

VVMS

RAMACRISNA MADEVA SALGAONCAR HIGHER SECONDARY SCHOOL

MARGAO GOA

PRELIMINARY EXAMINATION DECEMBER 2024

STD: XII AA

DATE: 20 /12/2024

TIME: 2 hrs

SUB: PRINCIPLES AND PRACTICE OF AUDITING

MARKS :50

INSTRUCTIONS:

1. There are four sections in the question paper (A, B, C & D) consisting of 23 questions
2. In Section A there are eight questions of which question no. 1 to 4 are Multiple Choice Questions,
question no. 5 & 6 are to be answered in one word, phrase or figure and question no.7 & 8 are to be answered in one sentence each
3. Attempt all the questions however Internal choice is given for question number 20 and 23
4. Figures to the right indicate marks allotted to each question
5. Write the number of each question clearly on the answer book

SECTION A

1. All the payments as far as possible except for petty cash should be made by ----- 1

a) Cash
b) Cheque
c) NEFT
d) Demand draft
2. Cash sales should be vouched with ----- 1

a) Cash memo
b) Receipt
c) Vouchers
d) Debit note
3. Repairs to plant and Machinery should be charged to ----- 1

a) Capital expenditure A/C
b) Revenue A/C
c) Machinery A/C
d) Capital A/C

4. When the auditor finds some discrepancy in the treatment of some accounts, he gives ----- 1
- Unqualified report
 - Negative report
 - Adverse report
 - Qualified report
5. What is the life of patent rights? 1
6. Write the full form of EDP. 1
7. What are contingent liabilities? 1
8. What is Capital Expenditure? 1

SECTION B

9. Explain in brief the vouching procedure with respect to Rent received. 2
10. Explain any two points of vouching procedure of receipts from sale of Fixed assets. 2
11. Write any two duties of an auditor with regards to credit sales. 2
12. Explain the procedure for verification and valuation of stock in hand. 2
13. As an auditor what procedure will you follow for verification of cash at bank. (Two points) 2
14. Write any four essentials of good audit report. 2

SECTION C

15. As an auditor explain any three points to be followed for vouching of payment to Creditors. 3
16. As an auditor what procedure will you follow for the verification and valuation of Trade creditors. (Three points) 3
17. State and explain any three advantages of EDP System in Auditing. 3
18. Distinguish between Audit Report and Audit Certificate. (Three points). 3
19. Explain any three points to be followed in verification and valuation of Copyrights. 3
20. Explain the procedure for vouching the *Plant and Machinery* (Three points) 3

OR

Explain any three points involved in vouching of Advertisements.

SECTION D.

21. As an auditor what procedure needs to be followed for vouching purchase of patents. (Four points) 4
22. Explain any four points the auditor has to keep in mind with regards to internal check of purchases. 4
23. Write any four steps to be followed for verification and valuation of Debtors. 4

OR

Explain the procedure for verification and valuation of Furniture and Fixtures. (Four points)