

## Questionwise Details

Question Number	Ch	Part	Topic	Heading	Question	Bhaskar Concept Number
INTRO.040	1	Part 1	Introduction to Audit	Audit & Related Concepts (Definition)	"An audit is independent examination of financial information of any entity, whether profit oriented or not, and irrespective of its size or legal form, when such an examination is conducted with a view to expressing an opinion thereon." Explain stating clearly how the person conducting this task should take care to ensure that financial statements would not mislead anybody.	INTRO.040
INTRO.100	1	Part 1	Introduction to Audit	Advantages of Independent Audit	Discuss the following: Advantages of independent audit.	INTRO.100
SAINTRO.08.50	1	Part 3	Introduction to Audit	Three Parties in Assurance Engagement	An assurance engagement involves a three party relationship. Discuss meaning of three parties in such an engagement.	SAINTRO.61
SAINTRO.09	1	Part 3	Introduction to Audit	Types of Assurance Engagements	Assurance engagements are not restricted to audit of financial statements alone. Discuss.	SAINTRO.61.50
SAINTRO.10	1	Part 3	Introduction to Audit	Review Report	The management of Exotic Tours and Travels Limited requests its auditor Raja & Co to provide an assurance report on the financial information for first quarter of a year by skipping required detailed procedures. Can Raja & Co. provide such a report? What would be nature of such a report? Would it be necessary for them to obtain sufficient appropriate evidence in such a case?	SAINTRO.64
SAINTRO.30	1	Part 3	Introduction to Audit	Deviation from SAs	CA. P Babu is conducting audit of financial statements of Quick Buy Private Limited. He was not able to obtain external confirmations from certain debtors due to practical difficulties and peculiar circumstances. However, such a procedure is mandated under one of Standards on Auditing. Unable to obtain external confirmations from these debtors, he relied upon sale details to these parties, e-invoices, e-way bills and also traced payments from these parties in bank accounts of the company. He was reasonably satisfied with audit evidence obtained. Is there any other reporting duty cast upon him relating to not following a mandated procedure in one of Standards on Auditing?	SAINTRO.090
SAIntro.05	1	Part 3	SA Intro	Statements and Guidance Notes of ICAI	"Statements" and "Guidance Notes" of ICAI- whether mandatory or recommendatory?	SAINTRO.180
SAINTRO.08	1	Part 3	SA Intro	SRS Vs Sas	Standards on Auditing (SAs) apply in "audit of historical financial information" whereas Standards on Review Engagements (SREs) apply in "review of historical financial information." Explain in detail giving examples.	NA
200.005	1	Part 4	SA 200	Whether Overall Objective Covers Safety of Money ?	Lalji Bhai has purchased shares of a company listed on NSE. The audited financial statements of the company provide picture of healthy financial performance having robust turnover, low debt and good profits. On above basis, he is absolutely satisfied that money invested by him is safe and there is no chance of losing his money. Do audited results and audit reports of companies provide such assurance to investors like Lalji Bhai? Is thinking of Lalji Bhai correct	SA200.020
200.09	1	Part 4	SA 200	Inherent limitations of Audit- Master Answer	There are practical and legal limitations on the auditor's ability to obtain audit evidence. Explain giving examples.	SA200.040
200.15	1	Part 4	SA 200	Timeliness of Financial Reporting and the Balance between Benefit and Cost	The auditor has to form an opinion on the financial statements within a reasonable period of time and at a reasonable cost. Explain the above statement with reference to "Timeliness of Financial Reporting and the Balance between Benefit and Cost".	SA200.040
200.19	1	Part 4	SA 200	Ethical Requirements- Fundamental Principles	Relevant ethical requirements ordinarily comprise the Code of Ethics for Professional Accountants (IESBA Code) related to an audit of financial statements. Discuss with reference to those fundamental principles of professional ethics.	SA200.100
200.25	1	Part 4	SA 200	Professional Skepticism	Professional skepticism refers to an attitude that includes a questioning mind, being alert to conditions which may indicate possible misstatement due to error or fraud, and a critical assessment of audit evidence. The auditor shall plan and perform an audit with professional skepticism recognising that circumstances may exist that cause the financial statements to be materially misstated. Explain giving examples.	SA200.120
200.5	1	Part 4	SA 200	Who Selects Accounting Policy ?	"Choosing of appropriate accounting policies in relation to accounting issues is responsibility of management". Do you agree? Discuss duty of auditor, if any, in relation to accounting policies.	Unique

200.18.50	1	Part 4	SA 200	Subsequent Discovery of a Material Misstatement	Zeeba Products is a partnership firm engaged in trading of designer dresses. The firm has appointed JJ & Co, Chartered accountants to audit their accounts for a year. The auditors were satisfied with control systems of firm, carried out required procedures and necessary verifications. In particular, they carried out sample checking of purchases, traced purchase bills to GST portal and also made confirmations from suppliers. They were satisfied with audit evidence obtained by them as part of audit exercise. An audit report was submitted to the firm giving an opinion that financial statements reflected true and fair view of state of affairs of the firm. However, later on, it was discovered that purchase manager responsible for procuring dresses from one location was also booking fake purchases of small values by colluding with unethical dealers. Payments to these dealers were also made in connivance with accountant through banking channel. The partners of firm blame auditors for futile audit exercise. Are partners of firm correct in their view point? Imagine any probable reason for such a situation	SA200.080
COA.07	1	Part 5	Other Concepts	Audit Vs Investigation	(b) An audit is distinct from investigation. However, it is quite possible that sometimes investigation results from the prima facie findings of the auditor. Discuss	C10C.200
COA.07.50	1	Part 5	Other Concepts	Engagement to Check Fraud	A Chartered Accountant is specifically asked to check accounts whether fraud exists. State with reasons whether it is an example of reasonable assurance engagement.	C10C.200
COA.07.60	1	Part 5	Other Concepts	Engagement to Check Books For Assessing Loss	A huge fire broke out in NOIDA plant of KT Limited. Plant assets comprising building, machinery and inventories were insured from branch of a public sector insurance company. Apart from an insurance surveyor who was deputed for assessing loss, the regional office of insurance PSU also appointed a CA for verification of books of accounts/ financial records of the company and circumstances surrounding the loss. He was also requested to submit an early report. Would the report by CA in nature of audit report?	C10C.45
COA.15.50	1	Part 5	Other Concepts	Is Proper Disclosure within Scope of Audit ?	Good deeds Limited is engaged in business of recycling of wastes from dumping rounds of municipal corporation of Indore to usable manure. It is, in this way, also, helping to make the city clean. During course of audit by Zoha & Zoha, a firm of auditors, it is observed by auditors that company has received a notice from Central Bench of National Green Tribunal for not following certain environmental regulations involving imposition of hefty monetary penalty on the company. The company is yet to reply to the notice. The auditors point out that same is not stated in notes to accounts in financial statements. The company points out that auditors are going beyond scope of their work. Does such a matter fall within scope of audit?	C10C.045
COA.17	1	Part 5	Other Concepts	Audit Process ( Aspects to be covered in audit)	Principal aspects to be considered by an auditor while conducting an audit of final statements of accounts.	C10C.100
COA.27	1	Part 5	Other Concepts	Auditor & Related Concepts (Personal qualities of Auditor)	Lord Justice Lindley in the course of the judgment in the famous London & General Bank case had succinctly summed up the overall view of what an auditor should be as regards the personal qualities. He said, "an auditor must be honest that is, he must not certify what he does not believe to be true and must take reasonable care and skill before he believes that what he certifies is true" Explain stating clearly the qualities of an auditor.	C10C.120
300.03	2	Part 1	ASPP & SA 300	Factors for establishing Overall Audit Strategy	(b) You have been appointed as an auditor of MKP Ltd. for the first time. Discuss briefly, the factors to be considered by you while establishing overall audit strategy.	SA300.020
300.05	2	Part 1	ASPP & SA 300	Reporting objectives of the engagement	In establishing overall audit strategy, the auditor shall ascertain the reporting objectives of the engagement to plan the timing of the audit and the nature of the communications required. Elucidate those cases by which auditor can ascertain the reporting objectives of the engagement.	SA300.040
300.07	2	Part 1	ASPP & SA 300	Overall Audit Strategy -- For Resources Management	"In establishing the overall audit strategy, the auditor shall, among other considerations, ascertain the nature, timing and extent of resources necessary to perform the engagement" Explain those considerations in detail.	SA300.060
300.17	2	Part 1	ASPP & SA 300	Modification of the overall audit strategy and audit plan	As a result of unexpected events, changes in conditions, or the audit evidence obtained from the results of audit procedures, the auditor may need to modify the overall audit strategy and audit plan. Explain.	SA300.140
300.23	2	Part 1	ASPP & SA 300	Audit Plan (3 Types of Plan)	Engagement Partner CA Hitesh Kapur of Kapur and Associates wanted to develop an audit plan of Sampurna Fabrics Ltd. Discuss the matters to be described in such an audit plan	SA 300.080
300.29	2	Part 1	ASPP & SA 300	Planning for DSR	"The nature, timing and extent of the direction and supervision of engagement team members and review of their work vary depending on many factors." Explain.	SA300.120
300.00.020	2	Part 1	ASPP & SA 300	Preliminary engagement activities	Discuss how performing preliminary engagement activities as part of planning an audit assists auditor.	SA300.005
300.00.50	2	Part 1	ASPP & SA 300	Ensuring Compliance with Ethical Requirements & Independence	Discuss how an engagement partner ensures that firm complies with relevant ethical requirements including independence in relation to client.	SA300.005

