

**2020**

**AUDITING — HONOURS**

**Sixth Paper**

**(A-32-A)**

**Full Marks : 100**

*The figures in the margin indicate full marks.  
Candidates are required to give their answers in their own words  
as far as practicable.*

**Group – A**

Answer *any two* questions

5×2

1. What do you mean by Audit File? Mention any two items those are kept in a Permanent Audit File. 5

**Or,**

- Write a short note on Audit Note Book. 5
2. What are the advantages and disadvantages of Test Checking? 5
3. Write a brief note on Joint Audit. 5

**Or,**

- Can dividend be paid out of Capital Profit? Discuss. 5
4. Explain Materiality Concept. 5
5. Explain the concept of Ethics in Auditing. 5

**Or,**

- Write a brief note on Social Audit. 5

**Group – B**

Answer *any two* questions

20×2

6. Define Audit Programme. State its advantages. 8+12

**Or,**

- What do you mean by Audit Evidence? State the different sources of Audit Evidence. 10+10
7. How does Audit Sampling helps an auditor? Explain the term 'Stratified Sampling'. 8+12

**Or,**

- Discuss Analytical Procedure with an example. 20

**Please Turn Over**

8. What do you mean by Auditor's Report? Is there any differences between Auditor's Report and Certificate? 8+12
9. Prepare a brief outline of Investigation in respect of misappropriation of cash. 20
10. What is Management Audit? Why Management Audit is required to be done even after Financial Audit? 8+12

*Or,*

Explain the concept of Propriety Audit. Is it done in India? 12+8

**Group – C**

Answer *any two* questions 25×2

11. (a) What are the basic principles governing an audit?  
(b) Distinguish between Periodical Audit and Continuous Audit with examples. 13+12

*Or,*

'Accounting is necessary but Auditing is luxury'. — Discuss. 25

12. Suggest a suitable Internal Control System in respect of sales in a large departmental store. 25

13. How will you verify the following items (*any two*)? 12½×2

- (a) Machinery  
(b) Patent  
(c) Creditors.

*Or,*

- (a) How will you vouch the following items (*any two*) ? 6×2

- (i) Preliminary expenses  
(ii) Travelling expenses  
(iii) Income from dividend.

- (b) State the essential features of a valid voucher. 13

14. How the remuneration of a Statutory Auditor is fixed? How is he removed? 5+20

*Or,*

Can a company pay dividend in the following situations? 25

- (a) out of capital  
(b) out of current revenue profit before writing off past capital losses  
(c) out of current revenue profit before writing off past revenue losses  
(d) out of past revenue profit though there is no revenue profit in the current year.

15. (a) What do you mean by NPA?  
(b) Prepare an Audit Programme on a University. 5+20
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