

2022

COMMERCE

Paper : CC-403

(Auditing and Assurance Service)

Full Marks : 40

The figures in the margin indicate full marks.

*Candidates are required to give their answers in their own words
as far as practicable.*

Module - I

Answer *any two* questions.

1. (a) What do you mean by control aspect of accounting?
(b) Write the meanings of the words 'sufficient' and 'appropriate' in context of the audit evidence.
(c) Discuss any five social objects of an audit from financial point of view. 3+2+5

Or,

- (a) 'Social auditing is a process by which an organisation accounts for its social performance to its stakeholders.' — Elucidate.
(b) Discuss the relationship between materiality and audit risk. 5+5

2. Discuss the basic elements of an audit report as per the relevant standards on auditing (SA). 10

3. (a) What do you mean by 'control environment' and 'control procedure' in context of internal control system?
(b) Discuss the different purposes of internal control in an organisation.
(c) Discuss the different importances of standards on auditing (SA). 2+3+5

Or,

'Internal control is a vital part, together with its counterpart internal check, so as to form the very base and basic pedestal of the broader concept of Internal Audit.' — In light of this statement exemplify your answer with such illustrations, as may be pertinent to the context. 10

4. Write short notes on *any two* : 5+5
(a) Components of Audit Risk
(b) Scope of Standards on Auditing (SA)
(c) Reliability of Audit Evidence.

Please Turn Over

Module - II

Answer *any two* questions.

5. (a) Discuss the applicability of Rule 3 and Rule 4 of the Companies (Cost Records and Audit) Rules, 2014 in respect of Cost Audit.
(b) What do you understand by management audit?
(c) What are the advantages of environmental audit? 5+2+3
6. (a) Which Companies are required to undergo Secretarial Audit?
(b) What is Secretarial Standard?
(c) How does computerized Auditing System differ from Conventional Auditing System? 3+2+5
7. (a) Mr. Pratul Chakraborty, a practising Chartered Accountant, has partnered with Mr. Ritesh Barua, a corporate lawyer, under the firm name 'PR Associates'. They share the profits of the firm equally. Besides, they serve their clients in their individual capacities too. Do you think that such partnership amounts to any professional misconduct as per the regulations of the Chartered Accountants Act, 1949? Discuss with reference to relevant provisions.
(b) Mr. Ray, the auditor of a reputed cement company, discussed vital information related to the company as a speaker in an industrial convention. Comment whether the auditor is guilty of professional misconduct in the mentioned case with reference to the Chartered Accountants Act and schedules there to. 5+5
8. (a) *Ichche Dana*, an NGO, has been working for the last five years among tea garden workers of Ichche Gaon in the district of Kalimpong. It primarily focuses on health, nutrition and education of the children of the tea plantation workers. It mobilises funds from donations and some regular grants from the tea estates. It has started receiving funds from a Norwegian organisation too. Prepare an audit programme for *Ichche Dana*.
(b) What are the basic standards for the audit of the government expenditure? 6+4
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