p> <p>Scenario In early 2024, the management team at GreenTech decided to conduct a comprehensive cost audit to identify inefficiencies and improve cost management practices. They engaged an external cost audit firm to provide an objective evaluation of their cost records and operational processes.</p> <p>Objectives of the Cost Audit</p> <p>Verify Accuracy: The primary objective was to ensure that the cost data reported by the company was accurate and free from material misstatements.</p> <p>Enhance Cost Control: The audit aimed to identify areas where costs could be reduced without compromising product quality or sustainability.</p> <p>Identify Inefficiencies: The auditors were tasked with pinpointing inefficiencies in production processes that could lead to unnecessary expenditures.</p> <p>Audit Process The cost audit process included the following steps:</p> <p>Review of Cost Records: The auditors reviewed all relevant cost accounting records, including production costs, labor costs, and overheads. They examined the accuracy of cost reports and statements against actual expenditures.</p> <p>Verification of Compliance: The auditors ensured that the company's costing practices adhered to relevant cost accounting standards and principles. They verified that all costs included in product pricing were necessary and justified.</p> <p>Analysis of Operational Efficiency: The audit team analyzed production workflows to identify</p>



	<p>bottlenecks or areas of waste. They compared actual costs against budgeted costs to highlight discrepancies. Findings Upon completion of the audit, several key findings emerged: High Labor Costs: The audit revealed that labor costs were higher than industry benchmarks due to inefficient scheduling and overtime practices. Material Waste: There was significant material waste during production, leading to increased raw material costs. Lack of Performance Metrics: The company did not have clear performance metrics in place to evaluate the efficiency of production processes. Recommendations Based on these findings, the auditors provided several recommendations: Optimize Labor Scheduling: Implement a more efficient scheduling system to reduce overtime and align labor hours with production needs. Reduce Material Waste: Introduce training programs for employees focused on minimizing waste during production processes. Establish Performance Metrics: Develop key performance indicators (KPIs) for production efficiency to facilitate ongoing monitoring and improvement. Conclusion The management team at GreenTech Manufacturing took the audit findings seriously and began implementing the recommendations immediately. Within six months, they noticed a reduction in production costs by 15%, improved profit margins, and enhanced employee engagement through training programs. The cost audit not only identified critical issues but also provided actionable insights that helped steer the company toward greater operational efficiency.</p>
Closure	<ol style="list-style-type: none"> Summarize the Lesson Learning Outcomes and get affirmation from students on these. Suggested Reading - https://www.iedunote.com/audit-report Homework - Students will work individually on a worksheet that provides excerpts from various audit reports. They will identify the type of opinion expressed in each report and discuss why it was issued. <p>. Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<ol style="list-style-type: none"> Reflective Questions (What, Why, Who?). Allow students to answer and discuss. -Discussion Questions - What were the primary objectives of conducting a cost audit at



	<p>GreenTech Manufacturing?</p> <ul style="list-style-type: none">- How did the findings from the audit highlight areas for improvement within the organization?- What steps can GreenTech take to ensure that they maintain improvements achieved post-audit? <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>
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Lesson Plan No. 31	Course Name: Auditing II Topic: Introduction of Electronic Data Processing	Course No.: Auditing II-502
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Objectives	At the end of the lesson the student shall be able to: a. define EDP and explain its significance in modern data management. b. identify the main components and stages of electronic data processing. c. evaluate the applications and benefits of EDP in various industries.
Teaching Aids (if any)	a. PPT
Teaching Development	<ol style="list-style-type: none">1. Introduction (5 minutes)<ul style="list-style-type: none">- Start by introducing the concept of Electronic Data Processing (EDP) as the use of automated systems, primarily computers, to collect, process, store, and disseminate data.- Explain that EDP has become essential in today's data-driven world, enabling organizations to manage large volumes of information efficiently.- Highlight the transition from manual data processing to electronic methods and the advantages this shift has brought.2. Development (30 minutes)<ol style="list-style-type: none">a. What is Electronic Data Processing?<ul style="list-style-type: none">- Definition: EDP refers to the automated processing of data using electronic devices such as computers, servers, and IoT technologies.- Importance: It enhances speed, accuracy, and efficiency in data handling compared to manual methods.b. Key Components of EDP:<ul style="list-style-type: none">- Hardware: Physical devices used in EDP (e.g., computers, servers, scanners).- Software: Applications that facilitate data processing (e.g., databases, spreadsheets).- Data: Raw information collected for processing.- Procedures: Established methods for processing data.c. Stages of Electronic Data Processing:<ul style="list-style-type: none">- Data Collection: Gathering raw data from various sources.- Data Preparation: Cleaning and organizing data for processing.- Data Input: Entering prepared data into a processing system.- Data Processing: Manipulating and analyzing the input data to generate meaningful information.- Data Output: Presenting processed data in a usable format (e.g., reports, charts).- Data Storage: Saving processed data for future access.d. Applications of EDP:<ul style="list-style-type: none">- Used in various sectors such as finance (for transactions), healthcare (patient records), retail (inventory management), and more.- Benefits include improved accuracy, faster processing times, and better decision-making capabilities.



	<p>e. Exercise in Class (5 min)</p> <ul style="list-style-type: none">- Activity: Divide students into small groups and provide them with a scenario where a business needs to implement EDP. Ask each group to discuss how they would set up an EDP system for that business and what benefits they expect to gain.
Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading<ul style="list-style-type: none">- https://planningtank.com/computer-applications/electronic-data-processing3. Homework<ul style="list-style-type: none">- Write a one-page report on how a specific industry (e.g., healthcare or finance) utilizes electronic data processing to improve operations.- Create a flowchart illustrating the stages of electronic data processing from collection to storage. <p>. Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.<ul style="list-style-type: none">- What are the main components involved in electronic data processing?- How does electronic data processing improve efficiency compared to manual methods?- Can you provide an example of how EDP is applied in a specific industry? <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 32	Course Name: Auditing II Topic: Auditing in EDP Environment	Course No.: Auditing II-502
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Objectives	At the end of the lesson the student shall be able to: <ol style="list-style-type: none"> a. define auditing in an electronic data processing (EDP) environment and explain its significance in ensuring data integrity and security. b. identify the key techniques and approaches used in EDP auditing, including Computer-Assisted Audit Techniques (CAATs). c. evaluate the importance of internal controls in an EDP environment and how they impact the auditing process.
Teaching Aids (if any)	a. PPT
Teaching Development	<ol style="list-style-type: none"> 1. Introduction (5 minutes) <ul style="list-style-type: none"> - Begin the lesson by introducing the concept of auditing within an electronic data processing environment. - Explain that as businesses increasingly rely on computerized systems for data management, the need for effective auditing practices becomes critical. - Highlight that EDP auditing focuses on evaluating the integrity, accuracy, and security of data processed electronically, ensuring that organizations can trust their financial and operational information. 2. Development (30 minutes) <ol style="list-style-type: none"> a. What is Auditing in an EDP Environment? <ul style="list-style-type: none"> - Definition: The process of examining and evaluating financial records and internal controls in a computerized system to ensure accuracy and compliance with regulations. - Importance: Ensures data integrity, identifies risks, and enhances operational efficiency. b. Key Techniques in EDP Auditing: <ul style="list-style-type: none"> Black-Box Approach (Auditing Around the Computer): Involves examining inputs and outputs without delving into internal processing. Example: Checking payroll calculations by verifying hours worked against salary rates without analyzing the software's internal logic. White-Box Approach (Auditing Through the Computer): Involves using audit software to test internal controls and processes directly within the system. Example: Using CAATs to assess the reliability of data processing algorithms. Computer-Assisted Audit Techniques (CAATs): Tools that help auditors perform tests on large volumes of data efficiently. Examples include data extraction tools, automated testing scripts, and analytical procedures. C Importance of Internal Controls: <ul style="list-style-type: none"> - Internal controls are essential for ensuring the accuracy and reliability of data processed in an EDP environment.



