

FYCAIF)

March '09

ANOXIA

Auditing - I

TIME : 2 hrs.

MARK : 60

- Instruction :** 1) All questions are compulsory
2) Figures to the right indicate marks.

Q.1 **Answer the following questions in brief. (3 marks each)** 15

- What is primary objective of Auditing?
- What is error of duplication?
- What is management audit?
- Explain about Audit working papers.
- Reading of a capital Account.

Q.2 A) **State the following sentences whether True or False with reasons. (2 marks each)** 15

- Auditor of a company should not be a chartered Accountant.
- For understanding social audit we need to understand concept of social accounting.
- Auditors have no right to retain audit working papers.
- Statutory auditor submits report to central Government.

B) **Match the following entries with their meaning while reading a Debtor's Account.**

(1 mark each)

Entry	Meaning
i) To Sales	a) Dishonour of bills receivable which was endorsed to some creditor
ii) To Bank	b) Discount allowed to debtor
iii) To Interest	c) Dishonour of cheque received
iv) By Discount	d) Credit sales
v) By Bad Debts	e) Writing off of bad debts.
vi) To Bills Receivable	f) Interest charged to debtor
vii) To creditors	g) Bills receivable accepted by the debtor.

Q.3 Explain types of errors and frauds. Also explain duties and responsibilities of auditor in this case.

OR

What is Auditing? Explain basic principles of Auditing in detail.

Q.4 What is audit programme? Explain its contents, advantages and disadvantages. 1

OR

What is vouching? Explain its importance and the points to be considered while vouching.

