

V.V.M's
R. M. Salgaocar Higher Secondary School,
Margao - Goa.
MID TERM TEST July 2025

STD: XII(AA)
TIME: 1hr

MARKS: 20

DATE: 26/07/2025

SUB: Principles and Practice of Auditing

INSTRUCTIONS:

- I. All questions are compulsory.
- II. There are four sections in the question paper section A,B,C & D.
- III. Section A consists of two multiple choice questions, one question to be answered in a word, phrase or figure and one question to be answered in a sentence.
- IV. Section B consists of three questions of two marks each to be answered in 20-30 words.
- V. Section C consists of two questions of three marks each to be answered in 50-60 words.
- VI. Section D consists of one question of four marks to be answered in 80-100 words.
- VII. Figures to the right indicate marks allotted to each question
- VIII. Write the number of each question clearly.

SECTION A

1. Money spent on acquiring the fixed assets which remains in the business for a longer period of time is -----, 1
 - a) Revenue Expenditure
 - b) Capital Expenditure
 - c) Periodic Expenses
 - d) Operating Expenses
2. Bank charges such as commission, interest on overdraft and loan should be examined with -----, 1
 - a) Cash book
 - b) Bills payable book
 - c) Bank pass book
 - d) Petty cash book
3. How is the opening balance verified? 1
4. Procedure of establishing the accuracy and authenticity of the entries in the books of accounts by examining the vouchers. 1

SECTION B

5. Explain any two points for vouching of insurance premium. 2
6. As an auditor how will you vouch the receipts from sale of investment. (any 2 points) 2
7. Mention any two duties of an auditor in the vouching of Advertisement expenses. 2

SECTION C

8. Explain any three points involved in the procedure of vouching of receipts from doctors
9. Write any three points of internal check system with regards to cash.

3
3

SECTION D

10. Explain the vouching procedure for purchase of Patents:
(any four points)

4



Handwritten notes on the left margin:
Q. 8
Q. 9
Q. 10