



*Sample Paper
&
Question Paper Pattern*

2022
2023

GOA BOARD

Principles and Practice of Auditing 2022-23

Syllabus to be followed for the Academic Year 2022-23

Theory

Scope and limitations:-

Unit I:-

Marks:- 12

Vouching of Cash Transactions:-

- i) Vouching of cash transactions:-
Meaning – Definition of Vouchers, points to be noted while examining vouchers – internal check as regards to cash – meaning of vouching.
- ii) Vouching of Debit side of cash book:-
Opening balances, cash sales, receipt from debtors, Teeming and Lading method of Fraud – How to detect Teeming and Lading method frauds – Income from interest, dividend, loans, rent received, bills receivable, commission, sale of investments, sale of fixed assets.
- iii) Vouching of credit side of cash book:-
Payments to creditors, wages – chances of frauds and errors in wages – auditor's duties as regards to wages – loans, salaries, agent's and traveller's commission, travelling allowance, insurance premium, bills payable, postage, petty cash, bank account, partners drawings, bank charges, advertising expenses – capital expenditure – freehold / leasehold property and building, plant and machinery, patents, investment.

Unit II:-

Marks:- 04

Vouching of Trading Transactions:-

Internal check as regards to purchases, duty of an auditor in connection with credit purchases, internal check as regards to sales, duty of an auditor with regards to credit sales.

Unit III:-

Marks:-12

Verification and valuation of Assets and liabilities: -

- i) Verification and valuation of Assets and Liabilities:-
Meaning – problems in valuation of Assets – Fixed Assets – mode of valuation of fixed assets, floating or current assets and the mode of their valuation – wasting assets –

intangible assets – valuation of intangible assets – auditors position as regards to valuation of assets.

- ii) Verification and valuation of Assets and liabilities:-
Cash in hand, cash at bank, loans – loans against security of land and property, loans against security of stock and shares, loans against security of goods, Investment – stock in hand – duty of an auditor in connection with stock in hand – valuation of fixed assets – book debts – patents – copy rights – furniture and fixture – plant and machinery – loose tools
- iii) Verification of liabilities:-
Trade creditors – outstanding expenses – contingent liability.

Unit IV:-

Marks:- 08

Audit report and audit certificate:-

Meaning, basic elements of an audit report, essentials/characteristics of audit report – types of audit report – qualified, unqualified, adverse, disclaimer. Meaning of audit certificate – distinction between audit report and audit certificate.

Unit V:-

Marks:- 04

Auditing in an EDP Environment:-

Meaning of EDP (Electronic data processing), advantages of EDP system in auditing, problems in an EDP Environment, auditing in an EDP Environment.

CHART SHOWING SYLLABUS TO BE COVERED FOR FIRST TERM AND SECOND TERM

FIRST TERM			
UNIT I	Vouching of Cash Transactions (Sub unit I, ii & iii)	12 Marks	20 Marks
UNIT II	Vouching of Trading Transactions	04 Marks	
UNIT III	Verification and valuation of Assets and liabilities (Only sub unit i)	04 Marks	

SECOND TERM			
UNIT III	Verification and valuation of Assets and liabilities (sub unit ii & iii)	08 Marks	20 Marks
UNIT IV	Audit report and audit certificate	08 Marks	
UNIT V	Auditing in an EDP Environment	04 Marks	

SCHEME OF EXAMINATION FOR THEORY PAPER (2022-23)

I TERM BOARD EXAM (*All 20 MCQ Questions*)..... 20Marks

II TERM BOARD EXAM (*Subjective Paper*) - *No MCQ Questions to be asked*...20Marks

INTERNAL TEST MARKS (Average) 10Marks

(1st Internal test + 2nd Internal Test + Innovative Test/6 = 20+20+20/6)

TOTAL 50Marks

Principles and Practice of Auditing 2022-23

Continuous and Comprehensive Evaluation - First Term Practical's

Unit No:- I

Auditing of Books of Accounts of Trading Concerns:-

June

1. To detect the audit queries (vouching) by providing accounting vouchers with documentary evidences and recording them in the prescribed format (minimum five queries – 1 mark each) **Marks:- 5**

