



ERNAKULAM BRANCH OF
SICASA

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

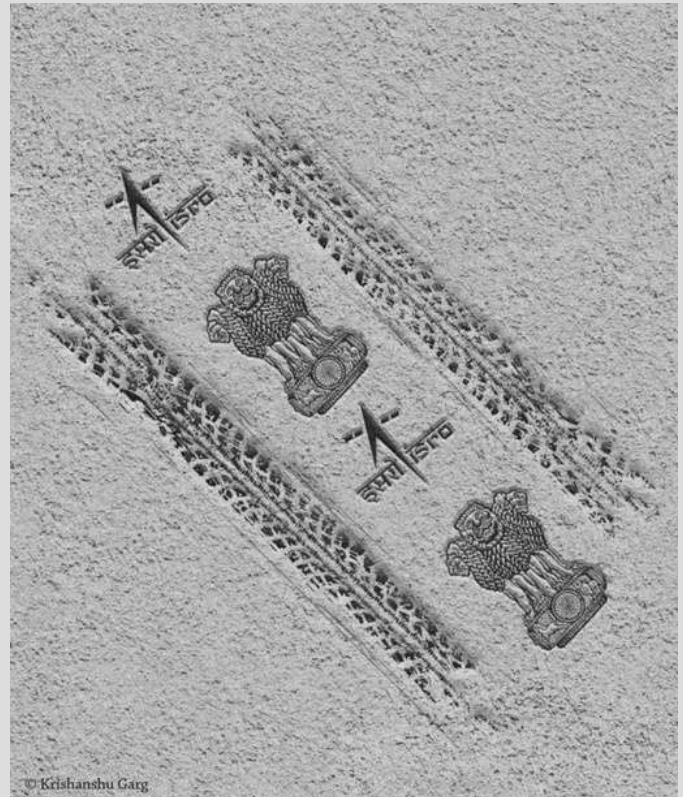
INICIO

*Happy
Onam*

MAY THIS ONAM BRING HAPPINESS AND PROSPERITY TO YOU.

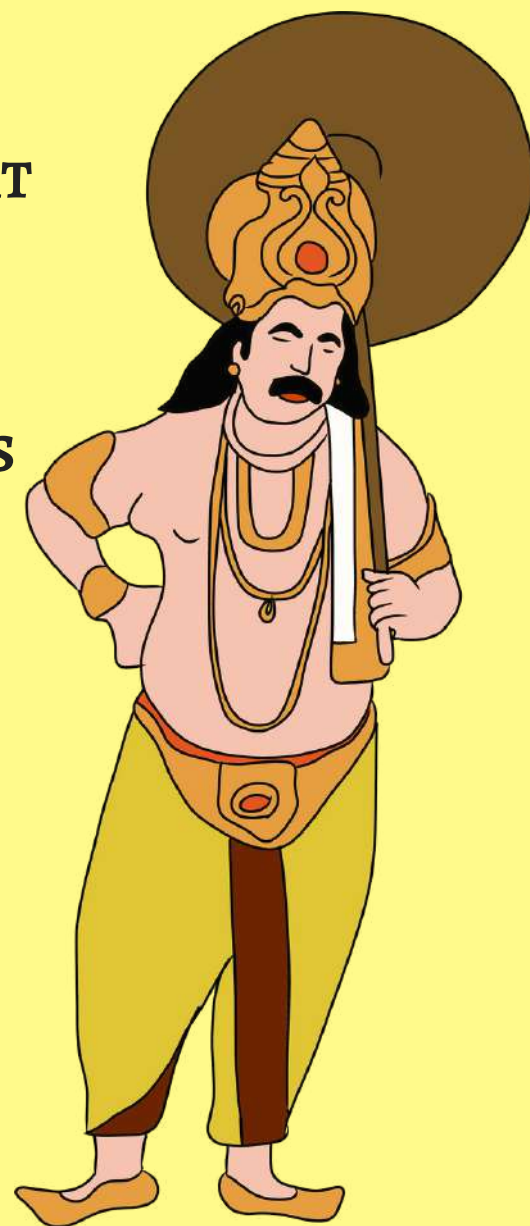
INDIA HAS JOINED THE MOON-LANDING CLUB!