	<ul style="list-style-type: none">- Effective controls help prevent errors, fraud, and unauthorized access to sensitive information. <ol style="list-style-type: none">3. Exercise in Class (5 min)4. Activity: Divide students into small groups and provide them with a case study involving a company that has recently transitioned to an electronic data processing system. Ask each group to discuss potential risks associated with EDP and how they would implement auditing techniques to mitigate those risks.
Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading<ul style="list-style-type: none">- https://planningtank.com/computer-applications/electronic-data-processing-3. Homework<ul style="list-style-type: none">- Write a one-page report discussing a real-world example where an EDP audit identified significant issues within an organization.- Create a comparison chart outlining the differences between the black-box and white-box approaches to EDP auditing. <p>. Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.<ul style="list-style-type: none">- What are the primary objectives of conducting an audit in an electronic data processing environment?- How do CAATs enhance the effectiveness of audits compared to traditional methods?- Why is it crucial for organizations to maintain strong internal controls within their EDP systems? <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 33	Course Name: Auditing II Topic: Audit Process under EDP	Course No.: Auditing II-502
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Objectives	At the end of the lesson the student shall be able to: a. define the audit process in an electronic data processing environment and explain its significance in ensuring data integrity and security. b. identify and describe the key steps involved in the audit process under EDP, including planning, execution, and reporting. c. Evaluate Techniques: Students will evaluate the techniques used in EDP auditing, including Computer-Assisted Audit Techniques (CAATs) and their applications
Teaching Aids (if any)	a. PPT
Teaching Development	<ol style="list-style-type: none">1. Introduction (5 minutes)<ul style="list-style-type: none">- Begin by introducing the concept of auditing in an electronic data processing environment.- Explain that as organizations increasingly rely on computerized systems for data management, the need for effective auditing practices becomes critical.- Highlight that EDP auditing focuses on evaluating the integrity, accuracy, and security of data processed electronically, ensuring that organizations can trust their financial and operational information.2. Development (30 minutes)<ol style="list-style-type: none">a. What is EDP Auditing?<ul style="list-style-type: none">- Definition: The process of examining and evaluating financial records and internal controls in a computerized system to ensure accuracy and compliance with regulations.b. Importance: Ensures data integrity, identifies risks, and enhances operational efficiency.c. Key Steps in the Audit Process Under EDP:<ul style="list-style-type: none">- Planning:<ul style="list-style-type: none">- Define the scope of the audit.- Identify key risks associated with the EDP environment.- Develop an audit plan outlining objectives and methodologies.d. Evaluation of Internal Controls:<ul style="list-style-type: none">- Assess the effectiveness of internal controls in place within the EDP system.- Determine reliance on these controls for audit purposes.e. Testing of Controls:<ul style="list-style-type: none">- Perform tests to evaluate the operating effectiveness of controls.- Use techniques like CAATs to automate testing processes.- Substantive Testing:<ul style="list-style-type: none">- Conduct substantive tests to verify accuracy and completeness of financial records.- Analyze data trends and perform analytical procedures.f. Reporting:<ul style="list-style-type: none">- Compile findings into an audit report detailing observations,



	<p>conclusions, and recommendations.</p> <ul style="list-style-type: none">- Techniques Used in EDP Auditing:g. Computer-Assisted Audit Techniques (CAATs):<ul style="list-style-type: none">- Tools that help auditors perform tests on large volumes of data efficiently.- Examples include data extraction tools, automated testing scripts, and analytical procedures.- Black-Box vs. White-Box Approaches:<ul style="list-style-type: none">- Black-Box Approach: The auditor examines inputs and outputs without delving into internal processing.- White-Box Approach: The auditor uses internal processing logic to conduct tests directly within the system.h. Exercise in Class (5 min)<ul style="list-style-type: none">- Activity: Divide students into small groups and present them with a case study involving a company that has recently transitioned to an electronic data processing system. Ask each group to discuss potential risks associated with EDP and how they would implement auditing techniques to mitigate those risks.
Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading<ul style="list-style-type: none">- https://smallbusiness.chron.com/explain-audit-procedures-electronic-data-processing-audit-14715.html3. Homework<ul style="list-style-type: none">- Write a one-page report discussing a real-world example where an EDP audit identified significant issues within an organization.- Create a flowchart illustrating the steps involved in auditing under an EDP environment from planning to reporting.. <p>. Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.<ul style="list-style-type: none">- What are the primary objectives of conducting an audit in an electronic data processing environment?- How do CAATs enhance the effectiveness of audits compared to traditional methods?- Why is it crucial for organizations to maintain strong internal controls within their EDP systems? <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 34	Course Name: Auditing II Topic: Types of EDP	Course No.: Auditing II-502
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Objectives	At the end of the lesson the student shall be able to: a. define Electronic Data Processing (EDP) and explain its significance in modern data management. b. identify and describe the various types of EDP, including their applications and benefits. c. evaluate how different types of EDP are applied in various industries and their impact on efficiency
Teaching Aids (if any)	a. PPT
Teaching Development	<ol style="list-style-type: none">1. Introduction (5 minutes)<ul style="list-style-type: none">- Begin the lesson by introducing the concept of Electronic Data Processing (EDP) as the use of automated methods to process commercial data using computers and digital technology. - Explain that EDP has revolutionized data management by enhancing processing speed, accuracy, and capacity.- Highlight that understanding the different types of EDP is crucial for leveraging technology effectively in various organizational contexts.2. Development (30 minutes)<ol style="list-style-type: none">a. What is Electronic Data Processing?<ul style="list-style-type: none">- Definition: EDP refers to the automated processing of data using electronic devices, primarily computers, to collect, store, and analyze information.b. Importance: It allows organizations to handle large volumes of data efficiently, facilitating better decision-making and operational efficiency.c. Types of Electronic Data Processing:<ul style="list-style-type: none">- Batch Processing:<ul style="list-style-type: none">- Definition: Involves processing data in groups or batches at scheduled intervals.- Application: Commonly used for payroll systems or billing processes where transactions can be processed together.- Real-time Processing:<ul style="list-style-type: none">- Definition: Processes data immediately as it is generated, providing instant results.- Application: Used in applications like online banking transactions or stock trading systems where timely information is critical.- Online Processing:<ul style="list-style-type: none">- Definition: Involves processing data directly while it is being collected, allowing for immediate updates.- Application: Examples include point-of-sale systems in retail where sales data is updated instantly.- Automatic Data Processing (ADP):<ul style="list-style-type: none">- Definition: Refers to systems that automate data processing tasks with minimal human intervention.- Application: Used in logistics for automating invoice



