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(SETUP BY AN ACT OF PARLIAMENT)

KOZHIKODE BRANCH OF SICASA



YUKTHI

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INDEX

QUOTE OF THE MONTH	3
SUB TREASURER 'S MESSAGE	4
ARTICLE	
MIND READING AI	5
ART CORNER	7
PHOTOGRAPHY CORNER	9
LITERATURE CORNER	10
EVENTS - JUNE, 2023	12
KNOWLEDGE SECTION	15

QUOTE OF THE MONTH



**Fights are not permanent,
It's not like I will not talk to you again,
It's just that it wouldn't be the same anymore !!
I loved you before and I would still love you,
But I might not show you !!**

**- Dhruvi C Shah
SRO0768313**

When You fight with someone who is close to you and the problem is you know them so well, that you know why they are doing what they are doing. And the difficult part is even after knowing all of this you're not able to forget or forgive and the only option let is to move on. And accepting the fact that things are not going to be like before no matter how hard you try actually how hard both of you try!! And that hurts really hard !! We don't have them and nor do they hate us, we still care for them and they still are an important person in our life, the difference is just that we don't just click anymore!! May be tomorrow they might understand but then it will be too late . And by then we just cannot be back tomorrow!!! We can just hope that it's not a full stop but too many dotsand someday it restarts again even more stronger than before!! Let's keep that hope.



SUB TREASURER 'S MESSAGE

Dear CA ASPIRANTS,

It's my immense pleasure to address you all on behalf of the sicasa Kozhikode committee. It has been 4 months since I have been part of this new team and I am so happy for being part of this, we all are doing our best for the benefit of our CA students community. Recent activities showed me the hard work and enthusiasm of every one in the committee. It's a pleasure to see how we work together for making every event a great success. At the same time it's not an easy task for us to organise events and attend meetings along with our articleship and studies but the output and student participation and feedback make it worth. Through this we all are indirectly gaining the discipline and time management which is very essential in our professional life. So urge you all to be part of this team whenever you get the opportunity which is working relentlessly for our CA community.

Finally it's time for the results, as we all know that pursuing CA can be challenging and demanding, but we want you to know that you are not alone in this journey. We have all been through the late-night studying, the tension and the stress that comes along with it. But remember, this is a stepping stone towards your professional goals and a testament to your dedication and hard work.

Believe in yourself, stay motivated, and remain committed to your goals. The road may be tough, but with your determination and resilience, we are confident that you will thrive.

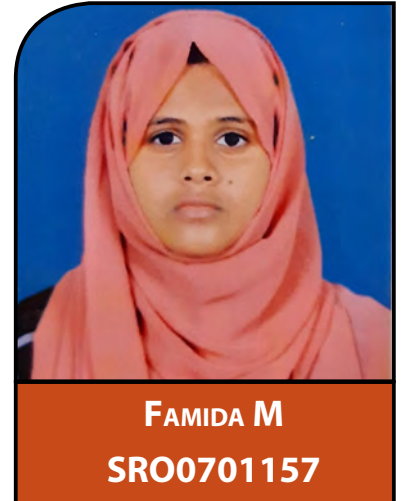
Wishing you all the best in this CA journey!

Mohammed Shabeeb,
Sub Treasurer,
SICASA Kozhikode

MIND READING AI

Should we be concerned about our thoughts in this era?

Artificial intelligence is basically the simulation of human intelligence processed by machines. It's quite shocking and inspiring for people to get to know its ability to write like a human, create stunning images and videos, and even produce songs that are shaking up the music industry. I have always been fascinated by the possibilities that technology can bring to humanity. The thought of inventing something that can improve our lives and make our world a better place is a dream come true.

