

M-Com (CISSE)

Sem - III 04/01/2019

Duration - 2 Hours

Marks : 60

N.B.

- 1) All questions are compulsory carrying 15 marks each.
- 2) SUB questions would carry equal marks unless indicated to the contrary to their extreme right
- 3) Working\ References to statuses, standards etc. (not necessarily with reference numbers) to form part of the solutions and assumptions to be made and stated clearly

Q. 1 (a) Audit the following account:

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In the books of ABC & Co.  
Dinesh A/c

Dr.			Cr.		
Date	Particulars	Amt. Rs.	Date	Particulars	Amt. Rs.
2018			2018		
Feb. 1	To Balance b/f	4,000	Feb. 4	By Sales Return	900
3	To Sales	16,000	12	By Bank	19,000
4	To Sales	900	12	By Discount	1,000
16	To Sales	10,000	18	By Bills Receivables	10,000
25	To Sales	13,000	26	By Bills Receivables	8,000
			28	By Balance c/d	5,000
		43,900			43,900

Q. 1 (b) How will you vouch Provision for taxation?

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OR

Q. 1 (a) Audit the following account:

8

In the books of Mr. Amit  
Sumit's A/c

Dr.			Cr.		
Date	Particulars	Amt. Rs.	Date	Particulars	Amt. Rs.
2018			2018		
Jan. 1	To Balance b/d	16,000	Jan. 1	By Purchase A/c	28,000
17	To Purchases (C.N. for excess rate)	1,000	Mar. 31	By Balance c/d	40,000
20	To Bank	10,000			
25	To Discount	1,000			
Mar. 25	To Bank	40,000			
		68,000			68,000

Q. 1 (b) How will you vouch Director Sitting Fees?

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- Q. 2 As an Auditor how will you conduct audit of college? 15  
OR
- Q. 2 Explain the Procedure and Special Points of Tax Audit. 15
- Q. 3 As an Auditor how will you conduct audit of Hospital? 15  
OR
- Q. 3 What are the Special Points to be considered in the Audit of 15  
a) Audit of Partnership Firm b) Government Audit
- Q. 4 A) Select the most appropriate option and rewrite the full sentence. 08
1. Audit of banks is an example of  
a) Statutory audit  
b) Balance Sheet audit  
c) Concurrent audit  
d) All of the above
  2. Credit balance in Debtors Account  
a) is normal and no further scrutiny is required  
b) may indicate advance from debtors  
c) may indicate advance to supplier  
d) none of the above
  3. In case of fire insurance, the provision required to make against unexpired risks is  
a) 40%  
b) 50%  
c) 100%  
d) 30%
  4. Unclaimed dividend is shown by a bank under  
a) Deposits  
b) Advances  
c) Other Liabilities  
d) Contingent Liabilities
  5. The C & AG of India, undertakes audit which are broadly categorised as  
a) Financial audit, compliance audit and performance audit  
b) Civil audit, commercial audit, railway audit and P & T audit  
c) Receipt audit, expenditure audit and grant audit  
d) All of the above
  6. The Statutory auditor of a Government Company submits his report to  
a) The Board of Directors of the Company  
b) The CAG  
c) The Legislature  
d) The company secretary
  7. For the purpose of tax audit, legal consulting is held to be a  
a) profession  
b) business  
c) Both a and b  
d) None
  8. Audit taken up after end of accounting year is called as  
a) Periodic audit  
b) Continuous audit  
c) Performance audit  
d) None

- Q. 4 B) State whether the following statements are true or false: 07
- a) Auditing of accounts is compulsory in a partnership firm.
  - b) Government audit functions as an investigation agency.
  - c) Concurrent audit is an audit conducted at regular intervals.
  - d) The debtor confirmation should be returned to the client.
  - e) Credit balances in overdrafts are shown by a bank as Demand Deposits.
  - f) For the purpose of tax audit Courier service is held to be a profession.
  - g) Tax audit of a company is conducted under S. 44AB of the Companies Act.

OR

- Q. 4 Write short notes on **any three** of the following: 15
- a) Concurrent Audit
  - b) Verification of Cash in Bank Audit
  - c) Audit of Hotel
  - d) Audit of a Firm
  - e) Audit of Creditors Ledger