

**2017**

( 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 )

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

( 3 )

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

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