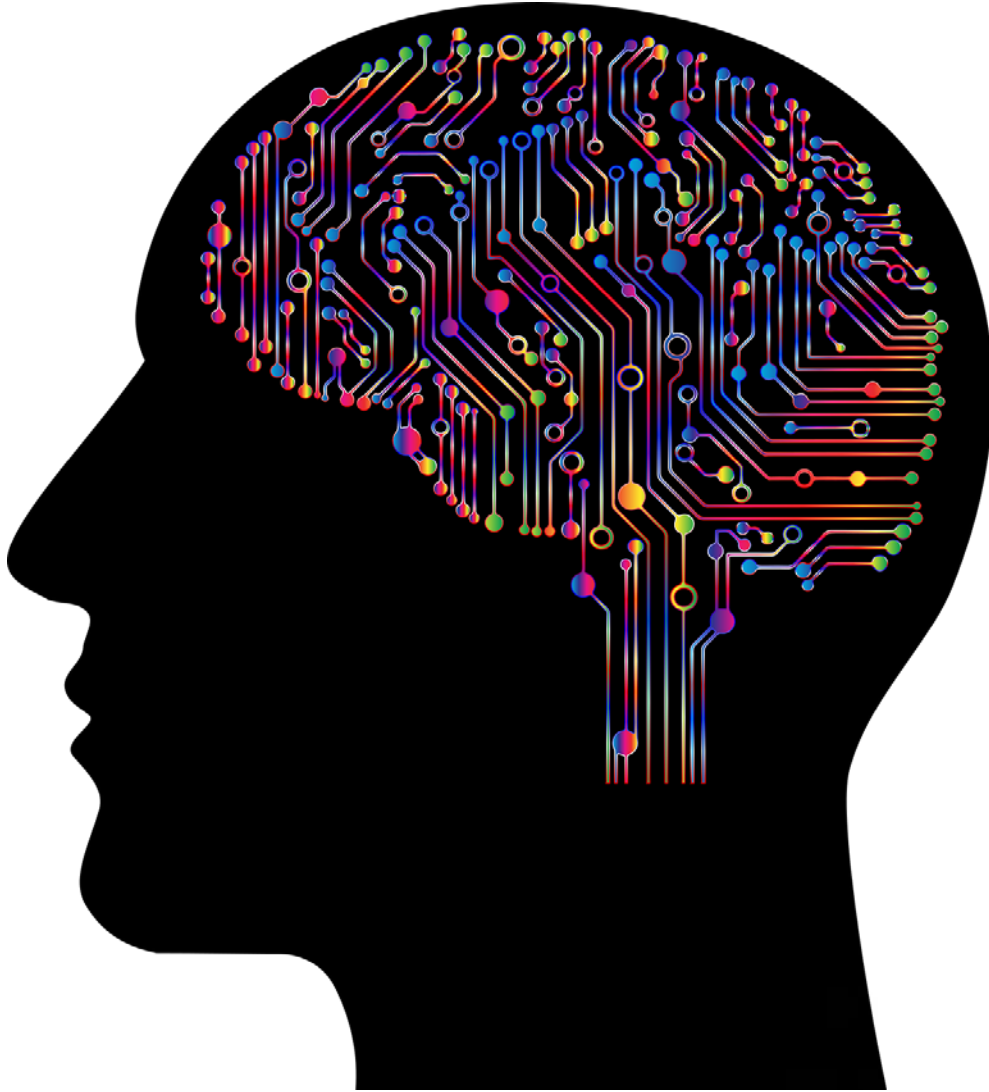


It's 2023, and the world is rapidly changing from traditionally known methods of dream interpretation to being able to read the human mind with the help of artificial intelligence. Yes, what you've read is true, on May 1st, researchers announced the successful creation of an AI-based decoder that can translate brain activity into a continuous stream of text has been developed, in a breakthrough that allows a person's thoughts to be read non-invasively for the first time.

The researchers have been working on this for 15 years and it was shocking and exciting for them when it finally did work as the achievement overcomes a fundamental limitation of fMRI. They also explain that the experiment's participants first lay in a scanner and listened to a narrative podcast for 16 hours, while their brains were recorded using functional Magnetic Resonance Imaging (fMRI). The decoder was then trained to match their brain's responses to the meaning of the narrative, with the help of the large language model GPT-1.

The same participants were then scanned while they (silently) imagined telling five one-minute stories. Based off nothing more than their brain activity, the decoder was able to convert the stories into text with "considerable accuracy", occasionally picking up exact phrases. It was also able to describe the content of silent videos they watched in scanner based off brain activity. In one example, a participant listened to the words "I don't have my driver's license yet", and the decoder interpreted them as: "She has not even started to learn to drive yet."

Although it may not have immediate practical everyday applications, I can see its potential for future advancements, particularly in fields like aviation and photography. However, we must also acknowledge the possibility of this technology being weaponized and causing harm, which is concerning. Nevertheless, I believe that this technology can also help us keep up with the rapid advancements in AI, ensuring that we don't get left behind.