300.27.50	2	Part 1	ASPP & SA 300	Planning Inquiry of Inhouse Legal Counsel	CA Mary, while planning audit of a company, feels that she would inquire from inhouse legal counsel of the company status of pending litigation matters against the company to identify and assess risks of material misstatements. Considering above description, are you able to identify said procedures? Where these identified procedures are included in planning in accordance with SA-300?	SA300.080
C2OC.040	2	Part 2	Other Concepts	Audit Planning -- Not a Discrete Phase	Planning is not a discrete phase of an audit, but rather a continual and iterative process that often begins shortly after the completion of the previous audit and continues until the completion of the current audit engagement. Planning includes the need to consider certain matters prior to the auditor's identification and assessment of the risks of material misstatement. Explain clearly stating those matters also	C2OC.040
C2OC.045	2	Part 2	Other Concepts	Whether involving experts fall in domain of planning ?	MG & Co, a firm of auditors, having a standing of 30 years is appointed as a statutory auditor of company engaged in manufacturing of defence equipment. Due to opening of defence sector by government to private players in recent times, many new companies have entered the fray to manufacture sophisticated defence equipment. Considering technical and complex nature of operations, the auditors recognize that involvement of experts in the audit is required. Does consideration for involvement of experts by auditors fall in the domain of planning audit?	C2OC.040
C2OC.065	2	Part 2	Other Concepts	Sharing Elements of Planning With Management	CA Kartik is planning for audit of a company engaged in manufacturing of cosmetics. Considering nature of operations of the company, he had planned to include testing of controls of the company over purchases, sales and inventories. One fine day, he reaches the corporate office and asks for manuals and required documentation to ensure surprise element in testing. He had never shared with management his intention to carry out above procedures. Is approach of CA Kartik proper?	C2OC.060
C2OC.080	2	Part 2	Other Concepts	Audit Program ( Significant Points)	Arpana Hospitals Ltd having Gross Professional Charges of Rs 50 crores is engaged in providing healthcare services. STP & Co., a firm of auditors is appointed as its auditors. Advise what special points to be kept in mind for the purpose of construction of an Audit programme. Explain.	C2OC.080
C2OC.100	2	Part 2	Other Concepts	Advantages / Disadvantages of Audit Programm	Planning an audit involves establishing the overall audit strategy for the engagement and developing an audit plan. Adequate lanning benefits the audit of financial statements in several ways. Explain clearly those ways	C2OC.100
C2OC.110	2	Part 2	Other Concepts	Inefficient Assistant Not Going Beyond Audit Programme	Rohit, undergoing practical training, is part of an engagement team conducting audit of a company engaged in manufacturing of paints. He has been provided with audit programme pertaining to sales. It lists out various items to be checked and verified by him including invoices, rate lists, posting in debtors accounts, correlation of invoices with e-way bills on sample basis etc. During verification, he notices that many e-way bills have been cancelled by the company within 24 hours of their generation in month of March. There is no specific instruction in audit programme in this regard. He keeps mum. Is attitude of Rohit proper?	C2OC.100
315.06	3	Part 1	SA 315	Analytical Procedures as Risk Assessment Procedures	Discuss how "analytical procedures" performed as "risk assessment procedures" can be useful to an auditor.	SA315.P1.040
315.06	3	Part 1	SA 315	Analytical Procedures as Risk Assessment Procedures	Analytical procedures performed as risk assessment procedures may identify aspects of the entity of which the auditor was unaware. Explain	SA315-P1.040
315.08	3	Part 1	SA 315	Understanding Entity & its Environment – Examples of types of understanding to be obtained	As per SA-315, "Identifying and Assessing the Risk of Material Misstatement through Understanding the Entity and Its Environment", the auditor shall obtain an understanding of the relevant industry, regulatory and other external factors including the applicable financial reporting framework. Explain giving examples.	SA315-P1.060
315.09	3	Part 1	SA 315	Need for Understanding Entity & its Environment	Obtaining an understanding of the entity and its environment establishes a frame of reference within which the auditor plans the audit and exercises professional judgment throughout the audit. Explain by giving examples.	SA315-P1.080
315.11	3	Part 1	SA 315	Risk of Material Misstatement- Definition & Components	Define Risk of material misstatement. Explain its components also.	SA315-P1.020
315.13	3	Part 1	SA 315	Combined assessment of the "risks of material misstatement"	"The SAs do not ordinarily refer to inherent risk and control risk separately, but rather to a combined assessment of the "risks of material misstatement"" Explain	SA315-P1.020
315.15	3	Part 1	SA 315	Identify & Assess Risk of Material Misstatement	Discuss the steps to be taken by the auditor for the purpose of Identifying and assessing the risks of material misstatement as per SA 315.	SA315-P1.100

315.17	3	Part 1	SA 315	Assertions-Detailed	“Risk of material misstatement at the assertion level for classes of transactions, account balances and disclosures need to be considered.” Explain stating the different categories of assertions used by the auditor.	SA315-P1.100										
315.19	3	Part 1	SA 315	Identifying Assertion for Audit Procedure-Cases	Discuss the following: (a) Name the assertions for the following audit procedures: (i) Year end inventory verification. (ii) Depreciation has been properly charged on all assets. (iii) The title deeds of the lands disclosed in the Balance Sheet are held in the name of the company. (iv) All liabilities are properly recorded in the financial statements. (v) Related party transactions are shown properly.	SA315-P1.100										
315.23	3	Part 1	SA 315	Identifying Assertions of Financial Items (P & M)	Discuss the following: (a) State assertions that are implied in the extract of financial statement given below: <table style="margin-left: auto; margin-right: auto; border-collapse: collapse;"> <tr> <td style="text-align: right;">Plant &amp; Machinery (at Cost)</td> <td style="text-align: right;">4,00,000</td> </tr> <tr> <td style="text-align: right;">Less: Depreciation: Up to Previous year</td> <td style="text-align: right;">1,40,000</td> </tr> <tr> <td style="text-align: right;">For the year</td> <td style="text-align: right;">26,000</td> </tr> <tr> <td></td> <td style="text-align: right;">(1,66,000)</td> </tr> <tr> <td></td> <td style="text-align: right;">2,34,000</td> </tr> </table> (i) Indicate assertions in respect of transactions and events for the period relating to PPE. (ii) State specific assertions relating to the above extract of financial statement.	Plant & Machinery (at Cost)	4,00,000	Less: Depreciation: Up to Previous year	1,40,000	For the year	26,000		(1,66,000)		2,34,000	SA315-P1.100
Plant & Machinery (at Cost)	4,00,000															
Less: Depreciation: Up to Previous year	1,40,000															
For the year	26,000															
	(1,66,000)															
	2,34,000															
315.26	3	Part 1	SA 315	Risk of Material Misstatement due to Non Routine Transactions & Significant Judgemental Matters leads to Significant Risk	What is understood by “non-routine” transactions? Briefly outline why risks of material misstatement is greater for such transactions.	SA315-P1.140										
315.01.50	3	Part 1	SA 315	Business Risk Leads to Inherent Risk	Wear & Tear Private Limited is a “start-up” engaged in providing holistic solutions to problem of paddy stubble burning mainly catering to needs of farmers of North western India. Due to importance given by governments to this issue, companies have entered in the market in past few years. Many of these companies have not been successful and have gone bust. As an auditor of the company, can you spot the component of risks of material misstatement involved in above?	SA315.P1.020										
315.01.60	3	Part 1	SA 315	Identify Component of RMM	A company has devised a control that its inventory of perishable goods is stored in appropriate conditions- in a controlled environment to prevent any damages to inventory. Responsibility is fixed on two persons to monitor environment using sensors and to report on deviations. Identify the component of risks of material misstatement involved as an auditor of the company.	SA315.P1.020										
315.01.70	3	Part 1	SA 315	Identifying Risk	Shree Foods Private Limited is engaged in manufacturing of garlic bread. The auditors of company have planned audit procedures in respect of recognition of revenues of the company. Despite that, there is a possibility that misstatements in revenue recognition are not identified by planned audit procedures. Which risk is being alluded to?	SA315.P1.020										
315.01.80	3	Part 1	SA 315	Increased Audit Risk	Jo Jo Limited is planning to list on Bombay Stock Exchange next year. As an auditor of Jo Jo Limited, identify any one reason of increased audit risk due to listing of the company next year.	SA315.P1.020										
315.05.50	3	Part 1	SA 315	Inquiry for risk assessment	Much of the information obtained by the auditor’s inquiries is obtained from management and those responsible for financial reporting. However, the auditor may also obtain information, or a different perspective in identifying risks of material misstatement, through inquiries of others within the entity and other employees with different levels of authority. Explain with the help of examples.	SA315-P1.040										
315.06.20	3	Part 1	SA 315	Identifying Type of Risk Assessment Procedure	On perusing financial statements of Jo Jo Limited put up for audit, it is observed by the auditor that current ratio has improved from 1.20:1 (in preceding year) to 1.75:1 (in current year). Identify what kind of risk assessment procedures are being performed by auditor? Has it any relation with listing of the company next year on Bombay Stock Exchange?	SA315.P1.040										
315.11.50	3	Part 1	SA 315	RMM at 2 Levels	Risk of material misstatement refers to the risk that the financial statements are materially misstated prior to audit. Discuss the levels at which this risk exists.	SA315.P1.020										
ICS.05	3	Part 2	ICS	Control Environment (Satisfactory) Positive but not absolute deterrent to fraud.	A satisfactory control environment is not an absolute deterrent to fraud although it may help reduce the risk of fraud. Explain	SA315-P2.110										

ICS.05.20	3	Part 2	ICS	operations.	CA Smriti is auditor of a company. As part of audit, she is going through company policies and practices regarding employee recruitment, training, orientation and related matters. She seems to be very much interested in finding out whether company hires best candidates from applicant pool. Identify what she is trying to do? How gaining knowledge about this aspect is useful to her as an auditor?	SA315.P2.100
ICS.05.50	3	Part 2	ICS	Understanding Entity's Risk Assessment Process	Explain what understanding should an auditor obtain regarding an entity's risk assessment process (one of the components of the internal control of the entity).	SA315-P2.120
ICS.06.50	3	Part 2	ICS	Understanding Control Activity	During the audit of same company, CA Smriti is keen to find out whether there exists a proper system of segregation of duties in the company. She wants to be sure that a person responsible for recording a transaction is different from the person authorising it. Discuss what she is trying to do and how its understanding is significant to her as an auditor.	SA315.P2.140
ICS.08	3	Part 2	ICS	Internal Control Component - Understanding Information System	The auditor shall obtain an understanding of the information system, including the related business processes, relevant to financial reporting, including the classes of transactions in the entity's operations that are significant to the financial statements, controls surrounding journal entries etc. Explain the other considerations in this regard.	SA315-P2.195
ICS.27	3	Part 2	ICS	ICS in Small Business	The internal control required by a sole proprietor of small business is not identical with that required for a large industrial organisation. Explain.	SA315-P2.320
ICS.29	3	Part 2	ICS	Limitations of Internal Control	b) Briefly discuss the limitations of Internal Control	SA315-P2.360
ICS.31	3	Part 2	ICS	Benefits of Evaluation of Internal Controls	So far as the auditor is concerned, the examination and evaluation of the internal control system is an indispensable part of the overall audit programme. The auditor needs reasonable assurance that the accounting system is adequate and that all the accounting information which should be recorded has in fact been recorded. Internal control normally contributes to such assurance. Explain stating clearly the benefits of evaluation of internal control to the auditor.	SA315-P2.200
ICS.33	3	Part 2	ICS	Benefits of IT Controls	Explain how does IT benefits an entity's internal control.	SA315-P2.335
ICS.43	3	Part 2	ICS	Control risk assessment when control deficiencies are identified	When auditor identifies deficiencies and report on internal controls, he determines the significant financial statement assertions that are affected by the ineffective controls in order to evaluate the effect on control risk assessments and strategy for the audit of the financial statements. Explain	SA 315-P1.022
ICS.02	3	Part 2	SA 315	Internal Controls Definition ,Objectives & Purpose	Explain the concept of Internal Control. Also state the objectives of Internal Control.	SA315-P2.020
ICS.07	3	Part 2	SA 315	Monitoring of Internal Control over Financial Reporting	The auditor shall obtain an understanding of the major activities that the entity uses to monitor internal control over financial reporting" Explain.	SA315.P2.160
320.01	3	Part 3	SA 320	Materiality	Financial reporting frameworks often discuss the concept of materiality in the context of the preparation and presentation of financial statements. Explain	SA320.020
320.05	3	Part 3	SA 320	Relationship between Materiality and Audit Risk	Explain the Relationship between materiality and audit risk.	SA320.100
320.1	3	Part 3	SA 320	Documentation of Materiality	Is materiality required to be documented by the auditor? What factors have to be considered this regard?	SA320.140
320.01.50	3	Part 3	SA 320	Materiality Depends on nature & Circumstances	CA A. Raja is auditor of Build Well Forgings Private Limited having a revenue of ₹ 25 crore. The company has been sanctioned a term loan of ₹ 50 lacs from a bank. However, as at end of the year, only ₹ 1 lac was availed due to delay in procurement of asset. The financial statements of the company do not disclose nature of security against which loan has been taken. Schedule III of Companies Act,2013 requires disclosure in this respect. Discuss, whether, non-disclosure of nature of security is material for auditor.	SA320.020
330.14	3	Part 4	Concepts in Auditing	Testing of actual operation of the internal control- Procedural tests and Examination in depth- Example - Procedure for sales	Procedural test simply mean testing of the compliance with the procedures laid down by the management in respect of initiation, authorisation, recording and documentation of transaction at each stage through which it flows. Explain with an example for sales procedure.	SA330.090

