

Q.P. Code :18185

Duration – 2 hours

Marks: 60

Please check whether you have got the right question paper.

- N.B.:
1. All questions are compulsory.
  2. Figures to the right indicate full marks assigned to the question.

Q.1. Describe the special consideration of company audit. 15

OR

Q.1. Explain in detail – Disclosure of Accounting Policies AS-1. 15

Q.2. As an Auditor how will you conduct the audit of the following. 15

- a) Redemption of Preference Shares.
- b) Debenture - Issue & Redemption.
- c) Forfeiture of Shares.

OR

Q.2. Explain the provisions of Section 143 of Companies Act 2013 relating to Audit Report. 15

15

Q.3. Explain- SA- 300 Planning an Audit of financial statements. 15

OR

Q.3. Explain the responsibilities of an auditor relating to fraud in an audit of financial statements as per SA-240. 15

Q.4a. Select the most appropriate option and rewrite the full sentence. 08

1. Option on share capital is a right on \_\_\_\_\_.  
  - a. Un-issued share capital
  - b. Subscribed share capital.
  - c. Paid-up share capital.
  - d. Un-called share capital.
2. Unclaimed Dividend should be transferred to special dividend account within \_\_\_\_\_ days of declaration of dividend.  
  - a. 45 days.
  - b. 15 days.
  - c. 30 days.
  - d. 60 days.
3. The Auditor has a right to obtain \_\_\_\_\_.  
  - a. Information and Explanation.
  - b. Information and Explanation from the employees and officers.
  - c. Information and Explanation necessary for the purpose of Audit.
  - d. both b & c.
4. As per the requirements of section 210 of The Companies Act, the gap between date of profit and loss account and the date of Annual General Meeting at which it is laid should not exceed \_\_\_\_\_ months.  
  - a. Three
  - b. Six
  - c. Nine
  - d. Twelve.

[P.T.O.]

5. The \_\_\_\_\_ factor should be considered while selecting and applying accounting policies.  
a. Prudence      b. Consistency      c. Dual Aspect      d. Cost
6. According to AS – 1 disclosure should form part of \_\_\_\_\_.  
a. the books of accounts.  
b. the auditor's report.  
c. the directors report.  
d. the final accounts.
7. An Audit program may be \_\_\_\_\_.  
a. standard.      b. permanent.      c. statutory      d. fixed or flexible.
8. SA – 500 refers to \_\_\_\_\_.  
a. Audit evidence.      b. Audit documentation.  
c. Fraud      d. External confirmations.

- Q4b. State whether the following statements are **true or false** and rewrite. 07
1. One of the few assets that are usually not depreciated is goodwill.
  2. Future bad debts are usually estimated as percentage of debtors.
  3. Notes to the accounts will include information about items that do not qualify for recognitions in financial statements.
  4. As per the revised schedule, the balance sheet can be prepared only in vertical form.
  5. Operating cycle could be different for each line of business.
  6. Current liabilities also include current portion of non-current financial liabilities.
  7. An Auditor cannot have any lien on the books of accounts of the company audited by him.

OR

- Q.4. Write short notes on: (Any Three). 15
- a) SA-520 Analytical review procedures.
  - b) Audit of Interest on Debentures
  - c) Pre-commencement consideration in companies' audit.
  - d) Disclosure of Share capital under revised schedule III.
  - e) Contingent Liabilities.

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