For me, I personally think this is such a great achievement although it is a threat to mental privacy, these technologies will be very beneficial to Somebody who has totally paralyzed body and them being able to communicate with rest of the world and being able to share their ideas and thoughts. Also, it's my thought that with the right frequency and modulation, they should be soon able to control our mind. Maybe not like a robot, but feed suggestions and emotions by manipulating brain waves. Just Imagine, you walk through a metal detector at work, but instead it reads your brain waves and implants a happy, productive feeling, that will be cool. Many new technologies are going to come up in future and let's use these all to improve our human capabilities.




UNNOTICED

The most amazing machine of mankind which has revolutionized traveling gets rusted away when unused and uncatered. Similarly, it doesn't matter how much talent we have, unless we keep our skills in check, unless we use that talent unless we keep improving, it's going to wither away and that shine will all be gone.



APARNA GUPTA
CRO0586401



 PHOTOGRAPHY CORNER





ജനവാതിൽ

നിങ്ങൾ എപ്പോഴെങ്കിലും ചിന്തിച്ചിട്ടുണ്ടോ ഈ ജനവാതിലുകളുടെ പ്രത്യേകത?

എത്രയോപേരുടെ പ്രണയങ്ങൾക്കും,
നൊമ്പരങ്ങളും സാക്ഷ്യം വഹിച്ചവയാണ് അവ
ഈ ജനവാതിൽകെ കണ്ണും നട്ടു നോക്കിയ,
നമ്മൾ പലരും ഒരു കൊച്ചു കവി ആയിപ്പോകും.
കവിഭാവനകൾ ഉണരും, മനസ്സ് ശാന്തമാക്കും.

ചാറ്റൽമഴയും, ഇലകളിൽ തങ്ങിയ ആ പവിഴ തുള്ളികളും
ചെടിയുടെ മന്ദഹാസവും
പൂതുമണ്ണിന്റെ മണവും
കിളികളുടെ കിളിനാദവും ഇവയെല്ലാം നമ്മേ പുളകം കൊള്ളിക്കുന്നു

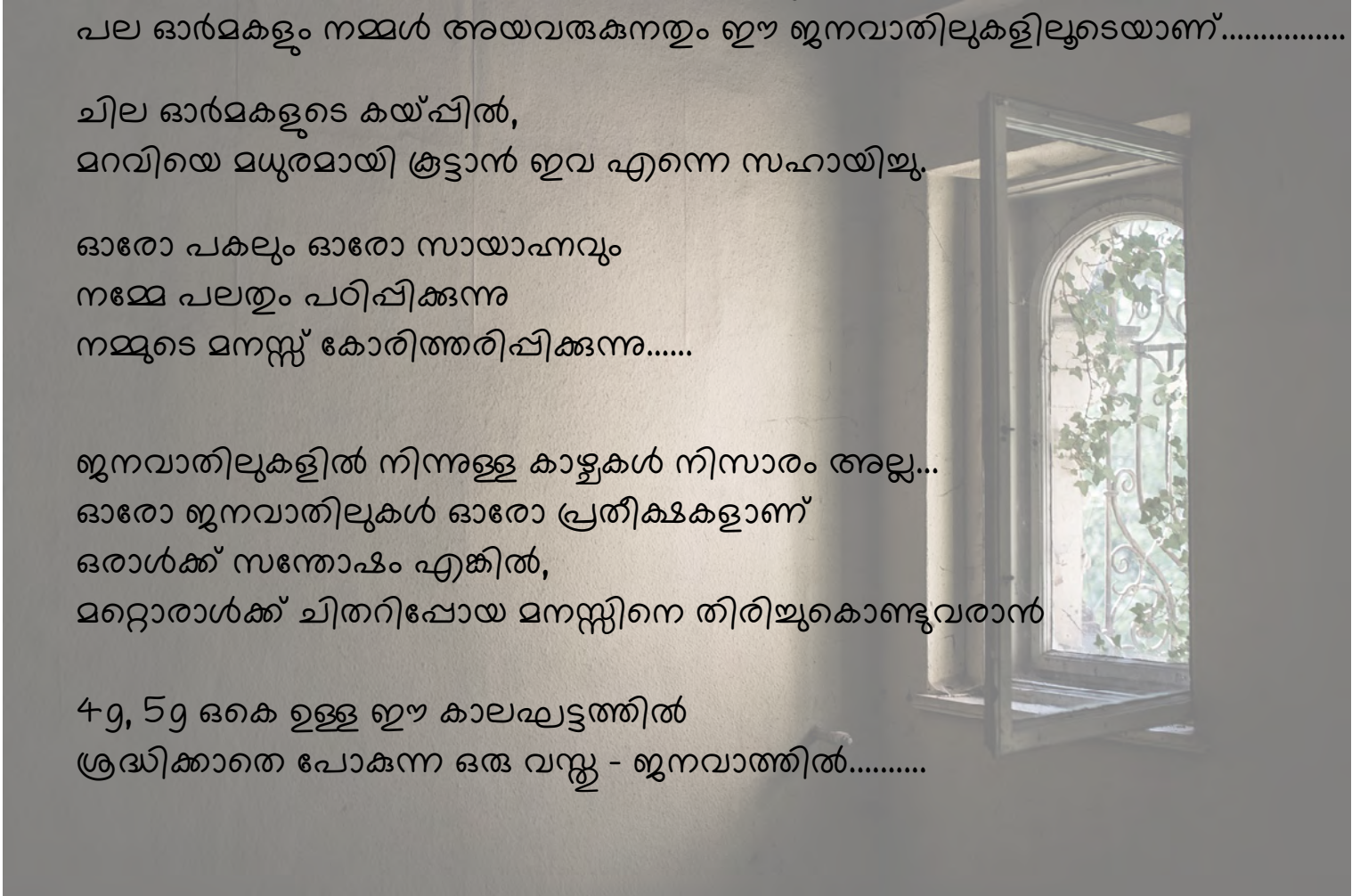
ആ ചെറിയ കവാടത്തിലൂടെ നോക്കിയ,
നമ്മുടെ ചിന്തകൾ അങ്ങനെ കടലുപോലെ ഒഴുകിനിറയും
പല ഓർമകളും നമ്മൾ അയവരുകനതും ഈ ജനവാതിലുകളിലൂടെയാണ്.....

