

**BACHELOR OF COMMERCE (CBCS - 2018 COURSE)**

**T. Y. B. Com. Sem-VI : WINTER- 2022**

**SUBJECT : AUDITING & TAXATION-II**

Day : Friday

Time : 10:00 AM-01:00 PM

Date : 9/12/2022

**W-18190-2022**

Max. Marks : 60

**N.B.**

- 1) All questions are **COMPULSORY**.
- 2) Figures to the right indicate **FULL** marks.

**Q1.** Explain 'Test Checking'. State the disadvantages of test checking. **(12)**

OR

Enlist and explain in detail the rights of auditors.

**Q2.** Explain how to do verification of stock in trade. **(12)**

OR

- a) How verification of assets differ from valuation of assets? **(6)**
- b) What are the liabilities of company auditor? **(6)**

**Q3.** The following is the receipts and payment account of Mr. Rishabh, an architect for the year ending on March 31<sup>st</sup>, 2020. **(12)**

Receipts	Amount (Rs.)	Payments	Amount (Rs.)
To balance b/d	3,00,000	By salaries to staff	88,000
To professional fees	6,50,000	By printing and stationery	98,300
To rent from house property	1,20,000	By society maintenance charges Office – 8,000 House – 5,000	13,000
To gift received from clients for professional work	8,000	By advance tax	30,000
To loan from HDFC Bank ( on 01/04/2012 for house)	2,00,000	By purchase of new house at Panvel ( on 04/04/2019)	2,50,000
		By other office expenses	83,000
		By purchase of car ( on 01/04/2019)	50,000
		By donation	5,000
		By medical insurance premium (cheque)	10,000
		By HDFC loan repaid	50,000
		By municipal taxes	20,000
		By interest on HDFC Bank loan	20,000
		By balance c/d	5,60,700
	<b>12,78,000</b>		<b>12,78,000</b>

**You are also informed that**

1. Depreciation on office premises at 10% as per the I.T Act. Office premises cost is Rs. 10,00,000.
  2. Cost of furniture is Rs. 3,50,000. Depreciation on furniture at 15% as per the I.T. Act.
  3. Provide depreciation on car at 20%.
  4. 1/4<sup>th</sup> of the car use has been for personal purposes.
- Determine the taxable income of Mr. Rishabh for the assessment year 2020-21.

OR

- a) State the reasons and process for removal of auditors. (6)
- b) Explain 'Audit report' under Income Tax report. (6)

**Q4.** Explain short term and long term capital gains. (12)

OR

- a) Explain the disqualifications of Company Auditors (6)
- b) Write short note on Central Board of Direct Taxes. (6)

**Q5.** Write short notes on **ANY THREE**. (12)

- a) Auditors right to visit branch
- b) Income Tax authorities
- c) Due dates for filling Income Tax Returns
- d) Qualified opinion of Auditors

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