

VEER NARMAD SOUTH GUJARAT UNIVERSITY, SURAT

P.G. Diploma in Internal Audit

Paper IV

Section 1

Financial and cost Accounting and cost Audit

1. Basic Principles of Accounting

Journal entries - Ledger Posting - Trial Balance - Rectification of errors -Final Accounts of Sole Proprietor and Partnership Firm.

2. Final Accounts of Joint Stock Company

3. Final Accounts of Non- trading concern.

4. Accounting standards.

(Recommended by Institute of Chartered Accounts of India)

Meaning - objects - utilities - International Accounting Standards Board (ASB) - Following five standards required to be studied:

- Disclosures of Accounting Policies
- Evaluation of Stock (Inventories)
- Depreciation
- Final Accounts - Profit and loss and changing of Accounting Policies
- Financial Statement.

Section II

Cost Accounting and Cost Audit

1. Material, Labour and Overheads

- Material: Material Control, concept and techniques, Pricing of material issue, treatment of material losses.
- Labour: Labour cost control procedure, labour turnover - Idle time and overtime, methods of wage payment.
- Overheads: Classification and departmentalization, absorption of overheads- Determination of overheads rules, under and over-absorption and-its treatment.

2. Preparation of Cost Sheet (including estimation)

3. Standard Costing

Meaning - Setting up of standards - variances - computation of overheads (Elementary only).

4. Budget and Budgetary Control

Definition and characteristics of budgetary control - objects of budgetary control Advantages and limitations of budgetary control. Types of budgets (Practical problems of only cash budget and flexible budget).