

V.P.M.'s K.G. Joshi College of Arts & N.G.Bedekar College of Commerce, Thane.

TYBCOM - A & F 5TH SEMESTER

PRELIMINARY EXAMINATION OCT - 2008

TIME : 11.00 a.m. to 1.00 p.m.

MARKS : 60

CODE : 526-B

DATE : 15/10/2008

SUBJECT & PAPER : AUDITING - III.

Instruction : 1] All questions are compulsory.

Q.1 Discuss the auditors role to vouch the payment of wages in a factory. 15

OR

Q.1 How would you vouch the following payments (any three) 15

- | | |
|------------------------|-----------------------------|
| i) Legal Exps. | ii) Directors sitting fees. |
| iii) Stationery Exps., | iv) Stores & spares |
| v) Car hire charges | vi) Conveyance Exps. |

Q.2 What do you mean by vouching? Explain in the context of Sales transactions. 15

OR

Q.2 a) Explain the auditors role towards scrap sales. 08

b) How would you check the "Loss on sale of Investment" 07

Q.3 Discuss the verification and valuation process of inventories as on Balance sheet date. 15

OR

Q.3 How would you verify the following items (any three) 15

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|---------------------|-----------------------------|
| i) Sundry creditors | ii) Provision for taxation, |
| iii) Secured Loan, | iv) Motor car, |
| v) Prepaid Exps., | vi) Freehold Land. |

Q.4 Write short notes (any three) 15

- i) Balance confirmation letter
- ii) Disclosure requirements for Investment
- iii) Auditors Role for cash Sales
- iv) Importance of purchase order
- v) Contingent liability
- vi) Bank Reconciliation statement
- vii) Vouching of Rent Exps.