330.01	3	Part 4	SA 330	Which control to test	CA Sooryagaythri is conducting audit of an entity. During the course of audit, she has made oral inquiries from head accountant regarding preparing of bank reconciliations every month as has been laid down by the management. Discuss, whether inquiries as stated above would provide satisfaction to her that controls in respect of preparing bank reconciliations statements have operated effectively.	SA330.040
330.09	3	Part 4	SA 330	Using Audit Evidence Obtained in Previous Audit	Discuss the various points which auditor needs to consider in determining whether it is appropriate to use audit evidence about operating effectiveness of controls obtained in previous audit, and if so, the length of the time period that may elapsed before retesting.	SA330.060
330.13	3	Part 4	SA 330	Specific inquiries by auditor when deviations from controls are detected	While auditing the books of M/s. PQR Ltd., the auditor notices certain deviations from the controls. What are the specific inquires that should be done by the auditor when deviations from controls are detected?	SA330.080
AAE.07	3	Part 5	AAE	Important IT related terms in brief	13. With respect to audit in an automated environment, explain the following: (i) CAATs (ii) Data Analytics (iii) Database (iv) Information Systems (v) Privileged access	Unique
AAE.07.50	3	Part 5	AAE	Important IT related terms in brief	With respect to audit in an automated environment, explain the following: (i) Applications (ii) Automated (iii) CAATs (iv) Data Processing	Unique
AAE.15	3	Part 5	AAE	Understanding and Documenting Automated Environment	Explain some of the points that an auditor should consider to obtain an understanding of the company's automated environment.	AAE.060
AAE.20	3	Part 5	AAE	IT Risk	Newton Ltd. wants to fully convert their books of accounts from manual to IT. Give four examples of specific risks that IT poses to an entity's internal control.	AAE.080
AAE.25	3	Part 5	AAE	IT Risks (Impact)	Analyse how risks in the IT system if not mitigated could have an impact on the audit.	AAE.100
AAE.28	3	Part 5	AAE	General IT Controls(Program Change)	Explain the objective and enlist the activities involved in the General IT Controls over "Program Change".	AAE.140
AAE.29.50	3	Part 5	AAE	Relationship between "General IT controls" and "application controls"	Discuss relationship between "General IT controls" and "application controls" in an automated environment	AAE.160
500.01	4	Part 1	SA 500	Audit Evidence	Auditing is a logical process. An auditor is called upon to assess the actualities of the situation, review the statements of account and give an expert opinion about the truth and fairness of such accounts. This he cannot do unless he has examined the financial statements objectively. He needs evidence to obtain information for arriving at his judgment. Discuss explaining clearly the meaning of audit evidence in detail.	SA500.020
500.02	4	Part 1	SA 500	Management expert(Step1:Evaluate management expert?)	Comment on the following in relation to SA: Information regarding the competence, capability and objectivity of the management's expert may come from a variety of sources.	SA500.160
500.03	4	Part 1	SA 500	Audit Evidence- Related Matters/Features/ charectoristics	Audit evidence is necessary to support the auditor's opinion and report. It is cumulative in nature and is primarily obtained from audit procedures performed during the course of the audit. Most of the auditor's work in forming the auditor's opinion consists of obtaining and evaluating audit evidence. Explain	SA500.120
500.05	4	Part 1	SA 500	Methods of Collecting Audit Evidence	"Inquiry consists of seeking information of knowledgeable persons, both financial and non- financial, within the entity or outside the entity. Inquiry is used extensively throughout the audit in addition to other audit procedures". Explain.	SA500.080 SA500.100 SA500.140
500.07	4	Part 1	SA 500	Factors affecting Sufficiency	Discuss in brief the factors that may affect auditor's judgement as to the sufficiency of audit evidence.	SA500.125

500.09	4	Part 1	SA 500	Factors affecting reliability	"Even when information to be used as audit evidence is obtained from sources external to the entity, circumstances may exist that could affect its reliability". Explain. Also state generalisations about the reliability of audit evidence.	SA500.140
500.13	4	Part 1	SA 500	Evaluating work of Management's Expert	When information to be used as audit evidence has been prepared using the work of a management's expert and having regard to the significance of expert's work for the auditor's purposes, explain the considerations auditor would take into account for the purposes of his audit.	SA500.160
500.2	4	Part 1	SA 500	Audit Trail	Maintaining accounts using accounting software having a feature of recording audit trail can be useful for an auditor. Discuss some of the advantages for such a feature in accounting software for auditors.	SA500.200
500.05.50	4	Part 1	SA 500	Identify Method of Collecting Audit Evidence	On perusal of financial statements of a company, auditor of company finds that notes to accounts contain aging of trade payables in accordance with requirements of Schedule III of Companies Act, 2013. The accountant of company is responsible for ensuring proper aging of trade payables included in notes to accounts. The auditor wants to verify whether aging of trade payables made in financial statements is proper or not. Identify what he is trying to do	SA500.080
500.09.50	4	Part 1	SA 500	Reliability of Internally Generated Evidence	A company has stipulated a control that reconciliations of its records showing quantitative details of its property, plant and equipment are carried out at regular intervals with physical verification of such items. The auditor has found that such reconciliations are being carried out as stipulated. Discuss, whether above factor, increases reliability of other internally generated evidence within the company relating to existence of such items.	SA500.140
501.05	4	Part 2	SA 501	Inventory-Physical Verification by auditor-Master Answer	ABC Ltd is engaged in manufacturing of different type of yarns. On going through its financial statements for the past years, it is observed that inventory is material to the financial statements. You as an auditor of the company wanted to obtain sufficient appropriate audit evidence regarding the existence and condition of the inventory as appearing in the financial statements. Discuss, how would you proceed as an auditor.	SA501.040
501.09	4	Part 2	SA 501	Matter Relevant For Planning of Attending Physical Verification	Briefly mention the matters that are relevant in planning attendance at physical inventory counting.	SA501.120
501.11	4	Part 2	SA 501	Identification of risk of MMST for pending litigation and claims	"P India Ltd." is a manufacturer of various sports products. The company is having several cases of litigation pending in courts. The auditor wanted to identify litigation and claims, which may give rise to risk of material misstatements. Suggest the audit procedures in the given case.	SA501.140
501.14	4	Part 2	SA 501	Audit Procedure regarding Presentation & Disclosure of Segment Information	TRM Ltd. is a company engaged in manufacture of beauty products. It has hair care segment, skin care segment and kids' beauty products. The auditor wants to obtain sufficient appropriate audit evidence regarding the presentation and disclosure of segment information in accordance with the applicable financial reporting framework. Suggest the audit procedures in the given case.	SA501.200
501.11.20	4	Part 2	SA 501	Direct Communication with External Legal Counsel	The audit procedures performed so far by auditor of a company indicate that there is a possibility that company has not disclosed all material litigation cases involving the company. Does such a situation warrant direct communication by auditor with external lawyer of the company?	SA501.140
505.03	4	Part 3	SA 505	External Confirmation- Examples- Area	(c) External confirmation procedures frequently are relevant when addressing assertions associated with account balances and their elements but need not be restricted to these items. Apart from confirmations for bank balances and accounts receivables, what are the other situations where external confirmation procedures may provide relevant audit evidence in responding to assessed risks of material misstatement?	SA505.020
505.05	4	Part 3	SA 505	External Confirmation- Procedure	Discuss external confirmation procedure as per SA-505.	SA505.040
505.11	4	Part 3	SA 505	MANAGEMENT'S REFUSAL TO ALLOW THE AUDITOR TO SEND A CONFIRMATION REQUEST	7. (a) M/s Suraj & Associates are the statutory auditors of Yuvraj Ltd. for the FY 2020-21. During the course of audit, CA Suraj, the engagement partner requested the management of the company to provide written representation with respect to valuation of a transaction. The management, however, did not provide the same to CA Suraj. What course of action should CA Suraj follow in such a situation?	SA505.120
505.15	4	Part 3	SA 505	External Confirmation Request Denied Due to Dispute	On reviewing schedule of trade receivables of a company, CA Mary finds that in respect of one outstanding balance, the CFO of the company is not willing to allow her to send external confirmation request due to the reason that sending out such request could spoil precariously placed business relations with the customer. On further inquiry, she finds out that there is a dispute going on with the company relating to some quality issues of goods sent to the customer and matter is sub judice. Efforts are also being made by the company for out of court settlement. Reviewing correspondence with the customer, she finds that issue is near resolution and no fraud risk factors exist. Is unwillingness of CFO justifiable?	SA505.120

