



[3870] – 24

M.Com. (Part – II) (Term End) Examination, 2010
Group A : Advanced Accounting & Taxation
ADVANCED AUDITING (Paper – III)
(2002 Pattern) (Old)

Time : 3 Hours

Max. Marks : 60

- N.B. :* i) *All questions are compulsory.*
ii) *All questions carry equal marks.*

1. How would you verify the following items included in the stock in trade appearing in the Balance Sheet ?
- Goods sent out on consignment
 - Goods sent out on sale or return
 - Goods sold on Hire-purchase.

OR

“Auditing begins where Accountancy ends”. Explain. How does accountancy differ from auditing ?

2. “No dividend shall be payable except out of profits”. Discuss.

OR

What is Investigation ? Distinguish Investigation from Audit.

3. Write short notes (**any three**) :

- Tax audit U/S 44AB of Income Tax Act 1961
- Importance and need of Accounting Standards.
- Various objects of an audit
- Audit of Share Capital Transactions
- Audit Programme.

4. Discuss briefly, giving illustrations, the auditor’s liability for negligence in the performance of his duties.

OR

In what circumstances does an auditor of a company find it necessary to qualify his report to the members of the company ? Give a specimen qualified audit report.

B/II/10/530