

Summary of Advanced Auditing & Professional Ethics RTP for May 21 exam by Sanket Potphode					
Question No.	Subquestion	Topic	About	Answer	Calculation
CS 1	1	Company Audit	Audit Committee, Internal Audit, Rotation of Auditors	C	
	2	Company Audit & SA 705	Reporting regarding to excess remuneration	b	
	3	CARO	Outstanding Statutory Dues	b	
	4	Company Audit	Payment of Dividend	d	Dividend declared on 20 May 2021 Should be claimed by 19 June 2021 (30 Days) If not claimed transfer to UDA by 26 June 2021 (7 Days) Actually transferred on 31 July 2021 Delay = 35 Days Interest = Rs. 1,00,000/- * 12% * (35/365) = Rs. 1,151/-
	5	Company Audit	Payment of Interim Dividend	b	
CS 2	6	SA 250	Reporting for violation of other laws	c	
	7	Company Audit & CARO	Dispute in FA Title	d	
	8	SA & AS	Impairment of Asset	c	
	9	SA & AS & Schedule II	Depreciation on 24*7 Factory	d	
	10	SA 200	Audit Team questioning appointment of Brand Ambassador	a	
Independent MCQs	11	Audit of Insurance Co.	Type of Re-insurance Contract	a	
	12	Audit Procedures	Account Payable	c	
Descriptive Questions	13 (a)	SA 501	Impracticable to attend Stock Counting		
	13 (b)	Internal Audit	Audit program for PPE		
	13 (C)	SA 510	Opening Balances		
	14	SA 570	Going Concern issue due to Govt.		
	15	Company Audit/LODR	Resignation of Auditor of Listed Entity		
	16 (a)	Audit of Banks	Internal Controls		
	16 (b)	Audit of Insurance Co.	Liability when premium not received		
	17 (a)	Tax Audit	GSTN received but Certificate not received		
	17 (b)	GST Audit	GST applicability on interest for delayed payment		
	18	Management Audit & Operations Audit			
	19 (a)	Professional Ethics	Sch 1 P 1 Clause 11 :- Engaging into business		
	19 (b)	Professional Ethics	Sch 1 P 1 Clause 12 :- Delegation of work		
	20 (a)	Peer Review	Technical/Ethical/Professional Standards		
	20 (b)	Investigation	Important points for preparing report		
	20 (c)	Company Audit	Direction of Tribunal in case of auditor acted in fraudulent manner		
	20 (d)	Company Audit	Schedule III Division II & III difference		
	20	Forensic Audit	Technology Based/Digital techniques		
					1. Rotation = PSC >= 10 Crores, PD >= 50 Crores 2. Internal Audit = Deposit > =25 Crores, PSC >= 50 Crores, Borrowings >= 100 Crores, Turnover >= 200 Crores 3. Audit Committee = PSC >10 Crores, Loans > 50 Crores, Turnover >= 100 Crores 1. Section 143(12) 1. Outstanding as on balance sheet date for more than 6 months (Undisputed) 1. Dividend not claimed within 30 days then within 7 days transfer to Unpaid Dividend Account 1. Transfer to separate bank account within 5 days 2. Transfer to UDA within 7 days of completion of 30 days 1. Violation of 143(12) & Clause 1 of CARO 1. Rest 3 are Treaty 1. Check documents for subsequent sell etc or SA 705 1. If limited audit of 3 quarters of FY is done then limited audit of 4th quarter as well as Audit of FY also to be done. (Except when disqualified as per companies Act) 1. No risk should be assumed till premium is received 1. Difference between these 2 audits 1. Special Executive Magistrate is generally permitted 1. Raising Bills & Issuing acknowledgement for money receipt is allowed