	<p>processing and inventory management.</p> <ul style="list-style-type: none">- Distributed Processing:- Definition: Spreads processing tasks across multiple computers or locations to improve efficiency and reliability.- Application: Utilized in cloud computing environments where resources are shared across various servers. <p>d. Benefits of EDP:</p> <ul style="list-style-type: none">- Increased speed and efficiency in data handling.- Enhanced accuracy and reduced errors compared to manual methods.- Improved ability to analyze large datasets for better decision-making. <p>e. Exercise in Class (5 min)</p> <ul style="list-style-type: none">- Activity: Divide students into small groups and provide them with a scenario involving a business that needs to implement an EDP system. Ask each group to discuss which type(s) of EDP would be most suitable for the scenario and why. Each group should present their findings briefly. <p>-</p>
Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading<ul style="list-style-type: none">- https://www.techtarget.com/whatis/definition/EDP-electronic-data-processing-3. Homework<ul style="list-style-type: none">- Write a one-page report on how a specific industry (e.g., healthcare or finance) utilizes different types of electronic data processing to improve operations.- Create a table summarizing the different types of EDP along with their definitions, applications, and benefits.. <p>. Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.<ul style="list-style-type: none">- What are the primary types of electronic data processing, and how do they differ from one another?- How does real-time processing enhance operational efficiency compared to batch processing?- Can you provide an example of how a specific type of EDP is applied in a real-world scenario?? <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 35	Course Name: Management Accounting Topic: Difference between auditing of manual accounts and computerized accounts	Course No.: Auditing II-502
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Objectives	At the end of the lesson the student shall be able to: <ul style="list-style-type: none">a. define the auditing process for both manual and computerized accounts and explain their significance in financial management.b. identify and describe the key differences between auditing manual accounts and computerized accounts, including methodologies and challenges.c. evaluate the implications of these differences for auditors and organizations in terms of efficiency, accuracy, and risk management
Teaching Aids (if any)	a. PPT
Teaching Development	<ol style="list-style-type: none">1. Introduction (5 minutes)<ul style="list-style-type: none">- Begin the lesson by introducing the concept of auditing as a systematic examination of financial records to ensure accuracy and compliance with regulations.- Explain that the auditing process can differ significantly between manual accounting systems, which rely on physical records, and computerized accounting systems, which utilize software for data entry and reporting.- Highlight that understanding these differences is crucial for effective auditing practices in today's technology-driven environment.2. Development (30 minutes)<ol style="list-style-type: none">a. What is Auditing?<ul style="list-style-type: none">- Definition: The process of reviewing financial records to ensure accuracy, compliance with accounting standards, and detection of fraud.b. Importance: Provides assurance to stakeholders regarding the reliability of financial statements.<ul style="list-style-type: none">- Auditing Manual Accounts:<ul style="list-style-type: none">- Methodology:<ul style="list-style-type: none">- Involves physical examination of ledgers, journals, and other documents.- Requires manual recalculation of figures to verify accuracy.c. Challenges:<ul style="list-style-type: none">- Prone to human errors such as miscalculations or omissions.- Time-consuming due to the need for extensive documentation review.d. Advantages:<ul style="list-style-type: none">- Easier to understand for auditors familiar with traditional methods.- Allows for detailed examination of individual transactions.- Auditing Computerized Accounts:<ul style="list-style-type: none">- Methodology:<ul style="list-style-type: none">- Involves using audit software to access data directly from



	<p>accounting systems.</p> <ul style="list-style-type: none">- Utilizes Computer-Assisted Audit Techniques (CAATs) for efficiency. <p>e. Challenges:</p> <ul style="list-style-type: none">- Requires understanding of software systems and potential cybersecurity risks.- Dependence on the integrity of the software; errors may arise from programming bugs or data corruption. <p>f. Advantages:</p> <ul style="list-style-type: none">- Faster processing and analysis of large volumes of data.- Enhanced accuracy due to automated calculations and reporting. <p>g. Key Differences Between Auditing Manual and Computerized Accounts:</p> <p>3. Exercise in Class (5 min)</p> <ul style="list-style-type: none">- Activity: Divide students into small groups and present them with scenarios involving an audit for a company using manual accounting versus one using computerized accounting. Ask each group to discuss which auditing techniques would be most effective in each scenario and why
Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading https://smallbusiness.chron.com/explain-audit-procedures-electronic-data-processing-audit-14715.html3. Homework<ul style="list-style-type: none">- Students will work individually on a worksheet that provides excerpts from various audit reports. They will identify the type of opinion expressed in each report and discuss why it was issued. <p>. Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.<ul style="list-style-type: none">- What are the primary challenges faced when auditing manual accounts compared to computerized accounts?- How do Computer-Assisted Audit Techniques (CAATs) enhance the efficiency of audits in computerized environments?- Why is it important for auditors to understand both manual and computerized accounting systems <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 36	Course Name: Management Accounting Topic: EDP System or Computer Information system	Course No.: Auditing II- 502
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Objectives	At the end of the lesson the student shall be able to: a. Define Electronic Data Processing (EDP) systems and explain their significance in managing data effectively. b. identify the key components of an EDP system, including hardware, software, and procedures. c. evaluate the applications and benefits of EDP systems in various organizational contexts.
Teaching Aids (if any)	a. PPT
Teaching Development	1. Introduction (5 minutes) -Begin the lesson by introducing the concept of Electronic Data Processing (EDP) systems as a systematic approach to collecting, processing, storing, and retrieving data using electronic devices, primarily computers. - Explain that EDP systems are crucial for modern businesses as they enhance efficiency, accuracy, and decision-making capabilities.- - Highlight the transition from manual data processing to automated systems and the advantages this shift has brought 2. Development (30 minutes) a. What is an EDP System? - Definition: An EDP system refers to the use of computers and related technologies to perform a variety of data processing tasks such as data entry, storage, retrieval, analysis, and communication. b. Importance: EDP systems streamline operations and improve the handling of large volumes of data. c. Key Components of EDP Systems: - Hardware: Physical devices used in EDP, including computers, servers, input/output devices (keyboards, scanners), and storage devices. - Software: Applications that facilitate data processing tasks—this includes operating systems, database management systems, and specialized applications for various functions (e.g., accounting software). d. Procedures: Established methods for data collection, processing, and reporting that ensure consistent and accurate outcomes. e. Personnel: Users who operate the systems and utilize the processed data for decision-making. f. Types of EDP Systems: - Batch Processing Systems: Process data in groups at scheduled intervals (e.g., payroll systems). - Real-time Processing Systems: Process data immediately as