505.05.50	4	Part 3	SA 505	Control of External Confirmation Procedure	CA Jignesh Desai is in midst of audit of a company. The company is fairly large one and has a well -functioning internal audit department. While considering sending out external confirmation requests to trade receivables outstanding as on date of financial statements, he has delegated the process of choosing trade receivables, designing requests and receiving responses from customers to internal audit department. The responses are also received on the mail id of internal audit department. Is approach of CA Jignesh Desai proper?	SA505.040
510.01	4	Part 4	SA 510	Objective with respect to Opening Balances	8. What is the objective of the auditor with respect to the opening balances when conducting an initial audit engagement as per the relevant SA?	SA510.020
510.1	4	Part 4	SA 510	Unable to Obtain S&A Audit Evidence About Opening Balance	An auditor is appointed for the first time for audit of accounts of an entity. The accounts of previous year were unaudited. He is unable to obtain sufficient appropriate audit evidence regarding the opening balances. What is his responsibility in this regard?	(SA510.020) & (SA510.080)
520.01	4	Part 5	SA 520	Analytical Procedures- Master Answer	Analytical procedures use comparisons and relationships to assess whether account balances or other data appear reasonable. Explain stating the purpose of analytical procedures with examples.	SA520.020
520.03	4	Part 5	SA 520	Substantive Analytical Procedures- Techniques	Explain the techniques available as Substantive Analytical procedures.	SA520.040
520.04	4	Part 5	SA 520	Analytical procedures for substantive testing, points to be consider	Explain the aspects to be considered by an auditor when designing and performing substantive analytical procedures, either alone or in combination with test of details, as substantive procedures in accordance with SA 330.	SA520.100
520.05	4	Part 5	SA 520	Analytical Procedures- Factor affecting Suitability- Volume	(a) Substantive analytical procedures are generally more applicable to large volumes of transactions that tend to be predictable over time. Explain	SA520.120
520.08	4	Part 5	SA 520	Analytical Procedures -- Developing Expectations Factors	Discuss the matters relevant to the auditor's evaluation of whether the expectation can be developed sufficiently precisely to identify a misstatement that, when aggregated with other misstatements, may cause the financial statements to be materially misstated.	SA 520.160
520.03.50	4	Part 5	SA 520	Analytical procedures (Planning phase)	Explain how a statutory auditor of a company can apply analytical procedures at the planning phase of audit.	SA520.080
530.03	4	Part 6	SA 530	Sample Design- Sample Size- Sampling Method- In Short	With reference to Standard on Auditing 530, state the requirements relating to audit sampling, sample design, sample size and selection of items for testing	SA530.100
530.07	4	Part 6	SA 530	Statistical and Non Statistical Sampling	Whatever may be the approach non-statistical or statistical sampling, the sample must be representative. Discuss explaining Statistical and Non Statistical sampling approaches.	SA530.140
530.09	4	Part 6	SA 530	Advantages of Statistical Sampling	ABC Ltd is a Large Company with huge purchase and sales transactions. Which sampling approach is recommended in such a company? Explain giving features of such sampling approach along with example	SA530.160
530.11	4	Part 6	SA 530	Methods of Sampling- Master Answer	What is the meaning of Sampling? Also discuss the methods of Sampling. Explain in the light of SA 530 "Audit Sampling".	SA530.180
530.15	4	Part 6	SA 530	Projecting Misstatements for Population	It is imperative for the auditor to project misstatements for the population while performing audit procedures through sampling. Comment.	SA530.240
530.16	4	Part 6	SA 530	Multiple Definitions	Explain the following terms with reference to Audit Sampling : (i) Stratification (ii) Tolerable misstatement (iii) Tolerable rate of deviation	Unique
530.21	4	Part 6	SA 530	Extent of Checking On a Sampling Basis	Discuss the factors that should be considered for deciding upon the extent of checking on a sampling plan.	SA530.280
530.17.50	4	Part 6	SA 530	Sampling Not Providing Reasonable Basis	Chintamani Ltd appoints Chintan & Mani as statutory auditors for the financial year 2022-2023. Chintan & Mani seem to have different opinion on audit approach to be adopted for audit of Chintamani Ltd. Mani is of the opinion that 100% checking is not required and they can rely on Audit Sampling techniques in order to provide them a reasonable basis on which they can draw conclusions about the entire population. Chintan is concerned whether the use of audit sampling has provided a reasonable basis for conclusions about the population that has been tested. You are required to guide Chintan about his role if audit sampling has not provided a reasonable basis for conclusions about the population that has been tested in accordance with SA 530.	SA530.260



550.02	4	Part 7	SA 550	Situation when RPT will lead to higher RMM	Many related party transactions are in the normal course of business. However, the nature of related party relationships and transactions may, in some circumstances, give rise to higher risks of material misstatement of the financial statements than transactions with unrelated parties. Give few examples of such areas.	SA550.040
550.04	4	Part 7	SA 550	Records or Documents which can provide details of related party relationships or related party transactions	The auditor has a responsibility to perform audit procedures to identify, assess and respond to the risks of material misstatement arising from the entity's failure to appropriately account for related party relationships, transactions or balances. During the audit, the auditor should maintain alertness for related party information while reviewing records and documents. He may inspect the records or documents that may provide information about related party relationships and transactions. Explain in detail with examples.	SA550.080
610.01.50	4	Part 8	SA 610	Scope of Internal Auditor - Case Study	A company has stipulated a control through its automated software that interest @ 12% p.a. is charged in case of those customers who fail to make payment within a month of a sales transaction. The internal auditor of the company finds that during a certain period, software has failed to charge interest due to certain technical glitches. Does reporting of above situation fall in domain of internal auditor's work?	SA610.020
AIFS.01	5	Part 1	AIFS LIABILITY	B/S (Capital Subsidy)	How will you vouch/verify the following: Receipt of capital subsidy.	Unique
AIFS.13	5	Part 1	AIFS LIABILITY	BS (Securities Premium)	ABC Ltd. has issued shares for cash at a premium of Rs 450, that is, at amount in excess of the nominal value of the shares which is Rs 10 for cash. Section 52 of the Companies Act, 2013 provides that a Company shall transfer the amount received by it as securities premium to securities premium account. Advise the means in which the amount in the account can be applied.	AIFS-P1.040
AIFS.17.50	5	Part 1	AIFS LIABILITY	Classification of Liability in Current Vs Not Current AND Classification of Reserves & Surplus	(b) While auditing the accounts of ABC Ltd, a member of audit team is not clear about : (i) the criteria regarding classification of liability into current liability and non-current liability. (ii) Classification of Reserves and Surplus You being the senior member of audit team guide the member of the audit team about such criteria and classification as per general instructions for preparation of balance sheet as per Schedule III.	AIFS-P1.080
AIFS.25	5	Part 1	AIFS LIABILITY	B/S (Borrowing)	Borrowing from Banks.	AIFS-P1.100
AIFS.25.20	5	Part 1	AIFS LIABILITY	Disclosure Related to Borrowing	A company has availed cash credit facility of ₹ 2 crore (O/s balance ₹ 2 crore as at year end) from a bank for meeting its working capital requirements against security of stocks and debtors and guaranteed by directors of the company. Discuss, how the above cash credit facility, would be classified and disclosed in financial statements of company.	AIFS-P1.100
AIFS.29.50	5	Part 1	AIFS LIABILITY	Examination In-depth of Payment to Creditor	M/s MP & Co, Chartered Accountants, have been appointed as auditors of LMP Private Limited. The partner of the firm asked the Audit assistant to carry out the 'examination-in-depth' of the payment made to a creditor. Advise him about the documents to be verified.	Unique
AIFS.30.80	5	Part 2	AIFS ASSETS	Identify Assertions Verified by Audit Procedures	Name the assertions for the following audit procedures: (i) Year end inventory verification. (ii) Depreciation has been properly charged on all assets. (iii) The title deeds of the lands disclosed in the Balance Sheet are held in the name of the company. (iv) All liabilities are properly recorded in the financial statements. (v) Related party transactions are shown properly.	Unique
AIFS.31	5	Part 2	AIFS ASSETS	BS (PPE Rights & Obligation And Valuation)	"The auditor shall evaluate whether the financial statements are prepared, in all material respects, in accordance with the requirements of the applicable financial reporting framework. This evaluation shall include consideration of the qualitative aspects of the entity's accounting practices, including indicators of possible bias in management's judgments." Discuss stating clearly qualitative aspects of the entity's accounting practices	AIFS-P2.020
AIFS.31.50	5	Part 2	AIFS ASSETS	Disclosure of Capital Work In Progress	You are the statutory auditor of Jupiter Ltd. for the FY 2022-23. During the course of audit, you noticed that the company has PPE under construction i.e. Capital Work in Progress. What disclosures should the company give with respect to the ageing schedule of such capital work in progress as required by Schedule III to the Companies Act, 2013?	AIFS-P2.030
AIFS.35.50	5	Part 2	AIFS ASSETS	Intangible Assets - Verifying Additions	XYZ Ltd made huge additions to Intangible assets during the period 01-04-2021 to 31-03-2022 i.e period under audit. You have been appointed as an auditor and you want to verify the additions made to intangible assets during the period. Suggest the audit procedure to verify the additions to intangible assets.	AIFS-P2.040
AIFS.36.80	5	Part 2	AIFS ASSETS	Checking Ownership (Rights & Obligation) Of Inventory	A company is engaged in manufacturing of fabrics from yarn purchased from different suppliers. Occasionally, it also manufactures fabrics tailor made in accordance with requirements of certain mills from yarn received from these mills. The company raises bill of its labour charges only on mills for converting yarn into fabrics. The auditor of company tries to ensure that stocks of the company as at year end do not include stocks pertaining to these mills. Which assertion auditor tries to verify in above situation? How he can ensure that?	AIFS-P2.060
AIFS.38	5	Part 2	AIFS ASSETS	B/S (Trade receivable, Existence)	Write the audit Procedure for verification of existence of Trade Receivables.	AIFS-P2.080