The Chandrayaan-3 spacecraft on a historic note, touched down softly near the moon's south pole on August 23, 2023, notching a huge milestone for the nation. India is now the fourth country to stick a lunar landing, after the United States, the former Soviet Union and China.



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Chairman's Message



Dear students,

I hope you had a joyous and prosperous onam celebration with your loved ones. As we transition into the month of September, it's crucial to shift our focus to the upcoming busy audit season.

Before we dive into the preparations for the audit season, i would like to take a moment to express my heartfelt appreciation to our students for their outstanding efforts in the successful completion of encore 23, the cultural festival of CA students organized at renewal centre, kaloor. It was really heartening to see the enthusiasm and passion for the event from our students. August also saw a host of programmes like the national talent search, quiz and debate competitions which also boasted a healthy and active participation.

Additionally, I'd like to highlight the tax audit seminars that have been organized by our branch. We held 2 virtual seminars focusing on the practical aspects of tax audit from an articulated assistants pov. I take the opportunity to thank our speakers ca Vivek Satyan and ca Deepak Korah George for doing an excellent job with the session. These seminars play a vital role in keeping us updated with the latest developments in tax regulations and audit procedures. I encourage all students to actively participate in such seminars as they are an excellent opportunity to enhance your skills and knowledge.

In the coming weeks, please keep an eye on our communications for announcements regarding these seminars and other events. Your active participation not only benefits you but also contributes to the knowledge-sharing culture within our student community.

Let us embrace the upcoming audit season with confidence and competence, knowing that we are well-prepared to meet the challenges it brings.

Warm regards,

CA Tonny Varghese

Chairman, SICASA Ernakulam

Secretary's Report

Saikripa

SRO0650107



Hello everyone. August month holds significance for a variety of reasons including Independence Day, Festival Season, Glamorous Sunsets and Peak Season at work. SICASA Ernakulam experienced August in such a colourful and significant manner.

We had organised Branch Level Quiz Competition and Debate Competition as a part of National Talent Search 2023 by the Institute and for both the events, students actively participated and winning team/individual represented Ernakulam Branch at the regionals which was held at Bangalore.

This year's Intra Branch Annual Cultural Fest- Encore was such a resounding success with a great students' turnout. The enthusiasm and high spirits from the student community contributed to the vibrant atmosphere. Each and every program during Encore was at its best and that students showcased their talents in various impressive ways demonstrates the dedication and hard work put into the event. Encore was truly a memorable and enjoyable event, providing a space for students to express themselves and celebrate their talents amidst their busy schedule at work place. The day of great pride & patriotism for Indians- August 15th- 77th Independence Day was celebrated at the Branch by flag hoisting ceremonies followed by various other celebrations.

Our Branch hosted an interactive session on the New Scheme of Education & Training with CA. Dayaniwas Sharma, the Vice Chairman of the Board of Studies (Academic) and a Central Council Member. It was indeed an enriching experience for our branch being it a unique opportunity to directly interact with such a prominent person. We also celebrated the traditional festival of Kerala- "Onam" with our students at the institute and also hosted a competition of "Malayali Manka - Kerala Sreeman" where students can dress up in traditional wear and compete in a healthy manner. As we are heading towards the peak season of our profession, it is essential to impart knowledge and organise events for the benefit of students to approach various audits. As a part of this, we organised Virtual Workshops on Tax Audit on the topics - "Analysis of Select Clauses" by CA. Deepak Korah George & "Common Issues in Tax Audit" by CA. Vivek Sathyan.

We, SICASA Ernakulam hopes to continue to bring joy, success, and memorable moments to our organization. Let us delightfully welcome the season of renewal and growth & have a joyful and refreshing spring season!

Saikripa
Secretary,
Ernakulam Branch of SICASA of ICAI

Vice Chairman's Report

Sreeraj Remesh

CRO0625712



It is with great pleasure that I present the Vice Chairman's report, highlighting the recent activities and achievements of SICASA Ernakulam. Our annual cultural fest, Encore was a grand success. This year's theme, "Navarasa," encapsulated the essence of emotions in all its forms. The event witnessed intense competition, and I must commend the participants for their exceptional performances. Then we had the Quiz and Debate Competition held as part of CA Students' National Talent Search 2023 which saw enthusiastic participation from our students. It provided an intellectual platform for our budding talents to showcase their knowledge and oratory skills.

