

# PC-12241/NJ

**D-46/2111**

CONTEMPORARY AUDITING-301

Semester – III

Time : Three Hours]

[Maximum Marks : 70

**Note** : Attempt *two* questions each from Section A and B and any *ten* questions from Section C.

## SECTION – A

- I. What do you mean auditor's independence and also discuss the different threats to auditor's independence? 10
- II. What is auditing? Explain its nature and limitations. 10
- III. Illustrate agreeing the terms of audit engagements as per SA 210. 10
- IV. What are the different kinds of audit? Give the merits and demerits of each. 10

## **SECTION – B**

- V. What is the significance of substituting the words 'true and correct' by the words 'true and fair' how does this change influence the scope of auditor's work? 10
- VI. State the provisions of Companies Act regarding qualification, appointment and removal of an auditor. 10
- VII. What do you mean by Balance sheet audit? What are its advantages? 10
- VIII. Explain :
- (a) Role of an auditor in context of audit committee.
  - (b) Characteristics of an EDP environment for audit.
- (5+5)

## **SECTION – C**

- IX. (a) What is audit report?
- (b) Which type of audit report is issued by the auditor because of having lack of audit evidence?
- (c) Who appoint the auditor of co-operative society?
- (d) Distinguish between audit report and audit certificate.
- (e) Define materiality as regards to auditing.
- (f) What is auditor's independence?

- (g) What is status of a company auditor?
- (h) Give a specimen of an audit report.
- (i) 'An auditor is a watchdog, but not a blood hound'.  
Comment.
- (j) State the meaning of independence in mind of an  
auditor.
- (k) What do you mean by audit risk?
- (l) What chart is used in auditing technique?

(10×3=30)

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