

Time: 2:30 Hours

MARKS : 75

Q.1) a) Match the following Columns (Any 8)**(8 Marks)**

Column A	Column B
1. Goods Dispatched	a) Debit Note From Customer
2. Sales Returns	b) Dividend Warrants
3. Recovery of bad debts Written Off	c) Delivery Challan
4. Income from Investments	d) Physical Verification
5. Bonus Shares	e) Confirmation
6. Value of Machinery Fabricated by Auditee	f) Dividend from Official Recovery
7. Stocks	g) Add cost to the cost of Original Shares
8. Right Shares	h) Audit Documentation
9. Debtors	i) Certificate from Chartered Engineer
10. SA 230	j) Add only no. of shares received to the number of Original shares

Q.1) b) Multiple Choice Questions (Any 7)**(7 Marks)**

- 1) Verifying the signature of the authorised official on the voucher during vouching helps the auditor to check the _____.
 - a) Occurrence of the transaction
 - b) Validity of the transaction
 - c) Amount of the transaction
 - d) Period of the transaction
- 2) In auditing, financial accounting data, the primary concern is with _____.
 - a) Determining whether recorded information properly reflects the economic events that occurred during the accounting period
 - b) Determining if fraud has occurred
 - c) Determining if taxable income has been calculated correctly
 - d) Analysing the financial information to help management to earn more profits
- 3) As per the requirements of section 141 a person is disqualified from being appointed as a statutory auditor if he holds _____.
 - a) Debentures of the company
 - b) Equity shares of the company
 - c) Preference Shares of the company
 - d) Security of Interest in the company
- 4) The term General Purpose Financial Statements never includes _____.
 - a) A cash flow statement
 - b) Statement and explanatory notes which form part thereof
 - c) Statement by Chairman
 - d) Supplementary Schedules and information based on such statements

- 5) The authority to remove the first auditor before the expiry of term is with _____.
- a) The shareholders in a general meeting
 - b) The shareholders in the first annual general meeting
 - c) The board of directors
 - d) The Central Government
- 6) The document that the accounting staff will use as the primary basis for recording sales transaction and updating the debtors account is the _____.
- a) Sales Order b) Bill of Lading c) Sales Journal d) Sales Invoice
- 7) If a casual vacancy in the office of auditor arises by his resignation it should only be filled by the company in a _____.
- a) Board Meeting b) Audit Committee
 - c) General Meeting d) Annual General Meeting
- 8) When auditors examine supplier's statements or receive confirmations, there must be a reconciliation of the statement or confirmation with the _____.
- a) Creditors list b) Suppliers Invoices
 - c) Purchase Orders d) Goods Received Notes
- 9) A person shall be eligible for appointment as a auditor of a company only if he is a _____ accountant.
- a) Chartered b) Cost c) Chief d) Management
- 10) The auditor of Government Company is appointed by _____.
- a) The Shareholders b) the Board of Directors
 - c) the Comptroller and Auditor General of India d) the Central Government

.2) a) What is Vouching? Explain in detail the procedure for Vouching of Payments (15 Marks)

OR

Q.2) b) How would you Vouch the following: (any 2) (15 Marks)

- i) Travelling Salesmen Commission
- ii) Petty Cash Payments
- iii) Cash Sales

Q.3) a) What is Verification? What are the objective of Verification? (7 Marks)

b) How would you Verify the following? (Any 1) (8 Marks)

- i) Creditors
- ii) Contingent Liabilities

OR

Q.3) How would you Audit the following: (Any 2) (15 Marks)

- i) Inventories
- ii) Investments
- iii) Goodwill

Q.4) Under Section 230 explain the provision of 'Audit Documentation' (15 Marks)

OR

Q.4) a) Explain Auditor's duties under SA 315. (7 Marks)

b) How is materiality judged for true and fair view? (8 Marks)

Q.5) Give in detail the provisions of Companies Act, 2013 regarding Rights of company Auditor. (15 Marks)

OR

Q.5) Write short notes (Any 3) (15 Marks)

- 1) Procedure for stock – taking
- 2) Standards on Auditing
- 3) Valuation
- 4) Physical Inspection of Land & Building
- 5) Audit of income