ചില ഓർമകളുടെ കയ്പിൽ,
മറവിയെ മധുരമായി കൂട്ടാൻ ഇവ എന്നെ സഹായിച്ചു.

ഓരോ പകലും ഓരോ സായാഹ്നവും
നമ്മേ പലതും പഠിപ്പിക്കുന്നു
നമ്മുടെ മനസ്സ് കോരിത്തരിപ്പിക്കുന്നു.....

ജനവാതിലുകളിൽ നിന്നുള്ള കാഴ്ചകൾ നിസാരം അല്ല...
ഓരോ ജനവാതിലുകൾ ഓരോ പ്രതീകകളാണ്
ഒരാൾക്ക് സന്തോഷം എങ്കിൽ,
മറ്റൊരാൾക്ക് ചിതറിപ്പോയ മനസ്സിനെ തിരിച്ചുകൊണ്ടുവരാൻ

4g, 5g ഒക്കെ ഉള്ള ഈ കാലഘട്ടത്തിൽ
ശ്രദ്ധിക്കാതെ പോകുന്ന ഒരു വസ്തു - ജനവാതിൽ.....



നിഴൽ

(Shadow)



കൂരാക്കൂരിരുട്ടിൽ പ്രകാശമായി പ്രവേശിച്ചവളേ
അന്ധകാരങ്ങളിൽ ആശ്വാസമേകി നീ ..

സന്തോഷങ്ങളിലും സങ്കടങ്ങളിലും കൂട്ടായി ഏകാന്തതയിൽ കൂട്ടായിരുന്നത് നീ
മാത്രം.....

വിദൂരങ്ങളിലും വിജനതയിലും തുണയായി
തോൽവികളിൽ തോളോട് ചേർന്നുനിന്നതും നീ..

ദയമായിരുന്നു നീ, എൻറെ ദാഗ്ദ്ധ്യമായി..

ഊണിലും ഉറക്കത്തിലും എൻറെ ഇണയായി.. എനിക്കായി ജനിച്ചവൾ,
എൻറെ ശ്വാസം നിലക്കുമ്പോൾ,

വിടവാങ്ങുന്നതും നീയേ...





