B410A23FA

Seat Number: -

Duration: 3 Hrs

Marks:- [00.

Note:- 1) All questions are compulsory.

2) Figures to the right indicate maximum marks.

Q1. A) Select the appropriate option and rewrite the following sentences: (Any 10) (10) $\{CO1, CO2, CO3 - (R, U, A)\}$

1) If the financial statements are prepared as per the financial framework, the auditor gives an

Option that the financial statements.

(a) Are true and correct.

(b) Are correct and fair.

(c) Gives a true and fair view.

(d) Are reliable.

2) Sales to Ram Rs.143 posted to his account as Rs.134. This is

a) Error of Omission

b) Error of Commission.

c) Error of Principle

d) Error of Compensation ...

3) The risk of fraud increases when

(a) The working capital is high.

(b) The Cash Sales are high.

(c) The auditors remain the same ...

(d) Management is in the hands of a single person.

4) Audit means

| a) Auditing | b) Vouching. |
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| | |

c) Verification

d) Checking.

5) Audit plans should be based on knowledge of the client's

a) Profits b) Net Worth.

Le) Business d) Reputation.

6) Audit programme is prepared by

a) The Client

b) The Client and the auditor

 \mathbf{L} c) The auditor and his assistant d) The Chief Accountant.

7) When auditors use documents to support recorded transactions, the process is often called

a) Inquiry (b) Confirmation c) Inspection d) Observation.

8) Internal auditors are appointed by

| Q2. A) Explain the basic principles of Auditing? {CO1 (R)} | | |
|---|------|--|
| B) Distinguish between Investigation and Auditing? {CO1 (U)} | | |
| OR | | |
| (C)-Explain Interim audit? What are its advantages and disadvantages? {CO1 (R)} | (8) | |
| D) What is Window dressing? Explain objectives against Secret Reserves? | (7) | |
| {CO1 (R)} | | |
| | | |
| Q3.A) Discuss an audit plan and its objectives? {CO2 (R)} | (8) | |
| AB) What are the procedures to be carried out by the auditor during the course of the | | |
| audit? {CO2 (U)} | (7) | |
| OR | | |
| C) Explain "Permanent Audit File"? What are its contents? {CO2 (R)} | (8) | |
| D) Discuss the importance of Audit Note Book? {CO2 (U)} | (7) | |
| | (8) | |
| Q4.A) What is Internal Control? Explain its objectives (CO3 (A)) | | |
| B) What are the duties of an auditor in respect of Internal check $\{CO3 (R)\}$ | (7) | |
| | | |
| OR $(CO3 (U))$ | (8) | |
| C) Distinguish between internal audit and statutory audit? {CO3 (U)} D) What are advantages and limitations of test check in auditing? {CO3 (R)} | (7) | |
| D) what are advantages and minitations of test check in additing: {COS (R)} | () | |
| Q5. A) What are the points to be considered by an auditor during vouching? | | |
| {CO3 (R)} | (8) | |
| B) What is vouching? Explain its objectives {CO3 (U)} | | |
| OR | (7) | |
| C) How would you vouch Cash Sales? {CO3 (R)} | (8) | |
| D) How would you vouch Advertisement Expenditure? {CO3 (U)} | | |
| | | |
| Q6. A) Distinguish between Vouching and Verification? {CO3 } | | |
| B) How would you verify Plant and Machinery? {CO3} | | |
| OR | | |
| C) Write Short Notes on (Any Four) {CO1, CO2, CO3 (R, U, A)} | (20) | |
| 1) Financial Statement and its Users. | | |
| 2) Test Check. | | |
| 3) Materiality. | | |
| 4) Error of Commission. | | |
| 5) Audit Working Paper. | | |
| 6) Audit Evidence. | | |
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