

HERAMB COACHING CLASSES

S.Y.B.COM/ AUDITING MARKS: 100 DURATION: 3 HOURS DATE: 03.04.2019

- NOTE: 1) All questions are compulsory.**
2) Figure to the right indicates full marks.

Q.1 A) State the following statements are true or false: (any 10) (10)

- 1) A voucher decides authenticity of the transaction.
- 2) Internal audit is compulsory for listed companies.
- 3) There is no risk is involved in audit sampling.
- 4) Frauds do not affect financial statements.
- 5) Copy right is current assets.
- 6) Secret reserve is a part of profits secretly reserved for the future use.
- 7) Aim of internal audit report is ti suggest remedial action.
- 8) Inventory is valued at cost or net realizable value whichever is lesser.
- 9) Routine checking saves the time of auditors.
- 10) Repairs to building is debited to building account is an error of principles.
- 11) Audit programme must be in writing.
- 12) Concurrent audit is done with the occurrence of the transaction.

B) Match the column: (any 10) (10)

Column 'A'	Column 'B'
1) Statutory auditors	a) Delivery challan
2) An auditor	b) Principle of auditing
3) Manipulation m0of account	c) Memorandum of association
4) Audit note book	d) Random number table
5) Fraud	e) Error of commission
6) Audit sampling	f) Report to shareholders
7) Final audit	g) Audit working papers
8) Permanent audit file	h) Done at the end of the year
9) Confirmation	i) Should be independent
10) Documents of goods dispatched	j) Intentional mistake
11) Income recorded twice	k) Management fraud
12) Confidentiality	l) Used for debtors verification

Q.2 A) Distinguish between Accounting and Auditing. (8)

B) Explain the term window dressing? What are the objections against it? (7)

OR

- C) What are the advantages of interim audit? (8)
D) What are the drawbacks of continuous audit? (7)

- Q.3** A) Give meaning and objectives of audit planning. (8)
B) Discuss the source of obtaining information about clients business by the auditors. (7)

OR

- C) Explain the importance of audit working papers. (8)
D) What are the essentials of good audit programme? (7)

- Q.4** A) Give the internal control for purchase. (8)
B) Explain the internal audit. (7)

OR

- C) Explain the points which are generally considered by framing a system of internal control. (15)

- Q.5** A) How would you verify 'Plant and machinery'? (8)
B) How would you vouch 'Rent received'? (7)

OR

- C) How would you vouch 'Sales on consignment'? (8)
D) What are the duties of an auditor regarding stock verification? (7)

- Q.6** A) Explain the points which are to be considered by an auditor in the course of vouching? (10)
B) How would you verify 'Sundry debtors'? (10)

OR

- C) Write short note: (any 4) (20)**

- 1) Audit evidence
- 2) True and fair view
- 3) Error of commission
- 4) Audit sampling
- 5) Test checking
- 6) Financial statements and its users.

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