July

2. To detect the audit queries (vouching) from subsidiary books i.e. Double Column Cash Book, Purchase Book, Sales Book, Purchase Return Book & sales Return book, Journal proper by referring to Accounting vouchers and recording them in prescribed format (minimum five queries – 1 mark each) **Marks:- 5**

August

3. To detect the audit queries (posting) from respective ledger accounts by referring subsidiary books and recording them in the prescribed format
(minimum 10 queries – 1 mark each)

Marks:- 10

Unit No:- II

September

Auditing of Books of Accounts of Trading Concerns:-

To detect the audit queries (vouching & posting) from subsidiary books i.e. Double Column Cash book, Purchase Book, Sales Book, Purchase Return Book and Sales Return Book, Journal Proper and respective ledger accounts and recording them in the prescribed format.
(minimum 10 queries – 2 marks for each query)

Marks:- 20

Viva on the above Practicals

Marks:- 05

File

Marks:- 05

Total

Marks:- 50

Second Term Practical's

Unit No:- III

November

Auditing of Books of Accounts of Non-Trading Concerns:-

To detect the audit queries (vouching and posting) by providing accounting vouchers with documentary evidences, Double Column Cash Book, Journal Proper and respective ledger accounts. (minimum 10 queries – 2 marks for each query)

Marks:- 20

Unit No:- IV

December - January

Collection of various Audit Reports, Drafting of various types of Audit Reports:-

1. The students are required to gather various Audit reports of Companies, Co-operative societies, Banks etc and make analysis of the same as per the 'Basic

Elements of an Audit Report' and keep it in the files. (Minimum 2 reports needs to be collected and analysed) 4 marks each. **Marks:- 08**

2. Based on the audit reports collected, the students must be made to draft minimum two Audit reports of imaginary organisations/ companies by following the basic elements of an Audit Report and the same must be maintained in the file. (6 marks each) **Marks:- 12**

Viva on the above Practicals
File

Marks:- 05

Marks:- 05

Total:- 50

MODEL QUESTION PAPER FOR FIRST TERM EXAM 2022-23

STD. XII A&A

PRINCIPLES AND PRACTICE OF AUDITING

SUBJECT CODE: 4222

DURATION: 1 Hour

MAX. MARKS: 20

INSTRUCTION:

- i. All questions are compulsory.
 - ii. There are 20 MCQ questions in the paper
 - iii. Figures to the right indicate marks allotted to each question
 - iv. Write the number of each question clearly on the answer book
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01. Re. 1 Revenue stamp should be affixed for all payment vouchers for an amount equal to and more than Rs. _____. 01
- A. ₹1,000/-
B. ₹5,000/-
C. ₹10,000/-
D. ₹15,000/-
-
02. Cash Memo is the documentary evidence referred by the Auditor to vouch _____. 01
- A. Credit Sales
B. Payment to creditors
C. Cash Sales

D. Receipt from debtors

03. A receipt is an example of _____. 01
- A. Voucher
 - B. Vouching
 - C. Verification
 - D. Valuation
04. In order to avoid misuse of funds of the firm, all payments except petty cash payments should be made by _____. 01
- A. Cash
 - B. Crossed cheque
 - C. Bearer cheque
 - D. Blank cheque
05. Freight paid on machinery purchased is a _____. 01
- A. Capital expenditure
 - B. Revenue expenditure
 - C. Capital loss
 - D. Revenue loss
06. Concealment of shortage by delaying the recording of cash receipts is known as _____. 01
- A. Embezzlement
 - B. Misappropriation
 - C. Lapping
 - D. Error
07. Bank charges such as commission, interest on overdraft and loan etc should be examined by referring the _____. 01
- A. Cheque book
 - B. Withdrawal slips
 - C. Bank pass book
 - D. Deposit slips
08. Profit from the sale of Fixed Asset should be credited to _____. 01
- A. Capital a/c
 - B. Fixed asset a/c
 - C. Capital reserve a/c
 - D. Profit and Loss a/c

