

2022

AUDITING AND ASSURANCE — HONOURS

Paper : CC-5.1Ch (C51SH)

Full Marks : 80

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

1. Discuss the objectives of independent financial audit. 5

Or,

- (a) What do you mean by auditor's independence?
(b) Discuss the significance of auditor's independence in the statutory audit. 2+3
2. Distinguish between audit and investigation. 5
3. What is Audit Note Book? State its importance. 2+3

Or,

Documentation of audit plan serves as an important record of audit. Why is it so important? 5

Group - B

4. What is test checking? What precautions will you take as an auditor before undertaking test checking? 3+7

Or,

Discuss the essential steps involved in conducting the audit of a Hotel. 10

5. What do you mean by internal control? Distinguish between internal control and internal audit. 3+7
6. "In vouching payments, the auditor does not merely seek proof that money has been paid away."
— Critically examine the statement. 10

Or,

How will you verify the following items of the balance sheet (*any two*)? 5+5

- (a) Investments (b) Secured Loan (c) Goodwill.

Please Turn Over

7. (a) State the reporting responsibility of the statutory auditor in respect of the following clause under paragraph 3 of Companies (Auditor's Report) Order, 2020 (CARO, 2020) :
Clause (i) Property, Plant and Equipment and Clause (vii) Deposit of Statutory dues. 5+5
(b) Discuss the significance of the term 'True and Fair View' as per Companies Act, 2013. 5+5

Or,

Explain the concept of materiality and the guiding factors to determine the materiality of an item. 3+7

8. Write short notes on *any two* : 5+5
(a) Tax Audit
(b) Social Audit
(c) Propriety Audit.

Group - C

9. (a) What is joint audit? Discuss the principles to be followed in joint audit in respect of division of work among the joint auditors as per the relevant standard on auditing.
(b) Can a company pay dividend out of capital profit? Explain with reference to the relevant legal decision. (3+7)+5

Or,

- (a) What do you mean by unclaimed dividend? How is it treated in accounts?
(b) Discuss the provisions of the Companies Act, 2013 regarding unclaimed dividend. (3+2)+10
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