

Note:-all questions are compulsory.

Marks:-100

Question 1

*What are the main points involved in 'Performance Audit' under Government Accounting system?
(4 Marks) (PE-II May 2008)*

Question 2

In a system based audit, test checking approach provides a good base for the auditor to form his opinion on the Financial statement. Give your comments.(8 Marks) (PE-II Nov 2008)

Question 3

*State the different types of Analytical Review carried out in verification of inventories.
(6 Marks) (PE-II May 2006)*

Question 4

- (a) State the matters to be specified in Auditor's Report in terms of provisions of Section 227(3) of the Companies Act, 1956. (8 Marks)*
- (b) What are the reporting requirements in Companies (Auditor's Report) Order, 2003 in respect of money raised by public issues?(8 Marks) (PE-II Nov 2005)*

Question 5

As an auditor, comment on the following situations/statements:

- (a) The surplus arising from sale of investment was set-off against a non-recurring loss and was not disclosed separately. (5 Marks)*
- (b) The register of members of AP Ltd. has not been written up-to-date and as a result, the balances in the register do not agree with the amount of issued Share Capital.
(5 Marks) (PE-II May 2006)*

Question 6

- (a) Mention any ten special points to be examined by you in the audit of Income and Expenditure of a Charitable institution running a hospital.(10 Marks)*
- (b) In carrying out audit of Government expenditure, what are the basic standards that you will examine and consider? (6 Marks) (PE-II Nov 2008)*

Question 7

How will you verify/vouch the following ?

- (a) Purchase of quoted investment*
- (b) Discounted bill receivable dishonoured*

(c) Amount due to subsidiary companies (4 × 3 = 12 Marks)(PE-II May 2006)

Question 8

As an auditor, comment on the following situation/statement:

X Ltd., to whom Companies (Auditor's Report) Order, 2003 is applicable, has issued 9% Debenture of Rs. 5 crores, redeemable after 5 years and used the proceeds of issue for payment of Sundry Creditors and other Current Liabilities of Rs. 2.80 crores. (5 Marks)(PE-II May 2006)

Question 9

What are the special considerations in an audit of a Limited Company?(8 Marks) (PE-II May 2006)

Question 10

Write a short note on - General Principles of Verification of Asset. (4 Marks) (PE-II May 2006)

Question 11

How will you vouch and/or verify Re-issue of Forfeited Shares? (4 Marks) (PE-II Nov 2006)

Question 12

As an Auditor, comment on the following situation/statement:

JKT Ltd. having Rs. 40 lacs paid up capital, Rs. 9.50 lacs reserves and turnover of last three consecutive financial years, immediately preceding the financial year under audit, being Rs. 4.90 crores, Rs. 4.50 crores and Rs. 6 crores, but does not have any internal audit system. In view of the management, internal audit system is not mandatory. (4 Marks) (PE-II November 2006)

Question 13

As an auditor, comment on the following:

RT Ltd. Received Rs. 50 lacs as grant from the State Government towards the part cost of a specific machinery. The company credited the above sum of Rs. 50 lacs as income in its Profit and Loss Account for the year. What are your views on the accounting treatment of the above receipt of Rs. 50 lacs? (4 Marks)(PE-II Nov 2006)