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(4th Semester)

COMMERCE

(Honours)

Paper No. : BCAF-04

(Advanced Auditing)

Full Marks : 70
Pass Marks : 45%

Time : 3 hours

*The figures in the margin indicate full marks
for the questions*

1. (a) Explain how an Auditor audits (i) profit prior to incorporation, and (ii) preliminary expenses. 7+7=14

Or

- (b) What are the statutory books and registers required to be maintained by a company under the Companies Act, 1956? Explain the Auditor's duty in this connection. 7+7=14

2. (a) Explain the procedures of audit of an insurance company. 14

Or

- (b) What do you mean by investigation of accounts? Explain the procedure you would adopt to investigate a suspected fraud in a business. 14

3. (a) How is the Comptroller and Auditor General of India appointed? Explain his duties and powers. 4+10=14

Or

- (b) Explain how an Auditor examines the expenditure and receipts of Government Departments. 14

4. (a) Discuss the characteristics of an electronic data processing environment. 14

Or

- (b) Discuss the controls that may be instituted by the management of an entity over computerised processing of accounting data to prevent errors, frauds and accidental loss of data. 14

5. (a) What is professional misconduct according to the Chartered Accountants Act, 1949? How does it differ from professional negligence? Under what conditions a Chartered Accountant acting as an Auditor will be deemed guilty or misconduct? 3+3+8=14

Or

- (b) Outline the procedure of inquiry into the charges of misconduct of members under the Chartered Accountants Act, 1949. 14
