

4/H-76 (xi) (a) (Syllabus-2015)

2 0 1 9

(April)

COMMERCE

(Honours)

(Auditing)

(BC-403)

Marks : 75

Time : 3 hours

*The figures in the margin indicate full marks
for the questions*

- 1. What do you mean by Continuous Audit?
State the circumstances under which
Continuous Audit is applied. Discuss the
merits and demerits of Continuous Audit.**

2+3+5+5=15

Or

**State the objectives and characteristics of a
satisfactory system of internal control. Also
state inherent limitations of internal control.**

5+5+5=15

(2)

2. (a) On what matters verification of assets is emphasized even after vouching of assets? 5
- (b) What points would you give attention while carrying out an investigation on behalf of a client with respect to (i) suspicion of 'fraud' and (ii) purchase of a running business? 5+5=10

Or

- (a) Give examples of vouchers you would refuse to accept although properly stamped and signed. Explain with reasons. 5
- (b) How would you verify the following? 5+5=10
- (i) Loans against security of landed property
- (ii) Plant and machinery
3. (a) State the qualification of a Company Auditor as per the Companies Act, 2013. 5
- (b) Discuss the Auditor's duty regarding depreciation and provisions of reserves. 5+5=10

(3)

Or

- (a) Discuss the power and duties of a Company Auditor as per the provision of the Companies Act, 2013. 5+5=10
- (b) What are the contents of an Audit Report? 5
4. (a) Discuss Management responsibilities under SA-250. 5
- (b) Discuss the Auditor's responsibilities to detect fraud in an Audit of Financial Statement of a Company under SA-240. 10
- Or
- (a) What is audit documentation? State the factors that affect length, breadth and types of audit documentation. 3+7=10
- (b) State the objectives of an Auditor under SA-260. 5
5. Discuss the various points you would consider while auditing a partnership firm. 15

Or

- Write notes on the following : 5×3=15
- (a) Social Audit
- (b) Environmental Audit
- (c) Auditing in Computerized Environment