EVENTS - JUNE, 2023



Euphoria Outdoor



Euphoria Indoor



Industrial visit to Milma



International Yoga Day Program



Seminar at Malappuram on Export claims and GST - ITC



Seminar at Kozhikode on Return Filing



World Environmental Day Program

Congratulations Winners

**ELOCUTION CONTEST
WINNER**



**DHRUVI C SHAH
SR00768313**

**PITCH DECK COMPETITION
WINNER**



**DHRUVI C SHAH
SR00768313**

**PITCH DECK COMPETITION
WINNER**



**NITIN SURESH
SR00635957**

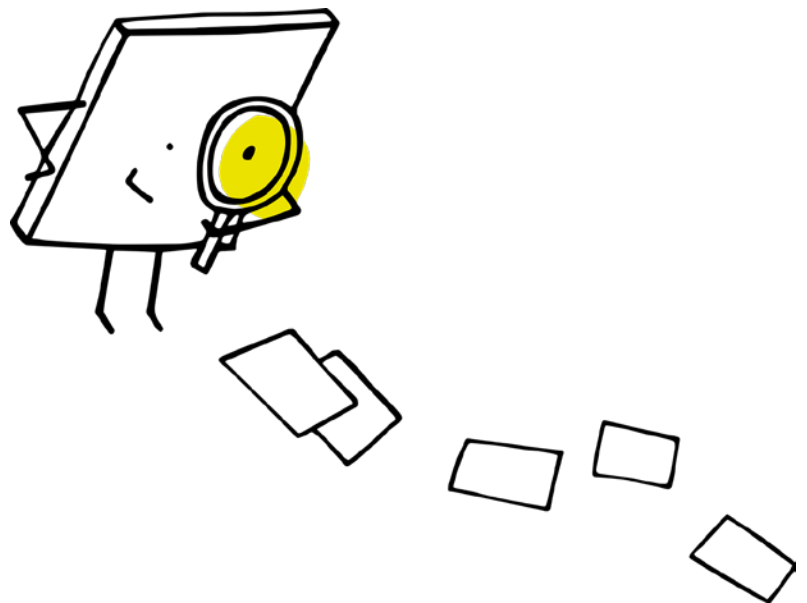


KNOWLEDGE SECTION

SA – 500 AUDIT EVIDENCE

► Meaning of Audit Evidence

Journal Entries are passed in books of accounts on the basis of vouchers. Audit Evidence means evidence in support of the Journal entries passed in Books of Account's. Therefore audit evidence includes –Documents, deeds, agreements, bills/ invoices, communication references, balance confirmation, Written Representation Letters, registers etc. It also includes any other information which auditor uses as a basis for expression of opinion.



Now lets discuss what happens in an audit? An auditor collects audit evidence when he checks the entries in books of accounts with supporting documents attached to the vouchers. He gathers evidence that the transaction actually took place, it was entered into, it was paid/ received, etc when he verifies the supporting documents. Based on this audit evidence auditor forms his opinion on financial statements (his opinion on books of accounts is expressed in auditors report). Importance of audit evidence – Auditor's opinion is based on the audit evidence obtained during the course of audit. Therefore auditor should verify the transactions and gather audit evidence.

► **Methods to obtain Audit Evidence**

Audit Evidence can be obtained by inspection, observation, external confirmation, recalculation, re-performance, inquiry and discussion etc. We will discuss the above methods one by one:

- **Inspection** - It means inspecting/ examining a record or document which supports the entries in books of accounts. The document inspected by the auditor may be internally/ externally generated or may be in physical or digital form. Thus Inspection will involve verification of bills, invoices, agreements, debit and credit notes, bonds, challans (for payment of taxes), statement of expenses etc. which support the journal entries in books of accounts. The documents inspected will vary according to the expense/ income recorded in voucher
- **Observation** - It means observing performance of procedures performed by some other person. Example – Inventory counting/ inspection done by management. What happens practically? – Auditor reaches the premises of the client and requests an list of inventory/ assets held by the company on the reporting date. On test basis auditor will request the managements personnel to count some selected inventory and he will observe such counting. This process of observing someone else counting the stock or assets of the company is termed as observation.
- **External Confirmation** - It represents audit evidence obtained by auditor by confirming a balance due from third party. Such confirmation may be in paper/ electronic form. Examples – Balances due to creditors or due from debtors can be confirmed by way of external confirmation letter. What Happens practically? – You will request an list of debtors/ creditors from the entity which will also state the balance due of the party. You will select few parties and send a letter which will include request to confirm the balances. (management will prepare letters). When you receive the reply of the letters stating the balance as per their books you obtain audit evidence regarding the correctness of the balance stated in our books.
- **Recalculation** - It means auditor will recalculate some balances to ensure that the balance arrived by entity is correct. Example – calculation of Tax liability by entity can be recalculated by auditor.
- **Re-performance** - It means verifying internal controls that are already verified by management.

