

Enrollment No: _____ Exam Seat No: _____

C.U.SHAH UNIVERSITY

Summer Examination-2017

Subject Name : Principles of Auditing-II

Subject Code : 4CO06PAU1

Branch: B.Com.(English), B.Com.(LL.B.)

Semester : 6

Date : 13/04/2017

Time : 02:30 To 05:30

Marks : 70

Instructions:

- (1) Use of Programmable calculator & any other electronic instrument is prohibited.
- (2) Instructions written on main answer book are strictly to be obeyed.
- (3) Draw neat diagrams and figures (if necessary) at right places.
- (4) Assume suitable data if needed.

- Q-1 Attempt the following questions: (14)**
- a) Can an employee or officer of the company or the employee's partner or a person employed under the employee of a company become a company auditor? 1
(A) Yes, appointment can be done (B) No, cannot be done
(C) Cannot say anything (D) None of the above
- b) After the incorporation of the company, the Board of Directors appoints the auditor within..... months, who remains till the completion of the first annual general meeting 1
(A) Within 3 months (B) Within 2 months
(C) Within 1 month (D) Within 4 months
- c)’s duty is not to provide advice to the trader but to inform them about the correct financial and economic condition of the company. 1
(A) Secretary (B) Treasurer (C) Director (D) Auditor
- d) How many types of liabilities the auditor has from the organization’s point of view? 1
(A) One type (B) Three types (C) Two types (D) Four types
- e) “An auditor is liable for his audit work towards all classes of the society” Is this statement correct? 1
(A) None from the below (B) Cannot say anything
(C) No. Not liable (D) Liable generally
- f) “..... is a statement of collected and considered facts.”-Lancaster 1
(A) Report (B) Opinion (C) Order (D) None of the above
- g) is the representative of the shareholders. It is his duty to protect the welfare and interest of the shareholders. 1
(A) Secretary (B) Treasurer (C) Director (D) Auditor
- h) Can an Auditor present an oral report instead of a written report? 1
(A) Cannot say anything
(B) Oral report can do



- (C) Cannot do, written report is necessary
(D) None of the above
- i) The share of profit distributed to the shareholders from the company's profit is called..... 1
(A) Dividend (B) Bonus (C) Commission (D) Remuneration
- j) The increase occurring due to the comparison of assets, capital, and liabilities between any two consecutive time period is called..... 1
(A) Dividend (B) loss (C) Profit (D) None of the above
- k) "Computer hardware does not undertake any process, but software makes the hardware functioning" Is this statement correct? 1
(A) Yes, It is correct (B) No, it is not correct
(C) Cannot say anything (D) None of above
- l) How many stages are seen in the accounting process? 1
(A) Two stages (B) Three stages (C) One stage (D) Four stages
- m) "Verification and Vouching are different but still they are... to each other." 1
(A) Synonymous (B) Antonymous
(C) Supplementary (D) Contradictory
- n) How many types of visible assets exist? 1
(A) One (B) Four (C) Three (D) Two

Attempt any four questions from Q-2 to Q-8

- Q-2** State the provisions of company's Act related to qualifications, disqualifications and appointment of auditor 14
- Q-3** **Attempt all questions** (14)
(A) Explain the types of auditors 7
(B) State the auditor's liability for negligence as per the Company's Act. 7
- Q-4** **Attempt all questions** (14)
(A) Explain difference between Auditor's Report and Audit Certificate 7
(B) Write short note on social Audit 7
- Q-5** **Attempt all questions** (14)
(A) Explain types of dividend 7
(B) Write the benefits of computerized Accounting System 7
- Q-6** What is Computerized Accounting? State the factors affecting Computerized Accounting technique 14
- Q-7** **Attempt all questions** (14)
(A) Discuss Internal Control in Computerized Accounting technique 7
(B) Give the difference between verification and valuation of liabilities-debts 7
- Q-8** **Attempt all questions** (14)
(A) Explain verification and valuation of liabilities-debts (any seven) 7
(B) Discuss the auditor's duties regarding verification 7