	<p>it is generated (e.g., online transaction processing).</p> <ul style="list-style-type: none"> - Online Processing Systems: Allow direct input and immediate processing of data (e.g., point-of-sale systems). <p>g. Benefits of EDP Systems:</p> <ul style="list-style-type: none"> - Increased speed and efficiency in data handling. - Enhanced accuracy with reduced human error. - Improved ability to analyze large datasets for better decision-making. - Cost savings through reduced physical storage needs and streamlined processes. <p>h. Exercise in Class (5 min)</p> <p>Activity: Divide students into small groups and provide them with a hypothetical scenario where a business needs to implement an EDP system. Ask each group to discuss which components they would.</p> <p>-</p>
Closure	<ol style="list-style-type: none"> 1. Summarize the Lesson Learning Outcomes and get affirmation from students on these. 2. Suggested Reading <ul style="list-style-type: none"> - https://www.iedunote.com/audit-report 3. Homework <ul style="list-style-type: none"> - Students will work individually on a worksheet that provides excerpts from various audit reports. They will identify the type of opinion expressed in each report and discuss why it was issued. <p>. Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<ol style="list-style-type: none"> 1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss. <ul style="list-style-type: none"> - What are the primary components of an Electronic Data Processing system? - How do different types of EDP systems cater to specific organizational needs? - Can you provide an example of how an EDP system improves efficiency in a particular industry? <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 37	Course Name: Management Accounting Topic: Audit approaches in computer environment	Course No.: Auditing II- 502
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Objectives	At the end of the lesson the student shall be able to: <ol style="list-style-type: none">define the various audit approaches used in an Electronic Data Processing (EDP) environment and explain their significance.Identify and describe the main techniques used in auditing computerized systems, including "auditing around the computer" and "auditing through the computer."evaluate the effectiveness of different audit approaches in ensuring data integrity and compliance within computerized accounting systems
Teaching Aids (if any)	<ol style="list-style-type: none">PPT
Teaching Development	<ol style="list-style-type: none">Introduction (5 minutes)<ul style="list-style-type: none">Begin by introducing the concept of auditing in an EDP environment, emphasizing the growing reliance on computerized systems for financial management.Explain that traditional auditing methods must adapt to these new technologies, leading to the development of specific audit approaches tailored for computerized environments.Highlight that understanding these approaches is crucial for effective auditing practices todayDevelopment (30 minutes)<ol style="list-style-type: none">What is EDP Auditing?<ul style="list-style-type: none">Definition: The process of examining and evaluating financial records and internal controls in a computerized environment to ensure accuracy and compliance with regulations.Importance: Ensures data integrity, identifies risks, and enhances operational efficiency.Key Audit Approaches:<ul style="list-style-type: none">Auditing Around the Computer (Black-Box Approach):<ul style="list-style-type: none">Definition: The auditor focuses on input and output without delving into the internal processing of the system.Methodology: The auditor reviews source documents and compares them with outputs generated by the system.3. Advantages:<ul style="list-style-type: none">Simplicity and familiarity for auditors.No need for specialized technical knowledge.Disadvantages:<ul style="list-style-type: none">Limited understanding of internal processes.Potential for oversight of critical control issues.Auditing Through the Computer (White-Box Approach):<ul style="list-style-type: none">Definition: The auditor examines both inputs and outputs while also assessing internal processing within the system.Methodology: Involves using Computer-Assisted Audit Techniques (CAATs) to test transactions directly within the system.Comprehensive evaluation of controls and processes.



	<ul style="list-style-type: none">- Ability to audit complex systems effectively.- Disadvantages:<ul style="list-style-type: none">- Requires skilled personnel with technical expertise.- Higher costs associated with testing and analysis.- Comparison of Approaches- Exercise in Class (5 min)- Activity: Divide students into small groups and present them with a case study involving a company that uses a computerized accounting system. Ask each group to discuss which auditing approach would be most appropriate for that company, considering its size, complexity, and risk factors. Each group should present their findings briefly.
Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading https://www.techtarget.com/whatis/definition/EDP-electronic-data-processing3. Homework<ul style="list-style-type: none">- Students will work individually on a worksheet that provides excerpts from various audit reports. They will identify the type of opinion expressed in each report and discuss why it was issued. <p>. Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.<ul style="list-style-type: none">- What are the primary differences between auditing around the computer and auditing through the computer?- How do Computer-Assisted Audit Techniques (CAATs) enhance the auditing process in computerized environments?- Why is it important for auditors to understand both approaches when working with EDP systems? <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 38	Course Name: Management Accounting Topic: Audit approaches in computer environment	Course No.: Auditing II-502
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Objectives	At the end of the lesson the student shall be able to: <ol style="list-style-type: none"> define the various audit approaches used in an Electronic Data Processing (EDP) environment and explain their significance. Identify and describe the main techniques used in auditing computerized systems, including "auditing around the computer" and "auditing through the computer." evaluate the effectiveness of different audit approaches in ensuring data integrity and compliance within computerized accounting systems
Teaching Aids (if any)	<ol style="list-style-type: none"> PPT
Teaching Development	<ol style="list-style-type: none"> Introduction (5 minutes) <ul style="list-style-type: none"> Begin by introducing the concept of auditing in an EDP environment, emphasizing the growing reliance on computerized systems for financial management. Explain that traditional auditing methods must adapt to these new technologies, leading to the development of specific audit approaches tailored for computerized environments. Highlight that understanding these approaches is crucial for effective auditing practices today Development (30 minutes) <ol style="list-style-type: none"> What is EDP Auditing? <ul style="list-style-type: none"> Definition: The process of examining and evaluating financial records and internal controls in a computerized environment to ensure accuracy and compliance with regulations. Importance: Ensures data integrity, identifies risks, and enhances operational efficiency. Key Audit Approaches: <ul style="list-style-type: none"> Auditing Around the Computer (Black-Box Approach): <ul style="list-style-type: none"> Definition: The auditor focuses on input and output without delving into the internal processing of the system. Methodology: The auditor reviews source documents and compares them with outputs generated by the system. 3. Advantages: <ul style="list-style-type: none"> Simplicity and familiarity for auditors. No need for specialized technical knowledge. Disadvantages: <ul style="list-style-type: none"> Limited understanding of internal processes. Potential for oversight of critical control issues. Auditing Through the Computer (White-Box Approach): <ul style="list-style-type: none"> Definition: The auditor examines both inputs and outputs while also assessing internal processing within the system. Methodology: Involves using Computer-Assisted Audit Techniques (CAATs) to test transactions directly within the system. Comprehensive evaluation of controls and processes.



	<ul style="list-style-type: none">- Ability to audit complex systems effectively.- Disadvantages:<ul style="list-style-type: none">- Requires skilled personnel with technical expertise.- Higher costs associated with testing and analysis.- Comparison of Approaches- Exercise in Class (5 min)- Activity: Divide students into small groups and present them with a case study involving a company that uses a computerized accounting system. Ask each group to discuss which auditing approach would be most appropriate for that company, considering its size, complexity, and risk factors. Each group should present their findings briefly.
Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading https://www.techtarget.com/whatis/definition/EDP-electronic-data-processing3. Homework<ul style="list-style-type: none">- Students will work individually on a worksheet that provides excerpts from various audit reports. They will identify the type of opinion expressed in each report and discuss why it was issued. <p>. Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.<ul style="list-style-type: none">- What are the primary differences between auditing around the computer and auditing through the computer?- How do Computer-Assisted Audit Techniques (CAATs) enhance the auditing process in computerized environments?- Why is it important for auditors to understand both approaches when working with EDP systems? <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 39	Course Name: Management Accounting Topic: Activity on EDP	Course No.: Auditing II-502
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Objectives	At the end of the lesson the student shall be able to: a. able to define Electronic Data Processing (EDP) and its significance in the auditing process. b. identify and describe the different approaches to auditing in an EDP environment, including "auditing around the computer" and "auditing through the computer." c. apply their understanding of EDP systems in auditing through practical exercises that simulate real-world auditing scenarios
Teaching Aids (if any)	a. PPT
Teaching Development	<ol style="list-style-type: none">1. Introduction (5 minutes)<ul style="list-style-type: none">- Begin the lesson by introducing the concept of Electronic Data Processing (EDP) in the context of auditing.- Explain that EDP refers to the use of computerized systems to collect, process, and analyze financial data.- Highlight the importance of understanding EDP in auditing due to the increasing reliance on technology in financial reporting and management2. Development (30 minutes)<ol style="list-style-type: none">a. What is EDP?<ul style="list-style-type: none">- Definition: EDP involves using electronic systems to manage data processing tasks, which enhances efficiency and accuracy in financial reporting.b. Importance: It allows auditors to handle large volumes of data effectively, leading to better decision-making and risk management.<ul style="list-style-type: none">- Key Approaches to Auditing in EDP Environments:<ul style="list-style-type: none">- Auditing Around the Computer (Black-Box Approach):<ul style="list-style-type: none">- Definition: The auditor examines inputs and outputs without delving into internal processing.- Methodology: Involves reviewing source documents and comparing them with outputs generated by the system.c. Advantages: Simplicity and less technical knowledge required.d. Disadvantages: Limited understanding of internal controls.<ul style="list-style-type: none">- Auditing Through the Computer (White-Box Approach):<ul style="list-style-type: none">- Definition: The auditor assesses both inputs and outputs while also examining internal processing within the system.- Methodology: Utilizes Computer-Assisted Audit Techniques (CAATs) for testing transactions directly within the system.- Advantages: Comprehensive evaluation of controls and processes.- Disadvantages: Requires technical expertise and higher costs.e. Importance of Internal Controls:<ul style="list-style-type: none">f. Internal controls are essential for ensuring data integrity and reliability in EDP systems.g. Auditors must evaluate these controls to determine their effectiveness and reliance during audits.



