

(2 1/2 Hours)

[Total Marks: 75]

- N.B. 1) All questions are compulsory subject to internal choice.
2) Figures to the right indicate full marks.

Q1.A) Select the appropriate option and rewrite the sentences. (Any 8)

(8)

- 1) Investigation program should be _____.
(a) Fixed (b) Flexible (c) Pre-decided
- 2) _____ deals with matters mention in second schedule.
(a) Board of Discipline (b) Disciplinary Committee (c) Council
- 3) _____ Approach is also known Auditing around the computer.
(a) White box (b) Black box (c) Yellow box
- 4) It is the duty of the auditor to report to the _____.
(a) Shareholders (b) Management (c) Consultant
- 5) Control which apply to a specific element of the system are called _____.
(a) User (b) General (c) Application
- 6) Intellectual property due diligence is a part of _____ due diligence.
(a) Tax (b) Technical (c) Legal
- 7) _____ Program are generalized computer programs that perform data processing.
(a) Package (b) purpose -written (c) Utility
- 8) Professional misconduct is defined under section _____ of the chartered accountant act 1949.
(a) 32 (b) 42 (c) 22
- 9) Audit is concerned with _____ evidences.
(a) Conclusive (b) Real (c) Prima-facie
- 10) Audit report reflects the work by the _____.
(a) Auditor (b) Management (c) Accountant

Q1.B) State whether following statements are 'True' or 'False' (Any 7)

(7)

- 1) The objective of Investigation should be clear to the investigator.
- 2) Processing control is a category of application controls.
- 3) The Auditor is supposed to report to the board of directors.
- 4) Professional ethics guide the members in performing their jobs.
- 5) CARO order 2016 is applicable to the Banking Company.
- 6) The investigation is carried on either quarterly, half yearly or yearly.
- 7) A client imposed scope limitation will generally result in a disclaimer of opinion.
- 8) The use of computer facilities of a small enterprise may increase the control risk.
- 9) An Investigation is done earlier to audit.
- 10) Audit risk is more in case of e-commerce transactions.

65058

Page 1 of 2

324A4727E71F489826D8102B081ADA96

- Q2.a) Discuss reporting requirements for the auditor under Companies Act. (8)
b) Distinguish between audit report and audit certificate (7)

OR

- Q2.c) Explain the contents of an audit report. (8)
d) Discuss the true and fair view. (7)

- Q3.a) What are the special aspects in computerized audit environment? (8)
b) What is the impact of computer system on audit procedure? (7)

OR

- Q3.c) What are the problems in CIS environment in implementation of internal controls? (8)
d) What are the types of internal control in compress computerized system? (7)

- Q4.a) What disciplinary action is taken if a member is found to be guilty? (8)
b) Explain the term professional ethics and misconduct in relation to the chartered accountant act 1949. Give 5 Examples. (7)

OR

- Q4.c) What is the significance of certified of practice? (8)
d) Explain the documents to be checked in Due Diligence process. (7)

- Q5.a) Explain the features of investigation. (8)
b) Distinguish between Audit and Due Diligence. (7)

OR

Q5. Write short notes on (Any 3) (15)

- 1) Board of Discipline
- 2) Audit trail
- 3) Qualities of an investigator
- 4) Reading and inspection of auditor's report
- 5) Requirements of Auditor in e-commerce
