**ST. JOSEPH’S COLLEGE (AUTONOMOUS), BENGALURU -27**

**B. Com IFA – VI SEMESTER**

**SEMESTER EXAMINATION: APRIL 2023**

**(Examination conducted in May 2023)**

**BCIFADEB6619 – ADVANCED AUDIT AND ASSURANCE II**

**(For current batch students only)**

**Time: 2 ½ Hours Max Marks: 70**

**This paper contains two printed pages and four parts**

**PART-A**

**I. Answer *any FIVE* of the following (5X2=10marks)**

1. Mention the sources of money laundering.
2. Give the meaning of group auditor, component auditor and components.
3. What are agreed upon procedures in audit-related services?
4. List out the types of forecast in prospective financial information.
5. Why written representations are significant? Give an example.
6. State the objectives of Key Performance Indicators in special audit.

**PART-B**

**II. Answer *any THREE* of the following (3x5=15marks)**

1. Outline the benefits of engaging an advisor for due diligence review.
2. Brief out the importance of Financial Action Task Force Act.
3. Summarize the need for social and environmental policies in special audit.
4. Write a short note on Letter of support.

**PART-C**

**III. Answer *any TWO* of the following (15x2=30marks)**

1. Discuss the benefits and drawbacks of joint audit.
2. Elaborate the substantive procedures to detect misstatements of social-environmental matters.
3. Explain in detail the need and importance of forensic audit.

**PART-D**

**IV. Answer the following (15x1=15marks)**

1. A) List out the contents of an audit report. **(5 marks)**

B) You have recently graduated from your university course and start work with ABC firm. You meet an old school friend, Mark, for dinner- you haven't seen each other for - several years. Mark is surprised that you are now working as an auditor because your childhood dream was to be a ballet dancer. Unfortunately, your knees were damaged in a fall and you can no longer dance. The conversation turns to your work and Mark wants to know how you do your job. Mark cannot understand why an audit is not a guarantee the company will succeed. Mark also thinks that company managers will lie to you in order to protect themselves, and as an auditor you would have to assume that you cannot believe anything a company manager says to you.

You are required to explain to your friend Mark, the concept of reasonable assurance, and how reasonable assurance is determined. Explain why an auditor cannot offer absolute assurance. **(10 marks)**

B) You have recently graduated from your university course and start work with an audit

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Risk assessment — considering going concern: operating

Celebrity Land is a theme park operated by an audit client of Best Partne

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