

Q.1 A) Say true or False (Any 8) (8 Marks)

1. SA 320 issued by ICAI deals with the concept of materiality
2. SA 510 deals with "going concern" concept
3. Working papers are the property of the client.
4. Vouching means comparing the entries in books of accounts with documentary evidence.
5. The payee should sign on a voucher with revenue stamp, if the payment exceeds Rs. 5000
6. Appointment of internal auditor is Compulsory
7. Land cannot be subjected to physical verification.
8. Management is responsible for preparation of financial statement .
9. SA 230 deals with "Audit Documentation"
10. SA 530 deals with "Audit Sampling".

Q NO 2 Match the Following (Any 07)

(7 marks)

- | | |
|------------------------|-----------------------------|
| 1. Furniture & Fixture | a. Short term |
| 2. Imported Goods | b. Intangible Asset |
| 3. Salary | c. Inventory |
| 4. Exports | d. Fixed assets |
| 5. Stock | e. Bill of Entry |
| 6. Debentures | f. Bill of Lading |
| 7. Goodwill | g. Liabilities |
| 8. Shares | h. Secured Loans |
| 9. Current liabilities | i. Owe money to the Company |
| 10. Debtors | j. Payroll |

Q.2 a) Explain the meaning of vouching and discuss its importance. (7)

b) How will the auditor vouch the following (8)

- i) Credit sale ii) Salary

OR

c) Distinguish between vouching and verification (7)

d) What are the point to be considered by auditor while vouching (8)

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

B) How will the auditor verify the following

1) Plant and machinery

2) Debtors

OR

Q No 3 (a) Discuss the qualification and disqualification of company auditor.

(b) Explain the procedure for appointment of an auditor

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

b) How the Auditor can verify the stock.

OR

(c) Discuss the procedure for removal of a company auditor

(d) When is a special resolution required for appointment of a company auditor also discuss remuneration of a company auditor

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

1) Advertising

2) Rent

3) Recovery of bad debt written off

OR

Q No 5 Short Notes (Any 3)

1) Removal of first auditor

2) Casual Vacancy

3) Going Concern

4) Materiality

5) Verification of bills payable

— The End —