This Practice Manual has been prepared by the faculty of the Board of Studies. The objective of the Practice Manual is to provide teaching material to the students to enable them to obtain knowledge and skills in the subject. In case students need any clarifications or have any suggestions to make for further improvement of the material contained herein, they may write to the Director of Studies.

All care has been taken to provide interpretations and discussions in a manner useful for the students. However, the Practice Manual has not been specifically discussed by the Council of the Institute or any of its Committees and the views expressed herein may not be taken to necessarily represent the views of the Council or any of its Committees.

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Dependency on Information Technology (IT) enabled services is increasing at a very fast rate in the current highly connected world. Traditional working setups have been replaced by the technology driven frameworks and networks. The flexibility of the software systems has transformed the success stories of the organizations’ mission, plans, and policies. Accordingly, accounting professionals also interact with computer-based information systems on a regular basis. As primary users of information systems in organizations, accountants need to participate in the design, development and operations of IT systems. In addition, they need to measure and evaluate the performance of information systems with the help of appropriate controls. Internal and external auditors must assess the quality of information systems and evaluate the accuracy of information input and output. Hence, Chartered Accountants must have the conceptual clarity to deal with different controls adapted in these systems and other important tasks.

In today's dynamic and changing economic environment, businesses are subjected to greater risks than ever before. Accordingly, auditors should also be able to identify the business risks that an organization can face and the risk management policies that an organization must adapt to effectively manage those risks and particularly for Information Systems and their security. There are several Chartered Accountants, who work as IS Auditors in their professional lives in the environment of information systems. In addition, some of them work as IT Managers, responsible for the development of application systems, starting from the requirements analysis and till system maintenance.

For all these tasks, CAs require a thorough knowledge/understanding of the concepts of IT and accordingly, the Chartered Accountancy course has also included IT as a part of the course curriculum both at Intermediate (IPC) and Final levels. A paper on Information Systems Control and Audit forming a part of the final course helps the students to develop competencies and skill-sets in evaluation of controls and relevant evidence gathering in an IT environment using IT tools and techniques for effective and efficient performance of accounting, assurance and compliance services provided by a Chartered Accountant. The basic knowledge about IT gained at Intermediate (IPC) level is sought to be built up further through this paper.

This Practice Manual has been designed with the need of home-study and keeping distance-learning students in view. Such students require full coverage of the syllabus topics, and the facility to undertake extensive questions’ practice. The main aim of this Practice Manual is to provide guidance as to the manner of writing an answer in the examination. The main features of this Practice Manual are given as follows:

- **Concepts in Brief:** Important definitions, concepts and points have been given before each topic for quick recapitulation.
- **Questions:** Questions have been given in the same order in which the topics have been covered in the Study Material. Students are expected to attempt the questions
and then compare their answers with the answers provided in the manual. In this way, they will be able to know the gaps in between and can improve their way of writing the answers in the examination.

- **Exercise:** Exercises have been given at the end of each chapter for independent practice.

In case you need any further clarification/guidance, please send your queries at bosnoida@icai.in/isca-final@icai.in.

*Happy Reading and Best Wishes!*
## Paper – 6: Information Systems Control and Audit

Statement indicating Chapter-wise distribution of Examination Questions along with Marks

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**Note:** Question paper of the afore-mentioned examinations can be accessed from the ‘BoS Knowledge Portal’ under the section ‘Students’ on the Institute’s website: [www.icai.org](http://www.icai.org).
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