	<ul style="list-style-type: none">- .Exercise in Class (5 min)- Activity: Divide students into small groups and provide them with a hypothetical case study involving a company that uses an EDP system for its accounting processes. Ask each group to:- Identify the key components of the EDP system used by the company.- Discuss potential risks associated with using this system in auditing.- Propose auditing techniques that could be applied to ensure data integrity.- Each group should present their findings briefly
Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.<ul style="list-style-type: none">- Students will work individually on a worksheet that provides excerpts from various audit reports. They will identify the type of opinion expressed in each report and discuss why it was issued. <p>. Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.<ul style="list-style-type: none">- What are the primary components of an Electronic Data Processing system relevant to auditing?- How does understanding EDP enhance an auditor's ability to assess risk?- Can you provide an example of how an EDP system improves efficiency in the auditing process? Why audit reports are prepared? <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 40	Course Name: Management Accounting Topic: CASELET on EDP	Course No.: Auditing II-502
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Objectives	At the end of the lesson the student shall be able to: <ol style="list-style-type: none">define Electronic Data Processing (EDP) systems and explain their significance in auditing processes.identify common challenges faced in auditing EDP systems and propose effective solutions.apply their understanding of EDP systems to analyze a case study and suggest audit
Teaching Aids (if any)	a. PPT
Teaching Development	<ol style="list-style-type: none">Introduction (5 minutes) Electronic Data Processing (EDP) systems have transformed the way organizations manage and audit their financial data. With the increasing reliance on computerized systems for data management, auditors must adapt their methods to ensure the integrity, accuracy, and security of financial information. This caselet focuses on understanding EDP systems, the challenges they present in auditing, and how auditors can effectively navigate these challenges.Development (30 minutes) Caselet Scenario Company Background: ABC Corp is a mid-sized manufacturing company that has recently transitioned from manual accounting to a computerized accounting system. The new system allows for real-time data entry, processing, and reporting, significantly improving efficiency. However, with this transition, the company faces several challenges related to data integrity, security, and compliance with accounting standards. Challenges Identified: Data Integrity Issues: Errors in data entry can lead to inaccurate financial reports. System Security Risks: The risk of unauthorized access to sensitive financial data has increased. Compliance with Regulations: Ensuring that the EDP system adheres to relevant financial regulations and standards is crucial. Questions What are the primary benefits of using an EDP system for ABC Corp's auditing process? Identify at least two specific challenges ABC Corp faces with its new EDP system. Propose strategies that ABC Corp can implement to mitigate the identified challenges in its auditing process. Solutions Benefits of Using an EDP System: Increased Efficiency: The EDP system allows for faster processing of transactions and generation of reports, enabling timely decision-making. Enhanced Accuracy: Automated calculations reduce the likelihood



	<p>of human error compared to manual processes.</p> <p>Challenges Faced:</p> <p>Data Integrity Issues: Errors in data entry can compromise the accuracy of financial reports.</p> <p>System Security Risks: Increased reliance on technology raises concerns about unauthorized access and data breaches.</p> <p>Proposed Strategies:</p> <p>Implement Data Validation Controls: ABC Corp should establish robust data validation processes to ensure accurate data entry and reduce errors.</p> <p>Enhance Security Measures: Implement multi-factor authentication and regular security audits to protect sensitive financial information from unauthorized access.</p> <p>Conduct Regular Compliance Audits: Schedule periodic audits to ensure adherence to relevant regulations and standards, providing assurance that the EDP system operates within legal frameworks.</p> <p>Conclusion</p> <p>Understanding EDP systems is essential for modern auditors as they navigate the complexities of computerized environments. By identifying challenges and implementing effective solutions, organizations like ABC Corp can enhance their auditing processes, ensuring accuracy, security, and compliance in their financial reporting</p>
Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading https://smallbusiness.chron.com/explain-audit-procedures-electronic-data-processing-audit-14715.html3. Homework<ul style="list-style-type: none">- Students will work individually on a worksheet that provides excerpts from various audit reports. They will identify the type of opinion expressed in each report and discuss why it was issued. <p>. Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.<ul style="list-style-type: none">- How can auditors leverage technology to improve the effectiveness of their audits in an EDP environment?- What role does training play in ensuring that personnel are equipped to handle EDP systems effectively?- In what ways can organizations continuously improve their EDP systems to adapt to changing regulatory requirements? <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 41	Course Name: Auditing II Topic: Introduction to Corporate Governance	Course No.: Auditing II-502
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Objectives	At the end of the lesson the student shall be able to: <ol style="list-style-type: none"> able to define corporate governance and explain its significance in the management and direction of companies. identify and describe the key principles and frameworks that guide corporate governance practices. evaluate the roles of various stakeholders in corporate governance and how their interests influence corporate decision-making
Teaching Aids (if any)	<ol style="list-style-type: none"> PPT
Teaching Development	<ol style="list-style-type: none"> Introduction (5 minutes) <ul style="list-style-type: none"> Begin the lesson by introducing the concept of corporate governance as the system by which companies are directed and controlled. Emphasize its importance in ensuring accountability, fairness, and transparency in a company's relationship with its stakeholders, including shareholders, management, customers, suppliers, financiers, government, and the community. Discuss how effective corporate governance can enhance a company's performance. Development (30 minutes) <ol style="list-style-type: none"> What is Corporate Governance? <ul style="list-style-type: none"> Definition: Corporate governance refers to the structures, processes, and practices that ensure a company is managed in the best interests of its stakeholders. Importance: It provides a framework for achieving a company's objectives while balancing the interests of various stakeholders. Key Principles of Corporate Governance: <ul style="list-style-type: none"> Accountability: Ensuring that individuals in an organization are held accountable for their actions. Transparency: Providing timely and accurate information to stakeholders regarding financial performance and risks. Fairness: Treating all stakeholders equitably and ensuring their rights are respected. Responsibility: Ensuring that management acts responsibly towards stakeholders and society at large. Stakeholders in Corporate Governance: <ul style="list-style-type: none"> Shareholders: Investors who provide capital and expect returns on their investments. Board of Directors: Responsible for overseeing management and ensuring that the company adheres to governance principles. Management: Executives who run the day-to-day operations of the company. Employees: Individuals who contribute to the company's success through their work. Customers: Entities that purchase goods or services from the company.