09. The method wherein fraud is conducted by including the name of a dummy worker in the Wage sheet is known as _____. 01
- A. Teeming and Lading
 - B. Tapping
 - C. Padding
 - D. Concealing
10. The documentary evidence that needs to be examined in order to vouch Rent receivable is _____. 01
- A. Partnership Deed
 - B. Sale Deed
 - C. Mortgage Deed
 - D. Lease Deed
11. As a part of the Internal check system, as soon as cash is received, it should be acknowledged by means of a _____. 01
- A. Inward Invoice
 - B. Payment Voucher
 - C. Printed Receipt
 - D. Cover note
12. The documentary evidence to be vouched for income received on account of shares is _____. 01
- A. Cheque book
 - B. Bank pass book
 - C. Dividend warrant
 - D. Share certificate
13. All the orders sent out by an organization should be recorded in _____. 01
- A. Sales order book
 - B. Purchase order book
 - C. Purchase return book
 - D. Sales return book

14. As part of the internal check system, on arrival of the goods, the gatekeeper or the stock keeper should make a record in the _____ 01
- A. Cash book
 - B. Goods inward book
 - C. Goods outward book
 - D. Sales book
15. Which of the following statement is true with respect to internal check of credit purchases 01
- A. Every person who has to deal with the invoice and goods should put their initial on the invoice
 - B. No one should put their initials in the invoice
 - C. Only the Purchase manager who deals with the invoice must put his initial on the invoice
 - D. Only the Store keeper must put his initial on the invoice
16. The auditor while vouching credit purchases of goods must see that the orders are placed by _____ 01
- A. Gatekeeper
 - B. Cashier
 - C. Responsible officer
 - D. Store keeper
17. Copyrights, Patents and Trademarks are examples of _____ 01
- A. Current Assets
 - B. Tangible Assets
 - C. Intangible Assets
 - D. Wasting Assets
18. Floating Assets are valued at _____ 01
- A. Cost price
 - B. Market price
 - C. Cost price or market price whichever is less
 - D. Cost price less depreciation
19. Which of the following does not require physical verification? 01
- A. Stock
 - B. Plant
 - C. Goodwill
 - D. Loose tools

20. In the balance sheet contingent liability is shown _____

01

- A. On the Asset side
- B. On the Liability side
- C. In form of footnote
- D. None of the above

Model Question Paper

SECOND TERM QUESTION PAPER 2022-23

PRINCIPLES AND PRACTICE OF AUDITING V - 4222

STD. XII

DURATION: 1 HOUR

MAX MARKS: 20

Instructions:

1. There are three sections in this question paper (A, B & C)
 2. In section A there are four questions of which question no. 1 & 2 are to be answered in a word, phrase or figure and question no. 3 & 4 are to be answered in one sentence each
 3. Figures to the right indicate marks allotted to each question
 4. Write the number of each question clearly on the answer book
 5. Answer all questions from Section A and Section B
 6. Answer any two questions from section C
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SECTION A

01. Name the type of report in which the auditor gives an opinion subject to certain reservations. (01)
02. Write the full form of EDP. (01)
03. List any two basic elements of an audit report. (01)
04. Mention any one problem faced by an auditor in an EDP system. (01)

SECTION B

05. Mention any two points to be adopted by an auditor while verifying 'Trade creditors'. (02)
06. Write four qualities of a good audit report. (02)
07. Discuss in brief Adverse audit report. (02)
08. Distinguish between audit report and audit certificate. (Any 2 points) (02)
09. Explain any two advantages of Auditing under EDP system. (02)

SECTION C (Answer any two)

10. Mention any three points for verification of cash in hand. (03)
11. Write any three points for verification of Loan Advanced against security of goods. (03)
12. As an auditor, how will you verify 'Book Debts'? Write three points. (03)

