## Paper / Subject Code: 85503 / Auditing - II

Time: 2Hrs. 30 Mins.		Total Marks: 75
Instructions: (a) All questions are compulsory subj (b) Figure to the right indicates mark	ject to internal choice. ks.	
Q.1a) Select the most appropriate option to comple	ete the following sentences (A	Any Eight) 0
1) Appointment of first Auditor should be done		
a) 40 b) 50 c) 60	d) 30	on of the company
2) The Auditor has a right to receive notice of the		
a) Office meeting b) General meeting c) S	taff meeting d) Managers mee	etino
3) The Audit working papers are the property of		
a) Shareholder b) Auditor c) Manage	er d) Employee	
4) The auditors should obtain mana	agement representations to con	mplement the
audit procedures.		
a) oral b) written c) spoken	d) verbal	
5) In Marine Insurance, reserve for unexpired risk	is% of net premium.	
a) 25% b) 50% c) 75%	d) 100%	
6) IRDA regulatessector in India.		
a) Banking b) Auditing c) Account	nting d) Insurance	X
7) Operational audit is		
a) Annual audit b) audit of day to day act	ivities c) Weekly audit	d) Interval audit
8) Books of Accounts of a company must be preser		a) micrial addit
a) 5 years b) 6 years c) 7 years	d) 8 years	
9)approach is also known as auditing throug		
a) White box b) Black box c) Yellow b	The state of the s	
10) There should be effective screening done at the t	and the second s	
a) cancellation b) issue c) payment		-
Q.1b) State whether the following statements are		07
A Chartered accountant can advertise in newspap	AC -	
2) Auditor need to have technical knowledge to perf	form audit in computerized en	vironment.
3) An insurance company should have joint auditors		
4) An auditor can audit maximum 30 companies at a 5) Management representations serve as an evidence	time, as per Companies Act	2013.
<ul><li>5) Management representations serve as an evidence</li><li>6) Unqualified report is also known as clean report.</li></ul>	to the auditor.	
7) Auditor is liable only if there is a loss to the party		
8) Every Insurer must keep separate accounts relatin	g to funds of shareholders and	d policyholders
9) Books of accounts of company should be maintain	ned at the auditor's office.	1 ) (
10) Company cannot pay dividends without providing	full depreciation.	

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Q 2 a) What are the duties of	of company auditor?			0
Q.2 b) Distinguish between	Audit certificate and	d Audit Report.		0
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	OI	2		
Q.2 c) What are the different	nt types of liabilities	of company aud	itor?	0
Q.2 d) Explain the provision	ns relating to the app	ointment of the	company auditor.	0
Q.3 a) How would the audi		Carlotte State of the State of	1994 C	n A
Insurance company?  i) Premium  ii) Claims				0
Q.3 b) What is LFAR? Expl	ain its significance			0
	OR			0.
Q.3 c) How would an audit	AY			
			C.	08
Q.3.d) Explain the applicable	e provisions for audi	t of accounts in	Insurance company.	07
Q.4 a) What are the features	of an effective Com	puterised Audit	Program.	08
Q.4 b) Write note on Enviro	Car			07
	OR			07
Q.4 c) What are the approach	hes to audit in CIS E	nvironment?		08
Q.4 d) What is Forensic Aud	1, 1, 2, 3, 1	N. San	Forensic Audit	07
				07
Q. 5 a) Discuss the various in	nstances of profession	nal misconduct i	ndicated in Part II a	nd
Part III of First Scheo				08
Q.5 b) what do you mean by		The state of the s		
	OR		out of our or our	iles. 07
0.5) Write short notes on th	e following (Any TI	REE)		15
i. Status of company auc	Sall and the sall	7 3/8 1 <sub>8</sub>		13
ii. AS - 17				
ii. Social Audit				
v. Branch Audit				
v. Classification of Non-l	Performing Assets of	banks	The second of th	
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