

1. Write a short note on Audit Working Papers.
2. Comment on the following situations/statements:  
M/s Health Zone, a partnership firm, running a nursing home have decided to discontinue you as an auditor for the next year and requests you to handover all the relevant working papers of the previous year.
3. Explain the term “Auditor’s Lien”.
4. State with reason (in short) whether the following statements are correct or incorrect.  
(a) Branch auditor of a company should give photocopies of his working papers on demand by Company Auditor.
5. Discuss with reference to ISAs: Factors affecting form, contents and extent of audit documentation.
6. Comment on the following in relation to ISAs: “Audit documentation serves a number of additional purposes.”
7. “The reliability of audit evidence is influenced by its source, nature and circumstances under which it is obtained”. Discuss.
8. State with reasons (in short) whether the following statements are True or False:
  - (i) Management Certificate obtained by the Auditor is enough for verification of Inventories.
  - (ii) Auditor of AA Ltd. was unable to confirm the existence and valuation of imported goods lying with the transporter and accepted a certificate from the management without obtaining other audit evidence.
  - (iii) What do you mean by "Written Representations"? As an auditor, how you will deal if management does not provide requested written representations?

1. Write a short note on “Physical attendance by auditor during inventory taking”.
2. What are the factors that are to be considered while designing a confirmation request?
3. Explain the process of external confirmation. Give some examples where external confirmation can be used as audit evidence.
4. Write short notes on the following: Reliability of external confirmations.
5. State with reasons (in short) whether the following statements are correct or incorrect:
  - a. The Auditor shall express an unqualified opinion if the Auditor is unable to obtain sufficient audit evidence regarding the opening balances.
  - b. It is no part of subsequent auditor's duty to verify opening balances of Ledger accounts of current years, on the basis of Balance Sheet audited by Previous Auditor.
6. Mr. T. a Chartered Accountant, was first time appointed the Auditor of XYZ Ltd. Mr. T. carried the audit procedure for verifying the opening balances only, but not the previous year's accounting policies as it is not needed.
7. As an auditor, comment on the following situations/statements  
AA Ltd. is procuring the packing materials from M/s XY and Co., a partnership firm consisting of Mr. X and Mr. Y. Mr. Y is the Managing Director of AAS Ltd. The total value of purchases made from XY and Co. by AAS Ltd. during the year 2023-24 had been ` 38 Million.
8. Write a short note on Identification of significant related party transaction outside business.
9. As an auditor, comment on the following situations/statements:
  - (a) You are the Auditor of a Manufacturing Company, whose year ends on 31st March. An event occurred after the year ended, but before you complete the audit. The audit report issued by you is dated 20th July. The Sales Ledger balance at 31st March was ` 95,000. By 20th July ` 65,000 only had been received against this amount as full and final payment.
10. Write short notes on the following:  
Procedures to be performed by the auditor in expressing opinion on 'going concern' assumption.
11. As an auditor how would you react to the following situations/comments?  
  
TT Ltd. has suffered recurring losses due to steep fall in production and has negative net worth. It's production head, an expert, have also left the company. Reply of the management is inadequate to these developments and there is no sound action plan to mitigate these situations.
12. State with reasons (in short) whether the following statements are True or False:  
If the auditor believes that the concern will not continue as going concern, he should issue disclaimer of opinion.