



LOYOLA COLLEGE [AUTONOMOUS]

College of Excellence

Chennai-600034

DEPARTMENT OF B.COM. [HONOURS]

*Cordially Invites you to
A Guest Lecture on*

SUBSTANTIVE PROCEDURES IN AUDITING



CEL 02



11:30 A.M.

Mr. JONATHAN DEVAPRASAD

CA & ACCA Affiliate.



MARCH

07th
2025

FRIDAY

Organising Committee



Dr. Reena F
Co-ordinator

Dr. R. Leema Rose
Asst. Professor

Dr. Jerusha Irene D
Asst. Professor

Dr. Minothi J
Asst. Professor

LOYOLA COLLEGE(AUTONOMOUS),CHENNAI -34
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Auditing & Assurance Guest Lecture Report

The guest lecture on Audit Procedures, Substantive Procedures, and Tests of Control was an insightful session aimed at deepening our understanding of audit methodologies. The lecture was conducted by an auditor Mr Jonathan Devaprasad who is also a proud alumni of the program and an ACCA affiliate. The lecture was held on 7th March 2025 in CEL 02 for the second year students and organised by the subject incharge Dr Minothi J. The lecture covered key aspects such as Assertions, Audit Evidence, Audit Risk, and Audit Procedures, equipping participants with valuable knowledge on how audit procedures ensure financial accuracy and compliance.

Key Highlights from the Lecture

- **Assertions in Auditing**

Assertions ensure that financial statements reflect a true and fair view of the financial position of an entity. The lecture emphasized the importance of Transactions & Events Assertions (Occurrence, Completeness, Cut-off, Accuracy, Classification, Presentation) and Account Balances Assertions (Existence, Rights & Obligations, Valuation, Completeness, Classification, Presentation).

- **Audit Evidence**

Audit evidence plays a crucial role in confirming the assertions made in financial statements. The speaker elaborated on the Sufficiency and Appropriateness of audit evidence, emphasizing factors such as Relevance and Reliability in ensuring credibility.

- **Audit Risk & Its Components**

Audit risk was explained using the formula: $AR = RMM \times DR$ (where $RMM = IR \times CR$). The lecture provided real-world examples illustrating how Inherent Risk (IR) and Control Risk (CR) affect the level of audit risk, and how Detection Risk (DR) is adjusted to achieve the required level of assurance.

- **Tests of Control & Substantive Procedures**

The lecture distinguished between Tests of Control and Substantive Procedures, explaining how an auditor determines the extent of substantive testing required based on the effectiveness of internal controls. The discussion included low and high control risk scenarios, illustrating how different levels of risk influence the extent of substantive procedures performed.



The guest lecture was an enriching experience for all attendees. It provided a detailed understanding of audit procedures and risk management, giving insights into the importance of accurate financial reporting and effective control mechanisms. The interactive session encouraged participants to ask questions, ensuring a deeper grasp of audit principles.

The lecture concluded with a Q&A session, where students had the opportunity to clarify their doubts and gain practical insights into the field of auditing.



