



K-0688
Third Year B. Com. (Honours) Examination
October/ November – 2012
Auditing

Time : 3 Hours]

[Total Marks : 70

Instructions :

(1)

<p>નીચે દર્શાવેલ નિશાનીવાળી વિગતો ઉત્તરવહી પર અવશ્ય લખવી. Fillup strictly the details of signs on your answer book.</p> <p>Name of the Examination :</p> <p>Third Year B. Com. (Honours)</p> <p>Name of the Subject :</p> <p>Auditing</p> <p>Subject Code No. : 0 6 8 8 Section No. (1, 2,.....) : NIL</p>	<p>Seat No. :</p> <table border="1" style="width: 100%; height: 20px;"><tr><td style="width: 15%;"></td><td style="width: 15%;"></td><td style="width: 15%;"></td><td style="width: 15%;"></td><td style="width: 15%;"></td><td style="width: 15%;"></td></tr></table> <div style="border: 1px solid black; border-radius: 15px; height: 80px; margin-top: 10px; display: flex; align-items: center; justify-content: center; text-align: center;">Student's Signature</div>						

(2) All questions carry **equal** marks.

- 1 (a) You have been appointed as an auditor of the company, what procedure will you follow before commencing the audit work ? 5
- (b) "Internal check is both a pitfall and a safeguard".
— Discuss. 5

- 2 (a) "Vouching is the backbone of auditing". Explain this statement with reference to duties of an auditor. 5
- (b) How will you verify the following : 5
 - (i) Leasehold property
 - (ii) Contingent liability.

- 3 (a) What is misappropriation of cash and goods ? How it can be prevented ? 5
- (b) State the advantages and disadvantages of continuous audit. 5

- 4 (a) State the auditor's duties regarding divisible profit. 5
- (b) In which circumstances qualified report can be given by an auditor. 5

- 5 (a) What is divisible profit ? How it differs from profit ? 5
(b) Discuss the provisions of company Act, 1956 5
regarding qualifications, appointment and removal of
auditor.
- 6 (a) Investigation in case of suspected fraud. 5
(b) Prepare an audit programme of an educational 5
institutions.
- 7 Write short notes : (any **three**) 10
(a) Provisions of section 44AB relating to tax audit
(b) Advantages of cost audit
(c) Audit note book
(d) Audit in depth.
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