AIFS.38.55	5	Part 2	AIFS ASSETS	TRADE RECEIVABLES (ageing schedule)	Studymate Limited is a company engaged in the manufacture of stationery items. The company sells its goods on credit. The debtors as on 31.03.2022, amounted to ₹ 10 crores. What is the disclosure requirement for the company with respect to the ageing schedule of the trade receivables in terms of Schedule III (Part I) to the Companies Act, 2013?	AIFS-P2.080
AIFS.42	5	Part 2	AIFS ASSETS	CASH & CASH EQUIVALENT DISCLOSURE	What are the required disclosures for cash & Cash equivalents to be made by the company as per Schedule III (Part I) to Companies Act, 2013?	AIFS-P2.100
AIFS.46.50	5	Part 2	AIFS ASSETS	Disclosure of Cash & Cash Equivalent	What are the disclosures requirements as per Part I of Schedule III to the Companies Act with respect to the cash & cash equivalents held by a company?	AIFS-P2.100
AIFS.45.55	5	Part 3	AIFS INC. & EXP.	P&L (Sales Accuracy)	While checking sales of the client, the auditor has to ensure that all sales are accurately measured as per applicable accounting standards and correctly journalized, summarized, and posted. Explain the audit procedures to ensure the same.	AIFS-P3.020
AIFS.45.58	5	Part 3	AIFS INC. & EXP.	Analytical Procedures for Sales	An auditor of a company is focusing upon revenues of a company. In this regard, besides performing usual detailed checking of sales, he wants to perform substantive analytical procedures in respect of sales. Discuss how he can perform such procedures.	AIFS-P3.020
AIFS.47	5	Part 3	AIFS INC. & EXP.	P&L-Audit procedure- to obtain evidence regarding overall reasonableness of purchase quantity and price.	(b) CA Saurabh is the statutory auditor of UVW Ltd. for the FY 20-21. While verifying the purchases made by UVW Ltd., CA Saurabh decided to perform analytical procedures to obtain audit evidence regarding the overall reasonableness of purchase quantity and price of purchases. What analysis should CA Saurabh perform?	AIFS-P3.060
AIFS.48.50	5	Part 3	AIFS INC. & EXP.	Audit of Employee Benefit Expense	Explain how you would verify Employee Benefit Expense incurred by a Company.	AIFS-P3.080
AIFS.49	5	Part 3	AIFS INC. & EXP.	P&L (Depreciation And Amortisation Expenses)	Depreciation and amortisation expense generally constitute an entity's significant part of overall expenses and have direct impact on the profit/loss of the entity. What are the attributes, the Auditor needs to consider while verifying Depreciation and amortisation expense.	AIFS-P3.100
AIFS.49.30	5	Part 3	AIFS INC. & EXP.	Date of Starting Depreciation	While verifying depreciation charged to statement of profit and loss account of a company, it is noticed by auditor that one new machinery was purchased and installed in month of April. The necessary trials were carried out and machinery was ready for use in April itself. However, owing to lack of orders in the market, the said machinery was put into actual operation from 1st October. The company has, accordingly, provided depreciation in its books on this machinery w.e.f. 1st October. Is above recording of depreciation by company proper in its books?	Unique
AIFS.56	5	Part 3	AIFS INC. & EXP.	Legal and professional expenses	While verifying the legal and professional expenses of the client company, what audit procedures should the auditor perform?	AIFS-P3.120
AIFS.61	5	Part 3	AIFS INC. & EXP.	P&L (Foreign Travel Expenses)	How will you vouch/verify the following: Foreign travel expenses.	Unique
AIFS.92	5	Part 3	AIFS INC. & EXP.	Disclosure of Ratios	Various ratios of current year and preceding year are disclosed in financial statements of a company in accordance with requirements of Schedule III of Companies Act, 2013. Discuss requirements of law in this regard (Do not list out names of ratios)	AIFS-P3.130
AIFS.95	5	Part 3	AIFS INC. & EXP.	Examining Cut-Off Assertion	A junior accountant of a limited company has not separated transactions of one period from those in the ensuing period. As an Auditor, state the correct procedure to be followed and the areas in which it can be applied.	Unique
AIFS.59	5	Part 4	AIFS INC. & EXP.	P&L (Payment of Tax)	How will you vouch and/or verify payment of taxes?	Unique
AIFS.51	5	Part 4	Other Concepts	P&L (Advertisement Expense)	How would you vouch/verify the following: (a) Advertisement Expenses.	Unique
AIFS.57	5	Part 4	Other Concepts	P&L (Provision of Tax)	How will you vouch/verify the following: (d) Provision for income tax.	Unique
AIFS.63	5	Part 4	Other Concepts	P&L (Goods Sent On Consignment)	How will you vouch/verify the following: (a) Goods sent on consignment.	Unique
AIFS.65	5	Part 4	Other Concepts	P&L (Sales on Approval)	Discuss the audit procedures generally required to be undertaken by the auditor while auditing Goods sent out on Sale or Return Basis.	Unique

AIFS.77	5	Part 4	Other Concepts	Multiple Items (From Old Course Vouching & Verification)	Explain how you will verify the items given while conducting an audit of an entity : (a) Recovery of Bad debts written off (b) Receipt of Insurance claims (c) Payment of Taxes (d) Sale proceeds of scrap material	Unique
230.01	6	Part 1	SA 230	Purpose / Advantages of Audit Documents	(b) SA 230, "Audit Documentation" deals with the auditor's responsibility to prepare audit documentation for an audit of financial statements. Such audit documentation serves various purposes. Explain.	SA230.040
230.13	6	Part 1	SA 230	Factor affecting Form / Content / Extent	Discuss with reference to SA-230, factors affecting form, contents and extent of audit documentation.	SA230.100
230.15	6	Part 1	SA 230	Assembly of Audit File	6. (a) M/s Samar Amar & Associates are the statutory auditors of Ganga Ltd. for FY 2020-21. CA Samar is the engagement partner for such assignment. While discussing with the engagement team, CA Samar briefed his team that "the auditor shall assemble the audit documentation in an audit file and complete the administrative process of assembling the final audit file on a timely basis after the date of the auditor's report. SQC 1 requires firms to establish policies and procedures for the retention of engagement documentation." Explain.	SA230.120
230.17	6	Part 1	SA 230	Audit Documentation Summary	"Completion Memorandum" is helpful as part of the audit documentation. Explain	SA230.140
230.19	6	Part 1	SA 230	Judging the Significance of a Matter & Which is important for Documentation	An important factor in determining the form, content and extent of audit documentation of significant matters is the extent of professional judgment exercised in performing the work and evaluating the results. Explain stating clearly the examples of significant matters.	SA230.160
230.4	6	Part 1	SA 230	Documentation -- Matters Arising After Date of Audit Report	CA R comes to know some very critical information with regards to the business cycle of an entity for which he has issued the audit report, which become known to him as an auditor after the date of the auditor's report but which existed at that date and which, if known at that date, might have caused the financial statements to be amended or the auditor to modify the opinion in the auditor's report. He wants to perform additional audit procedures to satisfy himself. As an auditor what he shall document, on the matters arising after the date of audit report?	SA230.120
230.13.50	6	Part 1	SA 230	Not Assembling Audit File In Timely Manner	CA Sonali Morarka has completed audit of a listed company. The audit report dated 15th July, 2022 has been issued. However, audit working papers including record of discussions with management, details of audit procedures performed to obtain audit evidence and conclusions reached by her have not been properly assembled. More than six months have elapsed after issue of audit report. Subsequently, she has received a letter from regulator in connection with audit of the company requesting her to share copy of audit file. The letter has woken up her from deep slumber. She hurriedly assembled audit file and inserted some more papers which were necessary. However, she put current date on these inserted papers and the copy of audit file was sent to regulator. Discuss, the issues involved, in context of "audit documentation".	SA230.110 SA230.120
230.17.50	6	Part 1	SA 230	Documentation of Significant Matter	During the course of audit of a company, an issue arose relating to treatment of interest costs of company on its restructured loans taken from a bank. This important matter was discussed with CFO of the company and was properly resolved. Is it necessary for the auditor to include in its working papers?	SA230.080
260.5	7	Part 1	SA 260	Significance of 2 Way Communication between Auditor & TCWG	In what ways an effective two-way communication between auditor and those charged with governance is important?	SA260.040
265.1	7	Part 2	SA 265	Communication of Significant Deficiency	On reviewing internal control over inventories as part of statutory audit of a company, auditor finds that physical verification is not being conducted at regular intervals as stipulated by the management. The auditor finds it to be significant deficiency in internal control over inventories. He points it out to the management in a one-liner as under: - "Physical verification of inventories is not being conducted at regular intervals as stipulated by management." Is above communication by auditor proper? Ignore statutory reporting requirements, if any in this regard.	SA265.120
265.2	7	Part 2	SA 265	Control Deficiency Identified	A Chartered accountant during course of audit of a company finds that cash is not deposited into bank frequently although concerned staff of company was required to do so. Further, the official responsible for ensuring performance of above function, has also not paid any attention to it. Discuss what does it represent from auditor's perspective.	SA265.040
265.5	7	Part 2	SA 265	Matters Considered For Determining Significant or Other Deficiency	List out some matters that the auditor may consider in determining whether a deficiency or combination of deficiencies in internal control constitutes a "significant deficiency".	SA265.040

