

PARUL UNIVERSITY
FACULTY OF COMMERCE
B.Com. (Hons) Winter 2018 – 19 Examination

Semester: 3

Subject Code: 16101202

Subject Name: Audit and Assurance

Date: 28/11/2018

Time: 10:30am to 01:00pm

Total Marks: 60

Instructions:

1. All questions are compulsory.
2. Figures to the right indicate full marks.
3. Make suitable assumptions wherever necessary.
4. Start new question on new page.

Q.1 Do as directed.**A) Multiple choice type questions. (Each of one mark)****(06)**

1. **Audit in depth is synonymous for _____.**

a) Complete audit	b) Completed audit
c) Final audit	d) Detailed audit
2. **Responsibility of Joint Auditors is _____**

a) AAS 10	b) AAS 12
c) AAS 11	d) AAS 14
3. **Auditing begins where _____ ends.**

a) Selling.	b) Inventory valuation.
c) Accounting.	d) Purchases.
4. **Goods sent on approval basis' have been recorded as 'Credit sales'. This is an example of _____.**

a) Error of principle	b) Error of commission
c) Error of omission	d) Error of duplication
5. **The title of AAS2 issued by Council of ICAI is _____.**

a) Objective and Scope of the Financial Statements	b) Objective and Scope of the Audit of Financial Statements
c) Objective and Scope of Business of an Entity	d) Objective and Scope of Financial Statements Audit
6. **Which of the following is not a limitation of audit as per AAS 4?**

a) Objectivity of auditor's judgment	b) Selective testing
c) Persuasiveness of evidence	d) Limitations of internal control system

B) Definitions (Each of one mark)**(06)**

1. Verification
2. External audit
3. Audit programme.
4. Audit and Accounting Standard (AAS) 8
5. Audit and Accounting Standard (AAS) 15
6. Compensating error.

Q.2 Write short note on following: (Each of 04 mark)**(12)**

1. Verification of bill receivable
2. Vouching of wages.
3. Qualifications and disqualifications of a company auditor.

Q.3 Answer the following. (Any Three)**(18)**

1. What are the basic principles governing an audit?
2. Write a note on - Audit of charitable institutions.
3. What are the rights and powers of an Auditor according to companies Act, which would enable him to discharge his duties as in a faithful manner?
4. How would an auditor conduct vouching of receipt side or debit side of cash book?

Q.4 Answer the following. (Any two)**(18)**

1. What are the steps involved in the audit of a club?
2. What special points you would keep in mind while doing the audit of banking companies?
3. Specify the dissimilarity between internal audit and external audit.