

Date: 09.10.2019

Time : (2 ½ Hours)

Total Marks : 75

- NB : 1) All questions are compulsory.  
2) Figures in the right indicates full marks.

Q.1. A Choose correct alternative in each of the following. (**Any Eight**) (08)

- i. Amount deposited into the bank is vouched on the basis of \_\_\_\_\_.
- |                |              |
|----------------|--------------|
| a. Pay in slip | b. Cash Book |
| c. Cheque book | d. Receipt   |
- ii. Commission received is vouched on the basis of \_\_\_\_\_.
- |                |                |
|----------------|----------------|
| a. Counterfoil | b. Cash book   |
| c. Voucher     | d. Cheque book |
- iii. The voucher need be \_\_\_\_\_.
- |                      |                     |
|----------------------|---------------------|
| a. Dated             | b. Authorized       |
| c. Name of the party | d. All of the above |
- iv. Stock is valued at \_\_\_\_\_.
- |  |                     |
|--|---------------------|
| a. Cost                                    | b. Market value     |
| c. Cost and market value whichever is less | d. Realisable value |
- v. Patents are depreciated by \_\_\_\_\_.
- |        |                     |
|--------|---------------------|
| a. SLM | b. WDV              |
| c. SF  | d. Any of the above |
- vi. Public Deposits are disclosed as \_\_\_\_\_.
- |                        |                    |
|------------------------|--------------------|
| a. Secured loans       | b. Unsecured loans |
| c. Current liabilities | d. Provisions      |
- vii. \_\_\_\_\_ is a revenue reserve.
- |                    |                       |
|--------------------|-----------------------|
| a. CRR             | b. Securities premium |
| c. Capital reserve | d. All of the above   |
- viii. First auditor of non-government company is appointed under section \_\_\_\_\_.
- |           |        |
|-----------|--------|
| a. 139(6) | b. 228 |
| c. 331    | d. 435 |
- ix. The company has to inform the auditor about his appointment within \_\_\_\_\_.
- |            |            |
|------------|------------|
| a. 15 days | b. 10 days |
| c. 21 days | d. 20 days |
- x. Audit documentation is the property of \_\_\_\_\_.
- |                |               |
|----------------|---------------|
| a. Auditor     | b. Accountant |
| c. Shareholder | d. CEO        |

- B State whether the following statements are True or False. (**Any Seven**) (07)
- a) Materiality can be judged form legality.
  - b) Financial indication include negative worth.
  - c) Audit file may also be in electronic form.
  - d) Auditor has to see that patents rights are alive.
  - e) Documents of title of fixed assets need not be examined.
  - f) Internally generated goodwill is recognized by AS 10.
  - g) Auditor need not enquire about physical verification of assets.
  - h) Going concern concept is a fundamental assumption.
  - i) A body corporate can be appointed as a auditor.
  - j) Chartered accountants can form partnership firms.
- Q.2. Attempt **any Two** of the following (15)
- A What are the importance of vouching?
  - B What are the objectives of vouching?
  - C How would you vouch travelling expenses?
- Q.3. Attempt **any Two** of the following (15)
- A Explain the term verification.
  - B Distinguish between verification and valuation.
  - C How would you verify furniture?
- Q.4. Attempt **any Two** of the following (15)
- A What are the provisions of SA 210?
  - B Write short note on audit evidence?
  - C Explain in details significance of audit standards.
- Q.5. Attempt **any Three** of the following (15)
- A Removal of auditors
  - B Auditing of commission received
  - C Basis of valuation
  - D Working papers
  - E Auditing of salary