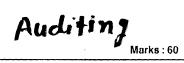
Time : 2 hrs

1

PLATINUM



Answer All Questions.

-			
Q. 1		What is vouching? Which are the special considerations to be borne in mind	
		by the auditor in the course of vouching?	15
		OR	
Q.1	a)	Distinguish between verification and valuation.	.8
	b)	What is the importance of Reading of Ledger Accounts.	7
Q.2		What is depreciation? What are the duties of an auditor in respect of depreciation?	15
		OR	
Q.2	a)	What is capital expenditure?	7
	b)	Which are the important provisions of the Companies Act in regards to	
		Depreciation with specific reference to Disclosure and payment of Dividend.	8
Q.3		What is deferred revenue expenditure?	15
		Explain with at least three examples.	
		OR	
Q.3	a)	How would you dealt with following.	8
		Explain in detail i) An amount of Rs. 50,000/- spent on extension	
		• of factory building.	
		ii) Machinery costing Rs. 75,000/- having book value	
		of Rs. 45,000/- sold for Rs. Rs. 30,000/-	
	b)	Explain with reasons whether the following payments are capital or revenue.	7
		i) Repair of Machinery ii) Stamp Duty on purchase of building.	
Q.4	•	Write short notes (any three)	15
		i) Internal Audit ii) Internal check iii) Internal control	
		iv) Test check v) Ledger Scrutiny vi) Surprise check	