- **Inquiry and discussion** - It means seeking information from knowledgeable personnel who is either within the entity or outside the entity. Such inquiry and discussions may provide new information to the auditor or in some cases it may corroborate evidence already obtained from the management. Such inquiry and discussion may be oral or written (written should be preferred). In many cases it provides information to auditor which was not available with auditor earlier. In some cases it may provide important information and therefore it should be a part of auditors procedures. Such inquiry and discussion should be done with appropriate level of management who have knowledge of the matter otherwise the entire exercise will turn futile.



► **Types of Audit Evidence – Audit Evidence can be broadly classified into two parts**

A. Classification based on Source of Generation of Audit Evidence:

1. **Internal Audit evidence** - It means evidence generated within the organisation. Example – Sales Invoice issued by us is generated within the organisation i.e. prepared by the organisation itself. This sales invoice is a form of internal audit evidence because it is generated within the entity.
2. **External Audit Evidence** - It means evidence generated by third parties. Example – Purchase Invoice received when we purchase goods. This invoice is prepared by third party. it is generated externally by third party and therefore called as external audit evidence

B. Classification based on Nature of Audit Evidence

1. **Oral Audit Evidence** - it is evidence obtained by inquiry and discussion with management by the auditor. It is verbal and therefore termed as oral audit evidence
2. **Written Audit Evidence** - It is evidence obtained in writing from management or third parties
3. **Visual Audit Evidence** - It means audit evidence gathered by visualizing a process. example – Stock Counting is done by employees of a company. Auditor is present in such stock counting process and visualizes the entire process.

► **Reliability of Audit Evidence**

- a. Written evidence is more reliable than oral evidence. Oral evidence cannot be proved unless recorded but written evidence is already in written and recorded form. Therefore written evidence is more reliable as compared to oral evidence.
- b. Internal evidence is reliable if the internal controls are reliable. Internal controls if implemented reduced the possibility of fraud and error. Therefore if internal controls are implemented they increase the reliability of internal audit evidence.
- c. External evidence is more reliable than internal evidence. External evidence is generated by third parties which cannot be controlled by the organisation. Therefore it is more reliable.
- d. Further the reliability of external evidence increases when such evidence is prepared by some expert or knowledgeable person.
- e. Evidence obtained by auditor himself is more reliable than evidence obtained from others
- f. Evidence obtained from original copies is more reliable than evidence obtained from photocopies because photocopies can be altered easily but original copies cannot be altered.

► **Meaning of Sufficient Appropriate Audit Evidence**

- **Meaning of Sufficient** - Sufficiency refers to the quantity of audit evidence to be obtained by the auditor during the course of audit. SA-500 & SA 330 requires an auditor to obtain Sufficient Appropriate Audit Evidence (SAAE), therefore, he should plan his audit procedures in such a manner that he obtains SAAE. Sufficiency of Audit Evidence depends on the risk assessment procedures performed by the auditor. If the risk is higher then auditor will have to perform more of audit procedures and vice versa .
- **Meaning of Appropriate** - Appropriateness refers to the quality of audit evidence that the auditor should obtain during the course of audit. Quality here means the reliability and relevance of audit evidence obtained by the auditor. Reliability of audit evidence depends on the source and nature of audit evidence. Relevance means the evidence checked should be relevant to the matter being checked. So Sufficient Appropriate Audit Evidence means both quantity and quality of audit evidence.

The following factors determine Sufficiency & Appropriateness of Audit Evidence

- a. Results obtained from Analytical Procedures i.e. ratio and trend analysis. If the results of the ratio & trend analysis indicates no significant changes from previous year then auditor obtains audit evidence regarding audit evidence. Note auditor will have to perform other procedures with analytical procedures.
- b. Discovery of fraud or errors during the course of audit – if many fraud and errors are detected during the course of audit then such instances reduces the reliability of other audit evidence in general.
- c. Experience gained by auditor during previous audits helps auditor in determining SAAE.
- d. Nature and size of business
- e. Materiality of the item – material items if checked represent a significant portion of the entities transactions.
- f. Quality of internal controls implemented by management. If the internal controls are reliable then auditor will be satisfied with less quantity of audit evidence and vice-versa.
- g. Results obtained from Risk Assessment Procedures (RAP). If the RAP indicates significant risks then auditor will have to obtain higher quantity and quality of audit evidence

Note – Sufficiency and Appropriateness are inter-related.