450.1	7	Part 3	SA 450	Documentation Under SA 450	Discuss documentation requirements for an auditor regarding misstatements identified during audit under SA 450.	SA450.160
450.5	7	Part 3	SA 450	Communication with TCWG about Uncorrected Misstatements	You are nearing completion of audit of a company. On going through your working papers, it is noticed that finished goods inventory was overvalued by Rs. 2 crore. It has also been noticed that freight of Rs.10 lacs paid on import of machinery was charged to statement of profit and loss. Discuss, how you should, proceed and communicate in above situation before signing audit report.	SA450.120
560.01	7	Part 4	SA 560	Subsequent Event-Meaning	Discuss meaning of "Date the financial statements are issued" under SA 560.	SA560.045
560.02	7	Part 4	SA 560	Subsequent Event Definition by FRFs (In General) & SA 560	SA 560, "Subsequent Events" deals with the auditor's responsibilities relating to subsequent events in an audit of financial statements. Financial statements may be affected by certain events that occur after the date of the financial statements. Many financial reporting frameworks specifically refer to such events. Explain those events and also define subsequent events	SA560.020
560.02.50	7	Part 4	SA 560	Adjusting Event - Out of Court Settlement	CA PK Jacob is conducting audit of a company for year 2021-22. The company is engaged in export of ethnic rugs to buyers in Europe. The audit is nearing completion in month of July 2022. However, it becomes known to the auditor that one of overseas buyers has made a legal claim against the company on 1st June 2022 for injury caused to a customer of one European buyer due to sub-standard dyes used in rugs of one lot of order shipped in August, 2021. The management of company has decided to agree to an out of court settlement of Rs.5 crore to protect its reputation. The financial statements of the company are silent on this issue. Discuss, how, CA PK Jacob should proceed to deal with above issue.	SA560.020
560.03.50	7	Part 4	SA 560	WR for Subsequent Event	CA Chandni Khanna is going to complete audit of a company within next few days. She has performed necessary audit procedures like inquiry of management personnel, reading minutes of meetings held after date of financial statements, going through books of accounts after date of financial statements to make sure that all subsequent events before signing audit report have been considered by her. Still, she wants to be certain that no such events have been left out. What she should do in such a situation? Also, discuss the rationale of doing so.	SA560.060
570.01	7	Part 5	SA 570	Objectives of Auditor Regarding Going Concern	Under the going concern basis of accounting, the financial statements are prepared on the assumption that the entity is a going concern and will continue its operations for the foreseeable future. Explain. Also discuss the objectives of an auditor regarding Going concern as per relevant standard on auditing.	SA570.020
570.03	7	Part 5	SA 570	Events & Conditions Creating Significant Doubt	Give examples of financial events or conditions that, individually or collectively, may cast significant doubt on the entity's ability to continue as a going concern.	SA570.060
570.07	7	Part 5	SA 570	Additional Procedures	During course of audit of a company, CA. Varun Aggarwal notices that company is facing significant skilled labour shortages resulting in hampering of operations of company. The company's manufacturing is dependent upon skilled labour coming from villages in certain districts of Eastern UP. However, due to job opportunities available near villages now, many are not interested in going out from their native villages. Such a situation has led to company not being able to keep its commitments, losing out on orders and fall in its revenues. Fixed costs of the company remain at a high level. As a result, company is facing a liquidity crunch and is not able to pay its creditors on time. The bankers of company are also not willing to help the company to tide over liquidity crisis. The auditor is having doubts over going concern status of the company. How should management of the company try to address auditor's concerns? What audit procedures may be performed by auditor in such a situation?	SA570.080
570.12	7	Part 5	SA 570	Management Not Willing To Make Going Concern Assesment	The auditor of a company is having concerns about following of going concern basis of accounting followed by management for preparation of financial statements. It asks the management to justify preparation of financial statements. However, management is not willing to make its assessment and share with auditor. What are implications for auditor's report in such a scenario?	SA570.090
580.05	7	Part 6	SA 580	Written Representation - not substitute to audit evidence	"Although written representations provide necessary audit evidence yet they do not provide sufficient appropriate audit evidence on their own about any of the matters with which they deal". Discuss.	SA580.020 SA580.160
580.09	7	Part 6	SA 580	WR (Refusal)	Discuss with reference to SAs: What do you mean by Written Representations? As an auditor, how you will deal if management does not provide requested written representations?	SA580.020 SA580.100
700.03	8	Part 1	SA 700	Objectives & Framing Opinion	"The auditor shall form an opinion on whether the financial statements are prepared, in all material respects, in accordance with the applicable financial reporting framework." Explain	SA700.120
700.05	8	Part 1	SA 700	True & Fair View	Discuss the concept of True and Fair.	Unique
700.07	8	Part 1	SA 700	Unqualified Opinion	The Auditor is fully satisfied with the audit of an entity in respect of its systems and procedures and wants to issue a report without any hesitation. Discuss the type of opinion that can be given and state giving reasoning.	SA700.040

700.1	8	Part 1	SA 700	Opinion section of the auditor's Report	The first section of the auditor's report shall include the auditor's opinion, and shall have the heading "Opinion." The Opinion section of the auditor's report shall also identify the entity whose financial statements have been audited. Apart from the above, explain the other relevant points to be included in opinion section.	SA700.040
700.11	8	Part 1	SA 700	Basis for Opinion Para	CA. Maya Memani has conducted audit of a company. She has asked Sana, a CA student undergoing training in her office, to prepare draft audit report. Sana was part of engagement team conducting the audit. She has been further told to prepare draft report expressing unmodified opinion. After drafting para comprising unmodified opinion, Sana feels no need to provide basis for opinion. Discuss why her thinking is not proper.	SA700.040
700.13	8	Part 1	SA 700	Management Responsibility Paragraph	The auditor's report shall include a section with a heading "Responsibilities of Management for the Financial Statements." SA 200 explains the premise, relating to the responsibilities of management and, where appropriate, those charged with governance, on which an audit in accordance with SAs is conducted. Explain.	SA700.040
700.17	8	Part 1	SA 700	Qualitative Aspects of accounting Practices	"The auditor shall evaluate whether the financial statements are prepared, in all material respects, in accordance with the requirements of the applicable financial reporting framework. This evaluation shall include consideration of the qualitative aspects of the entity's accounting practices, including indicators of possible bias in management's judgements." Discuss stating clearly qualitative aspects of the entity's accounting practices	SA700.160
700.19	8	Part 1	SA 700	Specific Evaluations	"An auditor is required to make specific evaluations while forming an opinion in an audit report." State those evaluations.	SA700.140
700.13.50	8	Part 1	SA 700	UDIN	Maithili Thakur, a CA student, was perusing audit report of a company. Her eyes fell on an 18-digit alpha numeric number stated at end of audit report below the signatures of auditor and membership number. Make her understand objective and significance of such a randomly generated number. Is it required to be stated in case of audit reports only?	SA700.050
701.03	8	Part 2	SA 701	Is KAM substitute of Disclosure in FST	Communicating Key Audit Matter is not a substitute for disclosure in the Financial Statements rather Communicating key audit matters in the auditor's report is in the context of the Auditor having formed an opinion on the financial statements as a whole. Analyse.	SA701.090
705.01	8	Part 3	SA 705	Objectives of Standards	Discuss the objective of the auditor as per Standard on Auditing (SA) 705 Modifications to The Opinion in The Independent Auditor's Report.	SA705.020
705.11	8	Part 3	SA 705	Disclaimer of opinion	Disclaimer of opinion	SA705.020
705.18	8	Part 3	SA 705	Adverse vs qualified opinion	Distinguish between an adverse opinion and a qualified opinion. Also draft an opinion paragraph for both types of opinion	Unique
705.25	8	Part 3	SA 705	Disclaimer-- Case Study	CA. Sarasbhai Patel, while conducting audit of an entity, feels that there is an atmosphere of non-cooperation all around. He has not been provided with necessary support for attending inventory count process of entity as at year end. Besides, CFO is not providing him present addresses of customers as well as suppliers for sending external confirmations. Even mail ids have not been provided on the pretext of business confidentiality. He was not able to verify revenues of entity due to lack of complete details. For verifying expenses, he has been asking for bills on a sample basis, but staff has been making lame excuses. The matter was brought to knowledge of higher echelons of management, but of no avail. The auditor feels that there could be misstatements and their possible effects would be material and affecting many aspects of financial statements. Assuming it is not possible to withdraw from engagement, what type of opinion should be expressed by auditor?	SA705.060
705.28	8	Part 3	SA 705	Effect of Qualification on Basis of Opinion Section	The auditor's report shall include a section, directly following the Opinion section, with the heading "Basis for Opinion". Explain what is included in this "Basis for Opinion" section.	SA705.060
SA705.40	8	Part 3	SA 705	Limitation on Scope	While conducting audit of VED Ltd., you as an auditor are not only prevented in completing certain audit procedures but also are not able to obtain audit evidence even by performing alternative procedures. How you will deal with this situation?	SA705.120
706.01	8	Part 4	SA 706	EMP- Master Answer	Mention the examples of circumstances where the auditor may consider it necessary to include an Emphasis of Matter paragraph.	SA706.020
CoAud.66	8	Part 6	Company Audit I	Sec-143(1) -Right to Access Books & Papers - Secretarial Records	During the audit of PQR Ltd. you as an auditor requested officers of the company to have access to secretarial records and correspondence which they refused to provide. Comment.	CA.300
CoAud.69.50	8	Part 6	Company Audit I	Sec 143(2) -- Reporting to Members	As per Sec 143(3)(j) of the Companies Act, 2013, the auditor's report shall also include such other matters as may be prescribed by Rule 11 of the Companies (Audit and Auditors) Rule, 2014. Discuss those matters on which views and comments of the auditor are required.	CA.300
CoAud.72	8	Part 6	Company Audit I	Sec-143 (3)-IFCR- Private companies	As required under Section-143(3)(i) of the Companies Act, 2013 an auditor is required to report in the auditors report whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls. State the Private companies to which the above provision is not applicable.	CA.300

CoAud.72.50	8	Part 6	Company Audit I	Sec 143(3) - Rule 11 - Accounting Software	CA E was appointed statutory auditor of XYZ Private Limited in AGM held in the month of August, 2023 for the first time for audit of financial statements of the company from year 2023-24 onwards. Since he is new to the company, he wants to be sure about integrity of accounting records. In this regard, he wants to ensure that software used by company for maintenance of its books of accounts is capable of tracking user activities and changes made to entries in books of accounts, if any, during the course of year. What CA E is looking for in the given situation? Discuss the reporting requirements for CA E in this matter to be included in audit report to be issued under the Companies Act, 2013.	CA.300
CARO.11	8	Part 7	CARO	Reporting on statutory dues	Discuss the reporting requirements as per CARO, 2020, regarding: (i) disputed and undisputed statutory dues and	CARO.130
CARO.01	8	Part 7	CARO	Applicability (Theory)	CARO, 2016 applies to all companies. Discuss.	CARO.040
CARO.05	8	Part 7	CARO	CARO (CI 1 - Requirements)	Discuss the reporting requirements regarding Fixed Assets under CARO, 2016	CARO.070
CARO.09	8	Part 7	CARO	CI 1 & CI 2 (Theory)	State the matters to be included in auditor's report as per CARO, 2020 regarding - Verification of inventory and working capital limits.	CARO.070 CARO.080
CARO.15	8	Part 7	CARO	CI 3 & 5- Loan to Related Party and Accepting Deposites	M Ltd. has given certain loans to related parties and also has accepted certain deposits. As an auditor, how will you include the above items in paragraph 3 of CARO, 2016?	CARO.090 CARO.110
CARO.19.50	8	Part 7	CARO	CI 9- Short Term Borrowing Used For Long Term Purpose	CA. Ravi Patnaik is conducting audit of a company for which reporting requirements under CARO, 2020 are applicable. He finds that cash credit facilities amounting to ₹ 4 crores were released to the company by branch of a bank for meeting its working capital requirements. He finds that out of above funds, ₹ 1 crore have been used by company for installing effluent treatment plant to meet State pollution control Board requirements. Is there any reporting obligation upon him under CARO,2020?	CARO.080
CARO.25	8	Part 7	CARO	CI 10 - Requirements	Discuss the reporting requirements under CARO 2020, with respect to the moneys raised by the company by way of initial public offer or further public offer and where the company has made any preferential allotment or private placement of shares.	CARO.160
CARO.35	8	Part 7	CARO	CARO (CI 14- Requirements)	(ii) internal audit system of the company	CARO.200
CARO.40	8	Part 7	CARO	CARO (CI 12 & 13- Requirements)	State the matters to be included in the auditor's report as per CARO, 2020 regarding: (i) Nidhi Company. (ii) Transactions with related parties.	CARO.180 CARO.190
CoAud.74	8	Part 8	Company Audit I	Sec-143(8) & 139 (1)- Appointment of Branch Auditor	ABC Ltd is a company incorporated in India. It has branches within and outside India. Explain who can be appointed as an auditor of these branches within and outside India. Also explain to whom branch auditor is required to report.	CA.140 CA.360
600.5	8	Part 8	SA 600	Principal auditors right to perform audit procedures	CA. Dicky Yadav is auditor of a company having four branches. The four branches are audited by another auditor CA. Yamini Jain. The reports in respect of accounts of branches examined by her have already been sent to company auditor. During the course of audit, CA Dicky Yadav asks the branch auditor to share with her summary of audit procedures and findings in respect of accounts of branches examined. CA. Yamini Jain feels it as encroachment of her domain. Discuss the issue.	0
299.01	8	Part 9	SA 299	Joint Audit-Advantages-Disadvantages	Explain the concept of joint audit. Discuss its advantage and disadvantage.	SA299.020
299.03	8	Part 9	SA 299	Developing Joint Audit Plan	"Before the commencement of audit, the joint auditors should discuss and develop a joint audit plan." Discuss the points to be considered in developing the joint audit plan by the joint auditors.	SA299.040
AOC.01.50	9	Part 1	Audit of Co-operative Societies	Type of Co-Operative Society	A society has been formed by pan India employees of a public sector bank. The purpose of society is to promote savings habits of members and to grant loan to them up to a small specified amount. Small savings are promoted amongst members by way of compulsory contribution from monthly salary. Identify type of society and also discuss nature of books of accounts to be maintained by such a society.	Unique
AOC.11	9	Part 1	Audit of Co-operative Societies	Co-operative Society-Special Audit - Section 77	Central Govt. hold 55% of the paid up share Capital in Kisan Credit Co-operative Society, which is incurring huge losses. Advise when the Central Government can direct Special Audit under Section 77 of the Multi State Co-operative Society Act.	AOC.100
AOC.11.60	9	Part 1	Audit of Co-operative Societies	Inquiry by Central Registrar under Section 73	Discuss, in what circumstances, Central Registrar can hold an inquiry into working and financial condition of a multi-state cooperative society	AOC.105

