

BACHELOR OF COMMERCE (CBCS-2016 COURSE)
T.Y. B.Com. Sem-VI :SUMMER- 2022
SUBJECT : AUDITING & TAXATION-II

Day : Thursday
Date : 7/7/2022

S-14459-2022

Time : 11:00 AM-02:00 PM
Max. Marks : 60

N.B.

- 1) All questions are **COMPULSORY**.
- 2) Figures to the right indicate **FULL** marks.
- 3) Use of non – programmable **CALCULATOR** is allowed.

Q.1 The following is the Profit and Loss A/c of Mr. Rabi of his business for the (12)
year ended 31st March 2020

Profit and Loss Account for the year ending 31st March 2020

Particulars	Rs.	Particulars	Rs.
To Opening stock	40,000	By Gross Profit	5,79,500
To Purchases	3,25,000	By Closing stock	60,000
To Salaries/wages	60,000	To Dividends	12,000
To Donation for charitable purpose	10,000	To Refund of Income Tax	6,000
To rent	18,000		
To Household Expenses	32,000		
To Printing and Stationary	3,000		
To Telephone expenses	15,000		
To Advertisement expenses	5,000		
To Motor car expenses	8,000		
To Insurance of goods	6,000		
To Loss by theft	7,500		
To Net Profit	1,28,000		
Total	6,57,500	Total	6,57,500

Other information

- a) Opening stock was overvalued by 25% and closing stock was undervalued by 20%.
 - b) Advertisement expenses were incurred for Souvenir published by a political party.
 - c) Half of the motor car expenses were attributable for personal use.
 - d) Purchases include advance of Rs. 12,000 to a supplier for materials not yet received.
 - e) Depreciation allowable as per Income – tax Rule Rs. 25,000.
- Calculate his business income

Q.2 Distinguish between audit report and audit certificate. (12)

OR

- a) What do you mean by capital assets? (06)
- b) Which points are covered in audit certificate? (06)

Q.3 Explain the rights, duties and liabilities of an auditor. (12)

OR

- a) State the disqualification of an auditor. (06)
- b) Distinguish between vouching and verification. (06)

P.T.O.

Q.4 Describe in detail the verification and valuation of Assets and Liabilities. **(12)**

OR

a) What is tax audit? **(06)**

b) Explain the process of appointment of an auditor **(06)**

Q.5 Write short notes on any **THREE** of the following: **(12)**

a) Advantages of test checking

b) Features of Tax consultancy

c) Exemption on capital gain u/s 54

d) Concept of tax audit

e) Cost improvement

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