	<ul style="list-style-type: none">- Suppliers: Providers of goods or services necessary for business operations.- Regulatory Bodies: Government agencies that enforce laws and regulations related to corporate conduct.d. Exercise in Class (5 min)- Activity: Divide students into small groups and provide each group with a case study of a company facing corporate governance challenges (e.g., a company involved in a scandal).
Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading<ul style="list-style-type: none">- https://www.investopedia.com/terms/c/corporategovernance.asp3. Homework<ul style="list-style-type: none">- Write a one-page report discussing a real-world example where poor corporate governance led to significant consequences for a company (e.g., Enron or Lehman Brothers).- Create a chart summarizing key principles of corporate governance along with examples of how they can be implemented in an organization <p>. Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.<ul style="list-style-type: none">- What are the primary roles and responsibilities of a board of directors in corporate governance?- How can effective corporate governance contribute to a company's long-term success?- In what ways do stakeholder interests influence corporate governance practices? <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 42	Course Name: Auditing II Topic: Need and Importance of Corporate Governance	Course No.: Auditing II-502
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Objectives	At the end of the lesson the student shall be able to: a. to define corporate governance and explain its significance in the business environment. b. identify the key benefits of effective corporate governance for organizations and stakeholders. c. evaluate the risks associated with weak corporate governance practices and their impact on organizations.
Teaching Aids (if any)	a. PPT
Teaching Development	<ol style="list-style-type: none">1. Introduction (5 minutes)<ul style="list-style-type: none">- Begin the lesson by introducing the concept of corporate governance as the framework of rules, practices, and processes by which a company is directed and controlled.- Explain that effective corporate governance is crucial for ensuring accountability, transparency, and ethical behavior within organizations.- Discuss how it impacts various stakeholders, including shareholders, employees, customers, and the community.2. Development (30 minutes)<ol style="list-style-type: none">a. What is Corporate Governance?<ul style="list-style-type: none">- Corporate governance refers to the system by which companies are directed and controlled, encompassing the relationships among various stakeholders.b. Importance: It ensures that companies operate in a responsible manner, balancing the interests of all stakeholders.c. Key Benefits of Corporate Governance:<ul style="list-style-type: none">- Enhanced Accountability: Establishes clear roles and responsibilities for management and the board of directors.- Increased Transparency: Promotes open communication regarding company operations and financial performance.- Improved Decision-Making: Facilitates informed decision-making through structured processes.- Risk Mitigation: Helps identify and manage risks effectively, protecting stakeholder interests.- Reputation Management: Builds trust with investors, customers, and the community, enhancing the company's reputation.d. Risks of Poor Corporate Governance:<ul style="list-style-type: none">- Financial Loss: Weak governance can lead to mismanagement and financial scandals (e.g., Enron).- Loss of Stakeholder Trust: Poor practices can erode confidence among investors and customers.- Legal Consequences: Non-compliance with regulations can result in legal penalties and reputational damage.e. Exercise in Class (5 min)<ul style="list-style-type: none">- Activity: Divide students into small groups and provide each group with a scenario involving a company facing corporate governance



	challenges (e.g., a company involved in a scandal or facing regulatory scrutiny). Ask each group to: Identify the key issues related to corporate governance in the scenario.
Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading<ul style="list-style-type: none">- https://www.investopedia.com/terms/c/corporategovernance.asp3. Homework<ul style="list-style-type: none">- Write a one-page report discussing a real-world example where poor corporate governance led to significant consequences for a company (e.g., Enron or Lehman Brothers).- Create a chart summarizing key benefits of corporate governance along with examples of how they can be implemented in an organization. <p>. Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.<ul style="list-style-type: none">- What are the primary roles and responsibilities of a board of directors in corporate governance?- How does effective corporate governance contribute to an organization's long-term success?- In what ways do stakeholder interests influence corporate governance practices? <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 43	Course Name: Auditing II Topic: Theories of Corporate Governance	Course No.: Auditing II-502
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Objectives	At the end of the lesson the student shall be able to: <ol style="list-style-type: none"> Define key theories of corporate finance and explain their relevance in financial decision-making. Identify and describe major theories of corporate finance, including the Modigliani-Miller theorem, agency theory, and trade-off theory. Evaluate how these theories apply to real-world corporate finance decisions and their implications for stakeholders.
Teaching Aids (if any)	<ol style="list-style-type: none"> PPT
Teaching Development	<ol style="list-style-type: none"> Introduction (5 minutes) <ul style="list-style-type: none"> Begin the lesson by introducing the concept of corporate finance as a field that deals with the sources of funding, capital structure, and investment decisions of corporations. Explain that various theories guide financial managers in making informed decisions regarding investment, financing, and dividends. Highlight the importance of understanding these theories as they provide a framework for analyzing financial strategies and outcomes. Development (30 minutes) <ol style="list-style-type: none"> What is Corporate Finance? <ul style="list-style-type: none"> Definition: Corporate finance involves managing a company's finances to maximize shareholder value through long-term and short-term financial planning and the implementation of various strategies. Importance: It encompasses various activities such as capital investment decisions, financing strategies, and dividend policies. Key Theories of Corporate Finance: <ul style="list-style-type: none"> Modigliani-Miller Theorem: Proposition that under certain market conditions (no taxes, bankruptcy costs, or asymmetric information), the value of a firm is unaffected by its capital structure. Implication: In an ideal market, the choice between debt and equity financing does not impact firm value. Agency Theory: Focuses on the conflicts of interest between stakeholders in a company, particularly between shareholders (principals) and management (agents). Implication: Effective corporate governance mechanisms are necessary to align interests and mitigate agency costs. Trade-Off Theory: Suggests that firms strive to balance the tax benefits of debt financing against the costs associated with potential financial distress. Implication: Companies should find an optimal capital structure that maximizes value while minimizing risks. Applications of Theories:



	<ul style="list-style-type: none">- Understanding these theories helps financial managers make informed decisions regarding capital structure, investment opportunities, and risk management.- Real-world examples can illustrate how companies apply these theories to navigate financial challenges.e. Exercise in Class (5 min) Activity: Divide students into small groups and provide each group with a scenario involving a company facing financial decisions (e.g., whether to finance a new project with debt or equity). Ask each group to:<ul style="list-style-type: none">f. Identify which corporate finance theory applies to their scenario.g. Discuss how applying this theory would influence their decision-making process.h. Present their findings briefly to the class
Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading<ul style="list-style-type: none">- https://www.investopedia.com/terms/c/corporategovernance.asp3. Homework<ul style="list-style-type: none">- Write a one-page report discussing how a specific corporation applied one of the key theories of corporate finance in its decision-making process.- Create a comparison chart summarizing the key features of different corporate finance theories discussed in class.excerpts from various audit reports. They will identify the type of opinion expressed in each report and discuss why it was issued. <p>. Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.<ul style="list-style-type: none">- What are the main implications of the Modigliani-Miller theorem for corporate financing decisions?- How does agency theory highlight the importance of corporate governance?- In what ways can trade-off theory guide firms in determining their optimal capital structure? <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 44	Course Name: Auditing II Topic: Theories of Corporate Governance	Course No.: Auditing II-502
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Objectives	At the end of the lesson the student shall be able to: <ol style="list-style-type: none"> Define key theories of corporate finance and explain their relevance in financial decision-making. Identify and describe major theories of corporate finance, including the Modigliani-Miller theorem, agency theory, and trade-off theory. Evaluate how these theories apply to real-world corporate finance decisions and their implications for stakeholders.
Teaching Aids (if any)	<ol style="list-style-type: none"> PPT
Teaching Development	<ol style="list-style-type: none"> Introduction (5 minutes) <ul style="list-style-type: none"> Begin the lesson by introducing the concept of corporate finance as a field that deals with the sources of funding, capital structure, and investment decisions of corporations. Explain that various theories guide financial managers in making informed decisions regarding investment, financing, and dividends. Highlight the importance of understanding these theories as they provide a framework for analyzing financial strategies and outcomes. Development (30 minutes) <ol style="list-style-type: none"> What is Corporate Finance? <ul style="list-style-type: none"> Definition: Corporate finance involves managing a company's finances to maximize shareholder value through long-term and short-term financial planning and the implementation of various strategies. Importance: It encompasses various activities such as capital investment decisions, financing strategies, and dividend policies. Key Theories of Corporate Finance: <ul style="list-style-type: none"> Modigliani-Miller Theorem: <p>Proposition that under certain market conditions (no taxes, bankruptcy costs, or asymmetric information), the value of a firm is unaffected by its capital structure.</p> <p>Implication: In an ideal market, the choice between debt and equity financing does not impact firm value.</p> Agency Theory: <p>Focuses on the conflicts of interest between stakeholders in a company, particularly between shareholders (principals) and management (agents).</p> <p>Implication: Effective corporate governance mechanisms are necessary to align interests and mitigate agency costs.</p> Trade-Off Theory: <p>Suggests that firms strive to balance the tax benefits of debt financing against the costs associated with potential financial distress.</p> <p>Implication: Companies should find an optimal capital structure that maximizes value while minimizing risks.</p> Applications of Theories:



