Skillshort

Self-Study Preparation Pack

CA INTERMEDIATE

Paper 5: Auditing and Ethics

Important Topics, Weightage & Past-Paper Frequency

For January 2027 attempt · Analysis of 4 recent ICAI attempts: Sept 2025, Jan 2026, May 2026, Sept 2026

Official ICAI weightage | 4-attempt frequency map | Priority list | High-yield lists to memorise

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This subject pack has 6 parts

1 Chapter-wise notes
2 Important topics & weightage
3 Past papers: trends & links
4 Mock tests + solutions
5 Chapter practice questions
6 Last-week plan & strategy

Prepared by Skillshort for self-study. Original explanations and questions; not an official ICAI/ICMAI/ICSI publication. Items marked VERIFY should be checked against the latest official material.

1. Official ICAI section-wise weightage

ICAI's section-wise weightage for the new scheme (±5% deviation allowed).

Section	Chapter(s)	Weightage
I	Nature, objective and scope of audit (SA 200)	**4%–6%**
II	Audit strategy, audit planning and audit programme (SA 300)	**8%–12%**
III	Risk assessment and internal control (SA 315, 320, 330, digital audit, IFC)	**8%–12%**
IV	Audit evidence (SA 500, 501, 505, 510, 520, 530, 550, 610) and audit documentation (SA 230) VERIFY	**12%–18%**
V	Audit of items of financial statements	**12%–20%**
VI	Completion and review (SA 560, 570, 580, 450, 260, 265)	**8%–12%**
VII	Audit report (SA 700, 701, 705, 706, 710; branch and joint audit; Companies Act reporting; CARO)	**8%–12%**
VIII	Special features of audit of different entities; audit of banks	**12%–18%**
IX	Ethics and terms of audit engagements (Code of Ethics, SA 210, SQC 1, SA 220)	**8%–10%**

Skill-wise weightage: Comprehension & knowledge **40%–60%**; Analysis & application **40%–60%**. Almost every descriptive question is now a **case scenario** with a theory core.

2. Past-paper frequency map (Skillshort analysis)

Built from ICAI's suggested answers for Sept 2025, Jan 2026, May 2026 and Sept 2026. M = MCQ, D = descriptive.

Topic	Sep 25	Jan 26	May 26	Sep 26	Hits	Priority
Audit evidence – sufficiency, assertions, procedures	M×2 + D	M	M	M×2	4/4	HIGH
Audit sampling (SA 530) – size, methods, statistical vs non-statistical	M×2 + D	M	M×2 + D×2	–	3/4	HIGH
SA 501 (inventory count, litigation) and SA 505 (confirmations)	M×2 + D	M + D	–	–	2/4	MED
Risk, materiality, SA 315 and internal control (incl. SA 265)	M + D×2	M + D	M	M×2 + D×2	4/4	HIGH
Digital audit / IT environment / IFC	D	D×2	M + D×2	–	3/4	HIGH
Planning, audit strategy, audit programme (SA 300)	D×2	D	M + D×2	M + D	4/4	HIGH
Documentation (SA 230)	D	M + D	–	M + D	3/4	HIGH
Subsequent events (SA 560), going concern (SA 570), written representations (SA 580), SA 450	M×2	M×2 + D	M	M×2 + D×2	4/4	HIGH
Audit report – KAM, EOM/OM, SA 705, SA 710, basis for opinion	D	D	D×2	–	3/4	HIGH
Companies Act reporting – IFC/CARO applicability, Rule 11, s. 143	D	–	–	D×2	2/4	MED
Audit of items – borrowings, inventories, PPE, payables, share capital, cash	M + D×2	M + D	D×4	M + D×2	4/4	HIGH
Bank audit – NPA norms, SMA, take-out finance, drawing power	M×2 + D	M + D	M×2	M + D	4/4	HIGH
Government, LLP, co-operative, NGO, hotel/club audits	D×2	M + D×2	D	M×2 + D	4/4	HIGH
Ethics – principles, threats, independence, previous auditor	D (OR)	M×3	D	D×2	4/4	HIGH
SA 210 terms; SQC 1 / SA 220; client integrity	M + D×2	D×2	M×2 + D	M + D	4/4	HIGH
Engagement standards; assurance; scope of audit	D	M + D	M	M	4/4	MED

TREND What the four papers tell us

- ICAI asks the **exact lists** in the SAs (factors, conditions, examples). Examiners mark down general answers – learn the lists in this pack's notes word-for-word.
- **Case-study MCQs** (Part I) mix 3–4 chapters around one company; the answer often turns on a single word ("not", "most appropriate").
- **Bank audit** appears every attempt (NPA classification with security erosion, SMA, consortium, take-out finance, drawing power).
- **Audit of items** has moved into **Schedule III disclosures** (inventories, promoters' shareholding, trade payables, undisclosed income, charges).
- **Ethics** is now asked as threat-classification cases and independence actions under SA 220.

3. Priority list for January 2027

Priority	Topics	Why
A – must master	SA 500/530/501/505; SA 315/320/265; SA 300; SA 560/570/580; SA 700/701/705/706; bank NPA norms; ethics threats; SA 210; SQC 1	Every attempt; ≈ 60–65% of marks
B – high yield	Audit of items with Schedule III; SA 230; SA 710; SA 610; digital audit and IFC; CARO/IFC applicability; LLP, co-operative, Government audit	3 of 4 attempts
C – do not skip	SA 510, 520, 550; SA 299 and branch audit; s. 141/144; NGO, hotel, club, hospital, educational institution audits; engagement standards	MCQs and 2–4 mark parts

4. Lists to memorise word-for-word

1. Inherent limitations of an audit (SA 200) – 4 heads.
2. Preconditions for an audit and the factors for revising engagement terms (SA 210).
3. Benefits of planning; contents of the overall audit strategy; factors for direction, supervision and review (SA 300).
4. Components of internal control; indicators of significant deficiencies (SA 315/265).
5. Reliability generalisations of audit evidence; seven audit procedures (SA 500).
6. Factors affecting sample size; sample selection methods (SA 530).
7. Conditions for negative confirmations; management refusal procedures (SA 505).
8. Going-concern events (financial, operating, other) and reporting table (SA 570).
9. Subsequent events – three time periods (SA 560).
10. Elements of the auditor's report; Basis for Opinion contents; KAM determination and "KAM is not a substitute for..." (SA 700/701).
11. EOM examples; OM uses; SA 710 predecessor paragraph.
12. Fundamental principles; five threats with examples; safeguards.
13. SQC 1 elements; client-integrity factors.
14. NPA definitions, classification and provisioning; SMA buckets.
15. CARO 2020 exemptions and the 21 clauses; IFC exemption for private companies.