On the occasion of Independence Day, we proudly hoisted the national flag at our institute premises. It was a moment of patriotic fervour and a reminder of our duty towards the nation. The event brought together our members and students in a celebration of unity and freedom. As part of the Onam festivities, SICASA Ernakulam organized the "Malayali Manka - Kerala Sreeman" competition. It was an online photography competition where the students dressed up in their traditional dresses and we uploaded their pictures in our Instagram handle. The competition added a touch of tradition and showcased the rich heritage of our state.

We were honoured to host CA Dayaniwas Sharma for an informative session on the New Scheme of Education. His insights and guidance were invaluable to our students as they navigate their CA journey. The session was well-attended, and the knowledge shared will undoubtedly aid our students in their pursuit of excellence. SICASA Ernakulam is committed to nurturing the professional growth of its students. To this end, we organized Tax Audit Workshops aimed at enhancing the practical skills of our students in tax audit procedures. These workshops received positive feedback and were an important step in bridging the gap between theory and practice.

In conclusion, SICASA Ernakulam continues to thrive, thanks to the dedication and hard work of our members, the support of our esteemed faculty, and the guidance of our mentors. As Vice Chairman, I am proud to be a part of this dynamic organization and look forward to even greater achievements in the future. I extend my gratitude to the entire team for their unwavering commitment and enthusiasm. Thank you for your continued support.

Yours sincerely,

Sreeraj Remesh
Vice Chairman
SICASA Ernakulam

Editors' Note

Dear Readers,

As August dawns upon us, we are thrilled to bring you a special edition of our magazine that is infused with the colours and flavours of Onam. Onam is a celebration that beats the boundaries and captures the essence of unity and joy.

This month's issue is a tribute to the cheerful spirit of Onam – a time when families come together, homes are adorned with beautiful floral carpets, surroundings are filled with crushing sounds of kasavu sarees, tinkling noises of glass bangles, euphoric thiruvathira songs and the air is filled with the sweet aroma of traditional delicacies.

Let's explore the kaleidoscope of emotions that Onam brings along – the nostalgia of homecoming, the excitement of Pookalam competitions, and the sense of togetherness that unites people irrespective of the religion, background, and culture.

We extend our heartfelt gratitude to the contributors, photographers, and everyone who has made this edition possible. Also, this month will have a special place in the history of our nation. The soft landing of Chandrayan 3 on the Moon's surface elevated the honour of our nation on 23rd August 2023.

May this issue immerse you in the dazzling beauty of Onam and serve as a reminder that amidst life's busy schedule, it's important to pause, celebrate, and cherish our shared cultural heritage.



AUDIT OF DIGITAL ASSETS

JEYARAM LAKSHMAN
SRO0702356

In today's digital landscape, businesses heavily rely on digital assets to drive their operations, store valuable information, and transact with customers.

These digital assets encompass a wide range of electronic files, databases, and online resources, including traditional assets such as financial records and customer data, as well as newer forms like Cryptocurrency and Non-Fungible Tokens (NFTs). As the significance of digital assets continues to grow, it becomes imperative for organizations to implement effective audit procedures to ensure their accuracy, security, and compliance. In this article, we will explore the concept of auditing digital assets and discuss key procedures that can be incorporated to mitigate risks and enhance confidence in the digital ecosystem.

Understanding Digital Assets:

- Digital assets, also known as electronic assets, refer to any form of data or information stored in a digital format.
- They include financial records, intellectual property, customer databases, software applications, social media accounts, cloud storage, and more.
- With the rise of blockchain technology, digital assets have expanded to include Cryptocurrency, such as Bitcoin and Ethereum, which are decentralized digital currencies, and NFTs, unique digital tokens that represent ownership or proof of authenticity for digital artwork, collectibles, or other unique items.

Importance of Auditing Digital Assets:

1) Ensuring Accuracy and Completeness:

Digital assets are susceptible to errors, omissions, and unauthorized modifications. Through audits, organizations can verify the accuracy and completeness of their digital records, minimizing the risk of misstatements or data corruption.