AOC.15	9	Part 1	Audit of Co-operative Societies	Inspection under Sec 79	No inspection under Section 79 of Multi-State Co-operative Societies Act, 2002 shall be made unless a notice has been given to the multi-state co-operative society. Explain stating clearly when and how such inspection can be made. Also state the powers available with the Central Registrar in this regard along with provisions relating to communication of the inspection report under the said section	Unique
GA.00.60	9	Part 2	Government Audit	Consolidated Fund of India	It is the duty of Comptroller and Auditor General of India to audit and report on all expenditure from the Consolidated Fund of India and of each State and of each Union Territory having a Legislative Assembly and to ascertain whether the moneys shown in the accounts as having been disbursed were legally available for and applicable to the service or purpose to which they have been applied or charged and whether the expenditure conforms to the authority which governs it. Discuss, in above context, what is understood by "Consolidated Fund of India"? What is its importance?	GA.020
GA.01	9	Part 2	Government Audit	Duties of CAG	Explain in detail the duties of Comptroller and Auditor General of India	GA.040
GA.05	9	Part 2	Government Audit	Audit of Expenditure-All	The audit of government expenditure is one of the major components of government audit. Explain the basic standards set for such audit of expenditure.	GA.060
GA.10	9	Part 2	Government Audit	Audit against Rules & Orders	Audit against rules and orders aims to ensure that the expenditure conforms to the relevant provisions of the Constitution and of the laws and rules made thereunder. The job of audit is to see that these rules, regulations and orders are applied properly by the subordinate authorities. It is, however, not the function of audit to prescribe what such rules, regulations and orders shall be. Analyse and Explain	GA.080
GA.15	9	Part 2	Government Audit	Propriety Audit	PQR Ltd., a government company, constructed a building in conformity with rules and regulations for installing a telephone exchange but not used for the same purpose resulting in the infructuous expenditure. Considering the above case, explain the type of expenditure audit to be performed to curb the situation.	GA.140
GA.25	9	Part 2	Government Audit	Audit of Stores	Audit of the accounts of stores and inventories has been developed as a part of expenditure audit with reference to the duties and responsibilities entrusted to C&AG. Discuss.	GA.200
GA.40	9	Part 2	Government Audit	Powers of CAG	Briefly explain the powers of C&AG in connection with the performance of his duties.	GA.280
GA.50	9	Part 2	Government Audit	Audit of Local Bodies- Audit Programm	Before commencing the Audit of Local Bodies, a Chartered Accountant employee in firm of XYZ & Co., firm of Chartered Accountants seeks assistance of Mr. X, partner, in preparation of audit programme for local bodies. How Mr. X should advise to him in this connection?	GA.300
ADE.15	9	Part 3	ADE	Audit of Educational Institute-Special Points	You are auditor of a school operating in your city. During audit of a year, it is noticed that fees concessions to students have been provided in substantial number of cases. Discuss, how, you as an auditor, would proceed to verify the same?	ADE.040
ADE.30	9	Part 3	ADE	Audit of Hotel	As an auditor, what would be your areas of consideration while auditing the element of ROOM SALES during the audit of a 5-Star Hotel.	ADE.060
ADE.33	9	Part 3	ADE	Audit of Hotel- Inventories	(ii) The inventories in any hotel are both readily portable and saleable. Areas where large quantities of inventory are held should be kept locked.	ADE.060
ADE.33.50	9	Part 3	ADE	Payment For Common Amenities in Hotel	CA Irfan Zaidi is auditor of a prestigious five-star hotel in Jaipur. He notices that there is a gift shop doing brisk business inside the hotel premises. On further enquiries, he comes to know that stocks in gift shop belong to gift shop owner and hotel receives rent for letting out this space. Discuss, how, auditor can verify payment of common amenities used by gift shop owner to the hotel.	Unique
ADE.38	9	Part 3	ADE	Audit of Cinema Halls (Payment to distributor)	You are auditing the Books of accounts of Karla Multiplex which runs 15 Film shows everyday. One of the major issues which are of concern to you as an auditor is the Agreement entered into the Multiplex owners with the Film Distributors. State what points would you check as an auditor in this respect.	ADE.080
ADE.45	9	Part 3	ADE	Audit of Club-Special Points	Sporting Club of India is a private club engaged in promotion of sports in the country. As an auditor of this leading club, discuss any two points to ensure that expenditure incurred by club during the year is properly authorised.	ADE.100
ADE.55	9	Part 3	ADE	Audit of Partnership Firm- Special Points	CA Akash Virmani is auditor of a partnership firm consisting of 4 partners. During the year, one of the partners has retired and another partner has joined the next day. Discuss, any one point, which shall be considered by you to ensure that financial statements of firm are not misstated due to change of constitution of firm.	ADE.160
ADE.60	9	Part 3	ADE	Audit of Partnership Firm (Advantages)	State important advantages of audit of accounts of a Partnership firm.	ADE.160
ADE.75	9	Part 3	ADE	Audit of an NGO (Receipts & Remittances to Others)	An NGO operating in Delhi had collected large scale donations for Tsunami victims. The donations so collected were sent to different NGOs operating in Tamil Nadu for relief operations. This NGO operating in Delhi has appointed you to audit its accounts for the year in which it collected and remitted donations for Tsunami victims. Draft audit programme for audit of receipts of donations and remittance of the collected amount to different NGOs. Mention six points each, peculiar to the situation, which you will like to incorporate in your audit programme for audit of said receipts and remittances of donations	Unique

ADE.85	9	Part 3	ADE	Assets on HP	Assets acquired on Hire-purchase.	ADE.240
BA.01	10	Part 1	Bank Audit	RBI Regulator	The functioning of banking industry in India is regulated by the Reserve Bank of India which acts as the Central Bank of our country. Explain	BA.040
BA.01.50	10	Part 1	Bank Audit	Peculiarities involved in banking	List out any four points which highlight peculiarities involved in banking operations.	Unique
BA.02.30	10	Part 1	Bank Audit	Bank - Format of Financial Statements	The financial statements of a bank are prepared in a specified format. Discuss legal provisions in this regard as applicable to financial statements of a nationalized bank	BA.090
BA.02.70	10	Part 1	Bank Audit	Type of Credit Facility	Ranjana Ceramic Private Limited is sanctioned a cash credit facility of ₹ 100 lacs from a branch of LMO Bank. Besides, branch has also sanctioned a one-time bank guarantee of ₹ 10 lacs on behalf of the company in favour of a statutory authority. Discuss, what type of credit facilities have been sanctioned by branch of LMO bank to the company along with probable purpose for each of credit facility.	BA.190
BA.02.90	10	Part 1	Bank Audit	Bank Auditor Cannot Accept Other Assignments	CA X is acting as concurrent auditor of a branch of KLT Bank (a nationalized bank) located in Delhi during the year 2022-23. The assignment started from 1st October 2022 and is for a period of one year. By virtue of this assignment, he is required to issue monthly reports on different aspects of the functioning of branch including deposits, advances and housekeeping to controlling authorities of Bank. At the end of March, 2023, he has got an offer to conduct statutory audit of two branches of KLT Bank located in the State of Rajasthan for the year 2022-23. Can he accept the above offer? Discuss.	BA.140
BA.04	10	Part 1	Bank Audit	Effective risk management system	27.Mr Rishikesh, the Bank Manager develops controls to assist in managing key business and financial risks. Discuss the various requirements for an effective risk management system in a bank	Unique
BA.05	10	Part 1	Bank Audit	NPA (Reversal of Income)	In view of the significant uncertainty regarding ultimate collection of income arising in respect of non-performing assets, the guidelines require that banks should not recognize income on non-performing assets until it is actually realised. When a credit facility is classified as non-performing for the first time, interest accrued and credited to the income account in the corresponding previous year which has not been realized should be reversed or provided for. This will apply to Government guaranteed accounts also. Analyse and Explain.	BA.360
BA.07	10	Part 1	Bank Audit	NPA (Agriculture) NPA (Erosion)	Explain the categories of Agricultural Advances in case of Banks and related NPA norms	BA.240 BA.260
BA.08	10	Part 1	Bank Audit	NPA (Advances under Consortium)	Explain "Advances under Consortium" in the context of Prudential Norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances.	BA.260
BA.08.50	10	Part 1	Bank Audit	NPA (Government guaranteed advances) NPA (Advance to staff)	When are following considered as non performing as per the RBI guidelines? (i) Government guaranteed advances (ii) Advances to staff	BA.260
BA.09	10	Part 1	Bank Audit	Difference in provisioning of NPA-Secured/Unsecured	"There is no difference in provisioning of NPA as regards to categories of NPA, whether the debt is secured or unsecured." Critically evaluate the statement on the basis of provisioning norms of NP A of nationalised bank.	Unique
BA.09.20	10	Part 1	Bank Audit	Provision for NPA in Doubtful Category	While verifying provisions of advances of a branch of MCO Bank as part of statutory branch audit, CA Z notices that credit facilities consisting of term loan to KRT Enterprises have been classified under doubtful asset (D1) category. The outstanding balance in above term loan account as on 31.3.2023 is ` 50 lakhs. Value of security held in account is ` 40 lakhs. The branch has made provision of ` 7.50 lakhs. Is provision made by branch proper? Discuss.	Unique
BA.09.50	10	Part 1	Bank Audit	Special Mention Accounts (SMA)	During course of audit of branch of a nationalized bank, you find that system has generated a report marking ten term loan accounts as SMA. Discuss, meaning of SMA accounts and significance of such a classification.	Unique
BA.09.70	10	Part 1	Bank Audit	Drawing Power Calculation	In a bank, all accounts should be kept within the drawing power and the sanctioned limit. The accounts which exceed the sanctioned limit or drawing power should be brought to the notice of the management regularly. Analyse the following points to be considered in the computation of drawing power in case of bank audit. (i) Bank's Duties (ii) Auditor's concern (iii) Computation of DP (iv) Stock audit	BA.280
BA.09.75	10	Part 1	Bank Audit	Drawing Power Calculation	CA P is conducting stock audit of a borrower availing cash credit facility of ` 100 lacs from branch of a bank. The cash credit facility is against security of paid stocks and debtors up to 90 days. Margin stipulated is 25% for stocks and 40% for debtors. Following further information is available as on 31.12.22: -	BA.280