	<ul style="list-style-type: none">- Understanding these theories helps financial managers make informed decisions regarding capital structure, investment opportunities, and risk management.- Real-world examples can illustrate how companies apply these theories to navigate financial challenges.e. Exercise in Class (5 min) Activity: Divide students into small groups and provide each group with a scenario involving a company facing financial decisions (e.g., whether to finance a new project with debt or equity). Ask each group to:<ul style="list-style-type: none">f. Identify which corporate finance theory applies to their scenario.g. Discuss how applying this theory would influence their decision-making process.h. Present their findings briefly to the class
Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading<ul style="list-style-type: none">- https://www.investopedia.com/terms/c/corporategovernance.asp3. Homework<ul style="list-style-type: none">- Write a one-page report discussing how a specific corporation applied one of the key theories of corporate finance in its decision-making process.- Create a comparison chart summarizing the key features of different corporate finance theories discussed in class.excerpts from various audit reports. They will identify the type of opinion expressed in each report and discuss why it was issued. <p>. Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.<ul style="list-style-type: none">- What are the main implications of the Modigliani-Miller theorem for corporate financing decisions?- How does agency theory highlight the importance of corporate governance?- In what ways can trade-off theory guide firms in determining their optimal capital structure? <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 45	Course Name: Management Accounting Topic: Principles /Four Pillars of Corporate Governance	Course No.: Auditing II-502
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Objectives	At the end of the lesson the student shall be able to: <ul style="list-style-type: none"> a. Define the four pillars of corporate governance—accountability, transparency, fairness, and responsibility—and explain their significance. b. Identify and describe the key features and implications of each pillar in corporate governance. c. Evaluate how these principles can be applied in real-world corporate scenarios to enhance governance practices.
Teaching Aids (if any)	a. PPT
Teaching Development	<ol style="list-style-type: none"> 1. Introduction (5 minutes) <ul style="list-style-type: none"> - Begin the lesson by introducing the concept of corporate governance as the framework of rules, practices, and processes by which a company is directed and controlled. - Explain that effective corporate governance is essential for ensuring accountability, transparency, and ethical behavior within organizations. - Highlight that the four pillars of corporate governance serve as foundational elements that guide these practices. 2. Development (30 minutes) <ol style="list-style-type: none"> a. What are the Four Pillars of Corporate Governance? <ul style="list-style-type: none"> - Accountability: Definition: Ensures that individuals and organizations are held responsible for their actions and decisions. Importance: Promotes trust among stakeholders by ensuring that management is accountable for their performance and compliance with laws and regulations. - Transparency: Definition: Involves providing accurate and timely information to stakeholders about company operations. Importance: Enhances stakeholder confidence by ensuring that all relevant information is disclosed, enabling informed decision-making. - Fairness: Definition: Ensures equitable treatment of all stakeholders, including shareholders, employees, customers, and suppliers. Importance: Protects shareholder rights and promotes equal opportunities for all stakeholders involved with the company. - Responsibility: Definition: Focuses on companies acting in a socially responsible manner, considering the impact of their decisions on society and the environment. Importance: Encourages sustainable business practices and ethical decision-making that benefit both the organization and its stakeholders. b. Implications of Each Pillar:



	<ul style="list-style-type: none">- Discuss how each pillar contributes to effective corporate governance.c. Provide examples of companies that exemplify strong governance practices based on these pillars.d. Exercise in Class (5 min)- Activity: Divide students into small groups and provide each group with a case study involving a company facing governance challenges (e.g., a company involved in a scandal). Ask each group to: Identify which pillar(s) of corporate governance were compromised in the scenario. Discuss how strengthening these pillars could have mitigated the issues faced by the company. Present their findings briefly to the class.
Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading<ul style="list-style-type: none">- https://www.perplexity.ai/search/prepare-lesson-plan-on-content-xKII63e9TV.FUTIFLgSPlg-3. Homework Write a one-page report discussing a real-world example where strong corporate governance based on these pillars led to positive outcomes for a company. Create a visual representation (e.g., infographic or poster) summarizing the four pillars of corporate governance along with their key features <p>. Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.<ul style="list-style-type: none">-How do the four pillars of corporate governance interrelate to enhance organizational effectiveness?- What are some potential consequences for a company that neglects one or more of these pillars?- In what ways can companies implement these principles to improve stakeholder trust and engagement? <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 46	Course Name: AuditingII Topic: Models of Corporate Governance	Course No.: Auditing II-502
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Objectives	At the end of the lesson the student shall be able to: a. Define different models of corporate governance and explain their significance in managing corporate entities. b. Identify Key Characteristics and describe the key characteristics of the Anglo-US, German, and Japanese corporate governance models. c. Evaluate Practical Implications how these models influence corporate behavior and decision-making in real-world scenarios.
Teaching Aids (if any)	a. PPT
Teaching Development	<ol style="list-style-type: none">1. Introduction (5 minutes)<ul style="list-style-type: none">- Begin the lesson by introducing the concept of corporate governance as a system of rules, practices, and processes by which a company is directed and controlled.- Emphasize that different countries adopt various governance models based on cultural, economic, and legal factors.- Explain that understanding these models is crucial for effective management and oversight of corporations.-2. Development (30 minutes)<ol style="list-style-type: none">a. What are Corporate Governance Models?<ul style="list-style-type: none">- Definition: Corporate governance models provide frameworks for how companies operate and how decisions are made within them.b. Importance: They help ensure accountability, transparency, and fairness in corporate management.c. Key Models of Corporate Governance:<ul style="list-style-type: none">- Anglo-US Model (Shareholder Model): Characteristics: Focuses on maximizing shareholder value. Features a unitary board structure where the board of directors is accountable to shareholders. Shareholders have significant voting rights on major decisions. Implications: Encourages transparency and accountability but may lead to short-termism in decision-making.- German Model (Stakeholder Model): Characteristics: Emphasizes long-term sustainability and stakeholder interests. Features a dual-board structure consisting of a supervisory board and an executive board. Employee representation is common on supervisory boards. Implications: Promotes stability and long-term planning but can slow decision-making processes.- Japanese Model (Keiretsu Model): Characteristics: Focuses on relationships among stakeholders, including banks, suppliers, and employees. Companies often have cross-shareholdings with banks and other firms (keiretsu).



