

C4AU323

SyBcom
Sem IV.

24/3/23

FA & Aud.

Marks: 100

Duration 3 Hrs.

Note: All questions are compulsory.

Figures to the right indicate full marks.

Q.1 A Select the appropriate options (Any Ten)

10

1. Working papers are the property of the _____
(a) Client (b) Auditor (c) client and Auditor (d) equity shareholders
2. The main object of an audit is _____
(a) Final account prepared (b) detect error and fraud (c) opinion on true and faire view
(d) Future viability of the enterprise
3. Analytical Review is _____
(a) An audit technique (b) A compliance procedure (c) Audit in depth (d) Reporting requirement
4. Audit programme should be _____
(a) Oral (b) Rigid (c) Flexible (d) Oral or flexible
5. The main objective of Window dressing is _____
(a) To reduce tax liability (b) to mislead investors (c) to understand profit
(d) to increase liability
6. _____ deals with audit sampling
(a) SA 530 (b) SA 400 (c) SA 610 (d) SA 510
7. Current file and permanent file together known as _____
(a) Audit plan (b) Audit programme (c) Audit procedure (d) Audit working papers
8. The objective of internal control is to _____
a. Prevent frauds b. prevent inefficiency c. improve financial d. select right people
9. Auditing commences after _____
(a) Investigation is carried out (b) Accounting work is over (c) after AGM
(d) at the end of the year
10. Stock is valued at _____
(a) Cost (b) market value (c) cost or market value whichever is less (d) Realisable value
11. The main objective of _____ is to avoid or reduce the tax liability.
(a) Window dressing (b) secret reserves (c) defalcation (d) inflation
12. Error means an _____ mistake in financial statement.
(a) Intentional (b) unintentional (c) expected (d) unexpected

Q.1 B Match the columns (any Ten)

10

A	B
1. Window Dressing	a. Show worse view than actual
2. Vouching	b. Principles of auditing
3. Teeming and Lading	c. Confirmation letter to conduct audit
4. Bankers	d. Memorandum of association
5. Internal check	e. Done at the end of the year
6. Audit working papers	f. Should be independent
7. An Auditor	g. Property of Auditor
8. Final audit	h. Part of internal control
9. Permanent Audit file	i. Users of financial statement
10. Current audit file	j. A type of fraud
11. confidentiality	k. Documentary evidence
12. Secrete reserve	l. To show better picture of firm

Q.2 (A) Explain the Principles of Auditing. 7

(B) Define the terms Secrete Reserve and objections against it. 8

OR

(C) Distinguish between Balance sheet Audit and continuous Audit 7

(D) Define the term Audit And Objectives of Audit. 8

Q.3 (A) Explain the term Audit planning With its objectives 7

(B) Explain the Audit procedure in details 8

OR

(C) Define Audit Programme and explain its advantages 7

(D) Define term Audit working papers and contains of Audit working papers 8

Q.4 (A) Write a note on- Test Checking. 7

(B) Explain the term Internal control and explain management responsibility towards internal Control. 8

OR

(C) Explain the internal control regarding salary and wages. 7

(D) Define the term Internal check and explain auditors duty regarding internal check. 8

Q.5 (A) Define verification and Valuation and what are the points need to be consider for valuation? 7

(B) How do you verify Creditors? 8

OR

(C) How do you vouch Purchases? 7

(D) How do you vouch salary and wages? 8

Q.6 (A) What is Auditing? What are the inherent limitations of Auditing? 7

(B) How do you verify Sundry Debtors? 8

OR

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Write short note (any 4)

1. Internal Audit v/s Internal Check
2. Audit in depth
3. Types of Errors
4. Auditors Duties regarding Fraud
5. Verification and valuation
6. Advantages of Auditing