This is particularly important for financial records, customer data, and transactional information associated with Cryptocurrency and NFTs, where precision and reliability are paramount.

For Example :

➤ Consider a company that deals with Cryptocurrency exchanges. It is essential for the company's auditors to verify the accuracy of transactions recorded on the blockchain, ensuring that funds are not misappropriated and that there are no discrepancies in account balances.

➤ By conducting a thorough audit of the digital asset transactions, the company can gain assurance that its financial records are accurate and reliable.

2) Enhancing Security:

Digital assets are vulnerable to various cybersecurity threats, including hacking, data breaches, and malware attacks. Auditing helps identify potential security gaps and ensures that robust controls are in place to protect valuable digital assets from unauthorized access or manipulation. Security considerations become critical when dealing with Cryptocurrency, as securing private keys, wallets, and smart contracts is essential to prevent theft, fraud, or unauthorized transactions.

For Example :

➤ Let's take the example of a digital art marketplace that deals with NFTs. The auditors need to assess the security measures implemented to protect the digital art assets and the platform's infrastructure

➤ By conducting security audits, the company can identify vulnerabilities, strengthen access controls, and implement encryption techniques to safeguard the valuable digital art assets and prevent unauthorized copying or tampering

3) Compliance and Regulatory Requirements:

Many industries have specific regulations and compliance frameworks governing the handling and protection of digital assets. Auditing assists organizations in assessing their adherence to these requirements, avoiding legal and financial consequences associated with non-compliance. Compliance considerations for Cryptocurrency, such as Anti-Money Laundering (AML) and Know Your Customer (KYC) regulations, must also be addressed to maintain integrity and trust in digital financial transactions.

For Example :

➤ Consider a financial institution that offers Cryptocurrency trading services. To comply with AML regulations, the auditors would review the company's procedures for verifying customer identities, monitoring transactions for suspicious activities, and maintaining adequate records.

➤ Through audits, the institution can demonstrate its commitment to compliance and reduce the risk of regulatory penalties.

Key Audit Procedures for Digital Assets:

1) Risk Assessment:

Conducting a comprehensive risk assessment is critical to identify potential threats and vulnerabilities related to digital assets. This involves evaluating the organization's overall IT infrastructure, security controls, access management, and potential points of weakness. A thorough risk assessment forms the foundation for designing effective audit procedures tailored to the organization's unique digital asset landscape.

Reality Check (1) :

➤ For instance, consider an e-commerce platform that accepts Cryptocurrency payments.

➤ The auditors would assess the risks associated with the platform's payment processing system, including the potential for fraudulent transactions, hacking attempts, or data breaches.

➤ Based on the risk assessment, the auditors can develop specific audit procedures to evaluate the effectiveness of controls and identify areas for improvement.

2) Data Integrity Verification:

To ensure the accuracy and reliability of digital assets, auditors need to verify their integrity. This process involves performing data reconciliation, comparing digital records with physical or external sources, and employing data analytics techniques to identify anomalies or inconsistencies. For Cryptocurrency and NFTs, auditors may focus on verifying transactional data, confirming ownership through blockchain analysis, and examining metadata associated with digital assets.

Reality Check (2) :

➤ Let's imagine a scenario where a company holds Cryptocurrency investments. The auditors would conduct a data integrity verification by reconciling the company's internal records with the blockchain transactions.

➤ They would compare wallet balances, validate transactions, and ensure that the company's Cryptocurrency holdings match the recorded values. This verification process helps establish the accuracy and integrity of the company's digital asset portfolio.

3) Access Controls and User Management:

Auditors should review the access controls implemented for digital assets, including Cryptocurrency wallets, NFT platforms, and other secure systems. The objective is to ensure that only authorized individuals have appropriate access rights, reducing the risk of unauthorized modifications, data breaches, or misuse of digital assets.

Reality Check (3) :

➤ Let's imagine a scenario where a company holds Cryptocurrency investments. The auditors would conduct a data integrity verification by reconciling the company's internal records with the blockchain transactions.

➤ They would assess user account creation, password complexity requirements, and mechanisms to monitor and revoke access as needed.