	<p>Decision-making is consensus-driven rather than hierarchical. Implications: Encourages loyalty and stability but may reduce transparency and accountability.</p> <ul style="list-style-type: none">- Comparative Analysis: Discuss how these models reflect different cultural attitudes towards business, risk, and stakeholder relationships. Provide examples of companies that exemplify each model. <p>d. Exercise in Class (5 min) Activity: Divide students into small groups and assign each group one of the three corporate governance models. Ask each group to: Identify the strengths and weaknesses of their assigned model. Discuss how their model might influence corporate decisions in a real-world scenario (e.g., mergers, financial crises). Present their findings briefly to the class.</p> <p>e. How does the Nordic model of corporate governance differ from the other models</p>
Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading<ul style="list-style-type: none">- https://www.investopedia.com/terms/c/corporategovernance.asp3. Homework<ul style="list-style-type: none">- Write a one-page report discussing a real-world example where a specific corporate governance model influenced a company's decision-making process.- Create a comparison chart summarizing the key features of the Anglo-US, German, and Japanese corporate governance models. <p>Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.<ul style="list-style-type: none">- How do the characteristics of the Anglo-US model promote or hinder effective corporate governance?- In what ways does employee representation in the German model enhance stakeholder engagement?- What challenges might arise from the consensus-driven decision-making approach in the Japanese corporate governance model? <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 47	Course Name: AuditingII Topic: Models of Corporate Governance	Course No.: Auditing II-502
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Objectives	At the end of the lesson the student shall be able to: a. Define different models of corporate governance and explain their significance in managing corporate entities. b. Identify Key Characteristics and describe the key characteristics of the Anglo-US, German, and Japanese corporate governance models. c. Evaluate Practical Implications how these models influence corporate behavior and decision-making in real-world scenarios.
Teaching Aids (if any)	a. PPT
Teaching Development	<ol style="list-style-type: none">Introduction (5 minutes)<ul style="list-style-type: none">- Begin the lesson by introducing the concept of corporate governance as a system of rules, practices, and processes by which a company is directed and controlled.- Emphasize that different countries adopt various governance models based on cultural, economic, and legal factors.- Explain that understanding these models is crucial for effective management and oversight of corporations.Development (30 minutes)<ol style="list-style-type: none">What are Corporate Governance Models?<ul style="list-style-type: none">- Definition: Corporate governance models provide frameworks for how companies operate and how decisions are made within them.Importance: They help ensure accountability, transparency, and fairness in corporate management.Key Models of Corporate Governance:<ul style="list-style-type: none">- Anglo-US Model (Shareholder Model): Characteristics: Focuses on maximizing shareholder value. Features a unitary board structure where the board of directors is accountable to shareholders. Shareholders have significant voting rights on major decisions. Implications: Encourages transparency and accountability but may lead to short-termism in decision-making.- German Model (Stakeholder Model): Characteristics: Emphasizes long-term sustainability and stakeholder interests. Features a dual-board structure consisting of a supervisory board and an executive board. Employee representation is common on supervisory boards. Implications: Promotes stability and long-term planning but can slow decision-making processes.- Japanese Model (Keiretsu Model): Characteristics: Focuses on relationships among stakeholders, including banks, suppliers, and employees. Companies often have cross-shareholdings with banks and other firms (keiretsu).



	<p>Decision-making is consensus-driven rather than hierarchical. Implications: Encourages loyalty and stability but may reduce transparency and accountability.</p> <ul style="list-style-type: none">- Comparative Analysis: Discuss how these models reflect different cultural attitudes towards business, risk, and stakeholder relationships. Provide examples of companies that exemplify each model. <p>d. Exercise in Class (5 min) Activity: Divide students into small groups and assign each group one of the three corporate governance models. Ask each group to: Identify the strengths and weaknesses of their assigned model. Discuss how their model might influence corporate decisions in a real-world scenario (e.g., mergers, financial crises). Present their findings briefly to the class.</p> <p>e. How does the Nordic model of corporate governance differ from the other models</p>
Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading<ul style="list-style-type: none">- https://www.investopedia.com/terms/c/corporategovernance.asp3. Homework<ul style="list-style-type: none">- Write a one-page report discussing a real-world example where a specific corporate governance model influenced a company's decision-making process.- Create a comparison chart summarizing the key features of the Anglo-US, German, and Japanese corporate governance models. <p>Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.<ul style="list-style-type: none">- How do the characteristics of the Anglo-US model promote or hinder effective corporate governance?- In what ways does employee representation in the German model enhance stakeholder engagement?- What challenges might arise from the consensus-driven decision-making approach in the Japanese corporate governance model? <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 48	Course Name: Management Accounting Topic: Features of Board Committees	Course No.: Auditing II-502
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Objectives	At the end of the lesson the student shall be able to: a. Define what board committees are and explain their role within corporate governance. b. Identify and describe the different types of board committees and their specific functions. c. Evaluate the importance of board committees in enhancing decision-making and governance effectiveness.
Teaching Aids (if any)	a. PPT
Teaching Development	<ol style="list-style-type: none">1. Introduction (5 minutes)<ul style="list-style-type: none">- Begin the lesson by introducing the concept of board committees as specialized sub-groups formed by a board of directors to focus on specific tasks or areas that require detailed attention.- Explain that these committees enhance the efficiency and effectiveness of the board by allowing for in-depth discussions and informed decision-making on complex issues.- Highlight that board committees play a crucial role in corporate governance, ensuring accountability, transparency, and strategic oversight.2. Development (30 minutes)<ol style="list-style-type: none">a. What are Board Committees?<ul style="list-style-type: none">- Definition: Board committees are smaller groups formed from the board of directors to address specific issues or tasks.- Purpose: To enable focused discussions, streamline decision-making, and leverage specialized expertise.b. Types of Board Committees:<ul style="list-style-type: none">- Audit Committee:<ul style="list-style-type: none">- Responsible for overseeing financial reporting, internal controls, and external audits.- Ensures compliance with legal and regulatory requirements.- Nomination and Remuneration Committee:<ul style="list-style-type: none">- Handles the selection and evaluation of board members and senior executives.- Sets compensation packages to attract and retain talent.c. Risk Management Committee:<ul style="list-style-type: none">- Identifies, assesses, and manages potential risks that could impact the organization.d. Develops strategies for risk mitigation.<ul style="list-style-type: none">- Corporate Social Responsibility (CSR) Committee:<ul style="list-style-type: none">- Oversees the company's social responsibility initiatives and ensures alignment with corporate values.- Engages with stakeholders on CSR-related issues.e. Importance of Board Committees:<ul style="list-style-type: none">- Enhanced Expertise: Committees allow members with specific knowledge to focus on relevant issues, leading to more informed decisions.



	<ul style="list-style-type: none">- Improved Efficiency: By delegating specific tasks to committees, boards can streamline their meetings and focus on broader strategic matters.- Increased Accountability: Committees are directly accountable for their designated areas, promoting ownership and responsibility within the board.f. Exercise in Class (5 min)- Activity: Divide students into small groups and assign each group a type of board committee (e.g., Audit Committee, Nomination Committee).- Ask each group to:- Discuss the key responsibilities and functions of their assigned committee.- Identify potential challenges that committee members might face in fulfilling their roles.- Present their findings briefly to the class
Closure	<ol style="list-style-type: none">1. Summarize the Lesson Learning Outcomes and get affirmation from students on these.2. Suggested Reading<ul style="list-style-type: none">- https://www.investopedia.com/terms/c/corporategovernance.asp3. Homework<ul style="list-style-type: none">- Write a one-page report discussing a real-world example where a specific board committee played a critical role in addressing an issue within an organization (e.g., an audit committee uncovering financial discrepancies).- Create a chart summarizing the different types of board committees along with their key responsibilities and functions- <p>. Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<ol style="list-style-type: none">1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss.<ul style="list-style-type: none">- What are the primary functions of an audit committee within a corporate governance framework?- How do nomination committees contribute to effective leadership succession planning?- In what ways can board committees enhance overall organizational performance? <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>