BA.17	10	Part 1	Bank Audit	Advances (Internal Control)	The auditor can obtain sufficient appropriate audit evidence about advances by study and evaluation of internal controls relating to advances. Explain in the context of Audit of Banks.	BA.300
BA.17.50	10	Part 1	Bank Audit	Audit of Income (RBI Directions, Materiality, Revenue Certainty)	In carrying out audit of income, the auditor is primarily concerned with obtaining reasonable assurance that the recorded income arose from transactions, which took place during the relevant period and pertained to the bank, there is no unrecorded income and the income is recorded at appropriate amount. Explain the Audit Approach and Procedures regarding following points in the above context : (i) RBI's Directions (ii) Materiality (iii) Revenue Certainty (iv) Revenue Uncertainty	Unique
BA.18	10	Part 1	Bank Audit	Audit of interest expense - Audit approach and procedure	You are verifying interest on deposits paid by branch of a nationalized bank. Discuss, any two "analytical procedures", to verify interest on deposits paid by branch.	BA.380
BA.19.50	10	Part 1	Bank Audit	Security (Different forms of Security/Mode of creation of security)	Depending on the nature of the item concerned, creation of security may take the form of a mortgage, pledge, hypothecation, assignment, set-off or lien. Explain with specific reference to Audit of Banks.	BA.220
BA.20	10	Part 1	Bank Audit	Audit of operating expenses	26. Explain the audit approach you would follow to check the Operating Expenses of a Bank.	BA.400
BA.21.50	10	Part 1	Bank Audit	Applicability of CARO to Banks	Is statutory auditor of a bank required to report on the requirements relating to Companies (Auditor's Report) Order, 2020?	BA.520
BA.30	10	Part 1	Bank Audit	Risk on Money Laundering	As an Auditor of XYZ Bank Limited, how would you assess the Risk of Fraud including Money Laundering in line with SA 240 ?	Unique
COA.32	11	Part 1	Ethics	Independence of mind & appearance	"Independence of mind and independence in appearance are interlinked perspectives of Independence of auditors." Explain.	C10C.140
COA.33	11	Part 1	Ethics	Auditor & Related Concepts -Types of Threats to Independence	"The Code of Ethics for Professional Accountants, prepared by the International Federation of Accountants (IFAC) identifies five types of threats". Explain	C10C.160
COA.35	11	Part 1	Ethics	threats to independence and the safeguards available	Chartered Accountant has a responsibility to remain independent by taking into account the context in which they practice, the threats to independence and the safeguards available to eliminate the threats. Explain the guiding principles in this regard.	C10C.180
ETH.10	11	Part 1	Ethics	Principle Based Vs Rules Based	Briefly outline how principles-based approach differs from rules-based approach to ethics.	ETH.020
ETH.20	11	Part 1	Ethics	Professional Behaviour Issue - Not Replying to ICAI	CA P. Suryakantam has conducted audit of accounts of an entity for a particular year. ICAI has issued a letter to him relating to certain matters concerning audit. He didn't even bother to reply to the letter despite reminders. Discuss which fundamental principle governing professional ethics is disregarded by him.	ETH.040
ETH.40	11	Part 1	Ethics	Integrity Issue - False Information Provided	A Chartered accountant in practice issued a certificate showing original cost of plant and machinery installed in premises of a client for Rs. 9 crores to save some regulatory fees for his client. However, original cost of plant and machinery was Rs.15 crore as per records of client. Which fundamental principle governing professional ethics is violated in this case?	ETH.040
ETH.50	11	Part 1	Ethics	Self Review Threat - Doing Accounting & Auditing	CA Murli Madhavan provides accounting and book keeping services to a leading NGO engaged in environmental protection work. He is also offered audit of the accounts of NGO. Identify and discuss what kind of threat to independence may be involved in accepting such an engagement.	ETH.080
ETH.55	11	Part 1	Ethics	Self Interest Threat - Undue Dependence of Audit Fees	A Chartered accountant receives about 40% of his total audit fees from a single client. Discuss how it could affect independence of Chartered accountant as auditor of this client. What are such types of threats referred to as?	ETH.080
ETH.60	11	Part 1	Ethics	Self Interest Threat & Safeguards For Distant Relative Holding Shares	CA Raman Gupta is offered appointment as auditor of a company. One of his distant uncles held some shares in the same company. Holding of such shares, by a distant relative, is not prohibited under provisions of law nor does it affect his independence. Before he could accept appointment, he received unfortunate news of death of his uncle who had died without any children. He came to know that he was nominee of these shares having substantial value. It landed him in a tricky situation. What should be proper course of action for him?	ETH.100
210.02	11	Part 2	SA 210	Pre-Conditions for Audit	The management of an entity feels that it is not necessary for it to give in writing explicitly to the auditor that it understands its responsibilities for preparation of financial statements in accordance with applicable financial reporting framework. Discuss, whether, it is necessary for the management to do so. In case management refuses, why should an auditor not accept the proposed engagement?	SA210.020
210.02	11	Part 2	SA 210	Pre-Conditions for Audit	Discuss preconditions for an audit as per SA 210. Explain how would an auditor proceed to establish the presence of pre conditions for an audit.	SA210.020

210.03	11	Part 2	SA 210	Engagement Letter - Master Answer- Purpose & Contents	Chirag, as part of articled training, is part of an engagement team conducting audit of a company. He has read somewhere that engagement letter issued by auditor to client also includes expected form and content of the auditor's report. He was at a loss to understand how could an auditor include form and content of the report beforehand. Try to help Chirag by making things clear to him	SA210.060
210.05	11	Part 2	SA 210	Revision of Engagement Letter	On recurring audits, the auditor shall assess whether circumstances require the terms of the audit engagement to be revised and whether there is a need to remind the entity of the existing terms of the audit engagement. The auditor may decide not to send a new audit engagement letter or other written agreement each period. Explain the factors an auditor considers to be appropriate to revise the terms of the audit engagement or to remind the entity of existing terms.	SA210.080
SQC.100	11	Part 3	SQC 1	Considering the Integrity of a Client	CA PK Nair is offered appointment as auditor of a company engaged in providing tourism services. While making due diligence of the proposed client, he comes to know that there have been raids on premises of the company and residences of its directors by National Investigation Agency (NIA) on suspicion of links with terror outfits. It has been followed up with searches by Enforcement Directorate hunting for illicit money trail. There is a strong suspicion of tourism services provided by company being façade of terror funds. Should proposed offer be accepted by him?	SQC.080
SQC.120	11	Part 3	SQC 1	Case Study - Accepting Assignment	CA Arpita has joined a mid-sized CA firm recently. She finds that partners remain too busy and the firm is proposing to accept audit work in areas in which it has no experience or capabilities. The firm is proposing to accept audit of some entities engaged in emerging "fin-tech" sector. Such audits may be requiring extensive use of technology and data analytics. However, the said firm has no such capabilities and trained personnel. Discuss, whether, firm should accept such audits with	SQC.080
SQC.50	11	Part 3	SQC 1	Whether Independence Policies Are Breached	How does SQC 1 ensure that independence in engagements is not breached by an audit firm?	SQC.020
220.03	11	Part 4	SA 220	Responsibility of Engagement Partner	3. (a) The actions of the engagement partner and appropriate messages to the other members of the engagement team, in taking responsibility for the overall quality on each audit engagement, emphasise the importance to audit quality. Explain w.r.t SA 220	SA220.080
220.06	11	Part 4	SA 220	Acceptance & Continuance- Information assists the auditor- accepting and continuing relationship with the client	CA. Tom is offered statutory audit of UV Limited for the financial year 2019-20. Mention any three information that CA. Tom should obtain before accepting the audit engagement with the new client as per SA 220 "Quality Control for an Audit of financial statements".	SA220.140
220.07	11	Part 4	SA 220	Consistency in Quality of Engagement Performance	The firm should establish policies and procedures designed to provide it with reasonable assurance that it has sufficient personnel with the capabilities, competence, and commitment to ethical principles. Discuss the personnel issues addressed by such policies and procedures. Also explain how addressing the personnel issues would empower the firm.	SA220.160
220.07	11	Part 4	SA 220	Consistency in Quality of Engagement Performance	The firm should establish policies and procedures designed to provide it with reasonable assurance that engagements are performed in accordance with professional standards and regulatory and legal requirements, and that the firm or the engagement partner issues reports that are appropriate in the circumstances. Explain.	SA220.160
220.08	11	Part 4	SA 220	monitoring compliance with quality control policies and procedures - Purpose	The firm should establish policies and procedures designed to provide it with reasonable assurance that the policies and procedures relating to the system of quality control are relevant, adequate, operating effectively and complied with in practice. Explain the purpose of monitoring compliance with quality control policies and procedures.	SA220.180