To continue reading this article:

http://sicasaernakulam.in/View_Article.php?article_id=48%27&Month=September&Year=%202023

CARTOON CORNER



APARNA GUPTA
CRO0586401



ELIZABETH DIVYA THOMAS
SRO0461305



VIDHYA V
SRO 0552373

SCRAPBOOK



ENCORE '23

LIST OF EVENTS

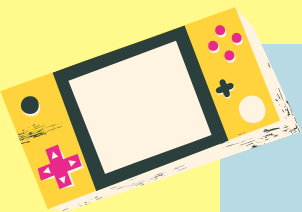
SEPTEMBER 2023

TEACHERS DAY-
ELECTION COMPETITION

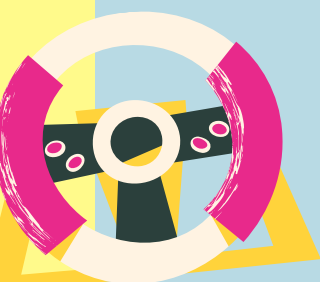
INDUSTRIAL VISIT TO FACT

TOURISM DAY-
PHOTOGRAPHY AND TRAVELOGUE
WRITING COMPETITION

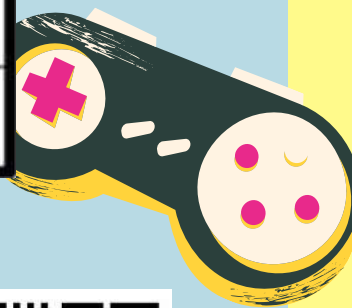
WORKSHOP ON ADVANCE
EXCEL



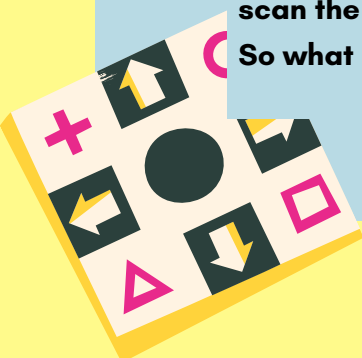
FUN CORNER



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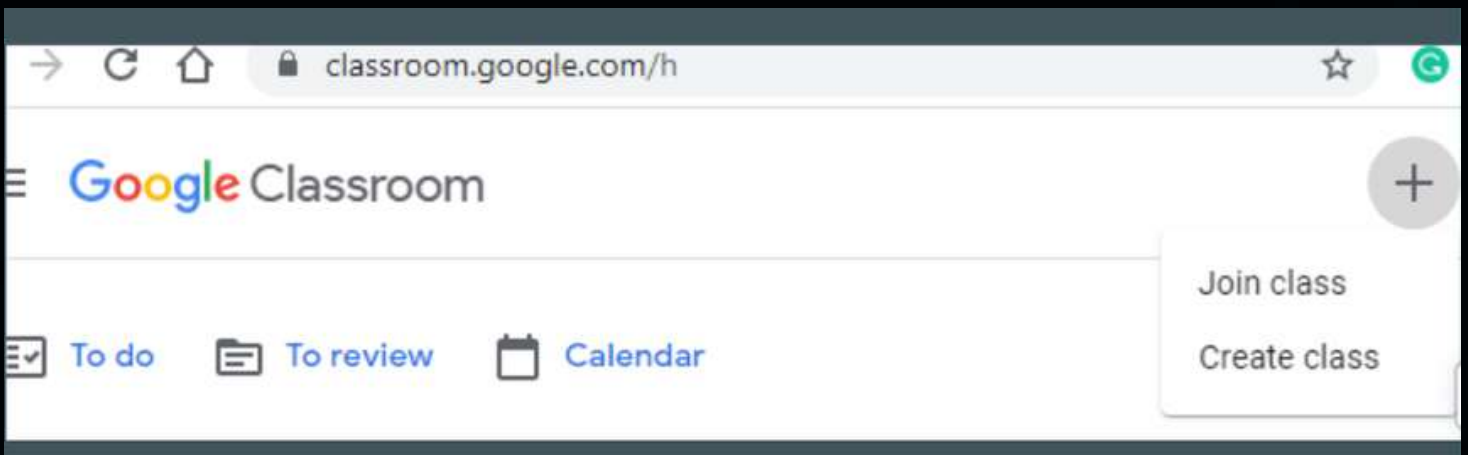
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