

Program/Sem: M.Com Part II – Sem-III Course: Advanced Auditing

Program Code: 2120361 Course Code: 59323

Duration: 2 Hours

04 NOV 2025

Max. Marks: 50

**Instructions:**

1. All questions are compulsory.
2. Figures to the right indicate full marks.

**Q.1 Case Study: [10]**

- A) M/s Honest Limited has entered into a transaction on 5th march,2024. Near year-end, whereby it has agreed to pay Rs. 5 lakhs per month to Mr.Y as annual retainer-ship fee for "engineering consultation". No amount was actually paid, but Rs.60 lakhs is provided in books account as on March 31, 2024. Your inquiry elicits a response that need-based consultation was obtained round the year, but there is no documentary or other evidence of Receipt of the service. As the auditor of M/s Honest Limited, what would be your approach?

**Q.2 Attempt the following (Any One). [10]**

- A) Describe Scope and purpose of SA 230 Documentation.

OR

- B) What is an auditor responsibility in consideration of law & regulation when performing of an audit of financial statement.

**Q.3 Attempt the following (Any One). [10]**

- A) What are the considerations specific to smaller entities while forming an overall Audit strategy.

OR

- B) What is an Audit plan? What are the benefits of audit plan?

**Q.4 Attempt the following (Any One). [10]**

- A) Explain the scope & purpose of SA 500.

OR

- B) Write Objectives and purpose of SA 505 External Communication.

**Q.5 Attempt the following (Any One). [10]**

- A) How should the auditor communicate key audit matter in the independent auditor report as per SA 701?

OR

- B) What are the types of Audit report.

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