

D! 17.2.2017

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Q.1 A) Fill in the blanks choosing appropriate option (Any 8)

(8 Marks)

1. _____ means comparing the entries in books of accounts with documentary evidence.
(Vouching, Verification, Supporting documents)
2. The payee should sign on a _____, if the payment exceeds Rs. 5000
(Revenue stamp, Voucher, Payroll)
3. Appointment of internal auditor is _____. (Compulsory, Voluntary, Mandatory)
4. The _____ cannot be subjected to physical verification. (Land, Debtor, Machinery)
5. SA _____ issued by ICAI deals with the concept of materiality (320, 200, 440)
6. SA _____ deals with "going concern" concept (570, 510, 480)
7. Working papers are the property of the _____ (client, auditor, Company)
8. _____ is responsible for preparation of financial statement (Auditor, Management, Both)
9. SA _____ deals with "Audit Documentation" (210, 230, 260)
10. SA _____ deals with "Audit Sampling" (200, 530, 520)

B) Match the following:

A	B
SA 200	Payroll
Sales	Dividend warrants
Salary	C & AG
Income from investment	Board of directors
Auditor of Government Co	Confirmation
First auditor	Cash Memo
Debtor	Bills Issued by AD agency
Stock	Objectives of audit
Goods Dispatched	Delivery challan
	Physical Verification

Q.2 A) Explain the meaning of vouching and its importance.

(5 Marks)

B) How will the auditor vouch the following

(10 Marks)

i) Cash Sales

ii) Salary

OR

- a) Distinguish between vouching and verification
- b) What are the point to be considered by auditor while vouching

(8 Ma
(7 Ma

Q.3 A) Explain the meaning of verification and its object

(5 Mar

B) How will the auditor verify the following

(10 Ma

1) Plant and machinery

2) Debtors

OR

A) Discuss the qualification and disqualification of company auditor.

(8 Mark

B) Explain the procedure for appointment of an auditor

(7 mark

Q.4 A) What are the points to be considered by auditor while Valuation

B) How the Auditor can verify the stock.

OR

A) Discuss the procedure for removal of a company auditor

(8 Marks

B) When is a special resolution required for appointment of a company auditor also discuss th
remuneration of a company auditor

(Marks

Q.5. A) How will the auditor vouch the following

(15 Marks

1) Advertising

2) Rent

3) Recovery of bad debt written off

OR

A) Short Notes (Any 3)

(15 Marks)

1) Removal of first auditor

2) Casual Vacancy

3) Going Concern

4) Materiality

5) Verification of bills payable