

## FINAL COURSE: GROUP I

## PAPER-3: ADVANCED AUDITING, ASSURANCE AND PROFESSIONAL ETHICS

## (MTP 6: Ch. 5 – Audit Evidence)

## Suggested Answers

Q. No.	Correct Option	Remarks
1	(a) Projected misstatement ₹30 lakh; below materiality, but analyse the causes before concluding.	Total sample misstatement ₹3 lakh × 10 = ₹30 lakh, below ₹5 crore materiality. Auditor should investigate causes and assess if errors are systemic.
2	(c) Assess whether TechSphere's performance-linked fee creates bias and verify system-generated results before reliance.	A variable fee linked to "data reliability" can impair objectivity. Auditor must evaluate the risk of bias and test outputs before reliance.
3	(a) Perform later-date test counts, verify subsequent movements, and reconcile records.	Alternate procedures (roll-forward/roll-back verification) provide equivalent assurance when attendance is impracticable.
4	(d) Obtain further evidence for non-responses and analyse differences before conclusion.	Sufficiency depends on both coverage and quality of evidence. Alternative testing and investigation of mismatches are required.
5	(d) Independently verify Nexon's ownership, trace transactions, and communicate with governance.	Possible undisclosed relationships must be investigated through independent verification and escalated to governance — not merely accepted at face value.

## Link for Resources (Revision Videos, MTPs, Amendments, Charts, etc.)

1	Youtube Channel	<a href="https://www.youtube.com/@altclassesca9193">https://www.youtube.com/@altclassesca9193</a>	
2	Telegram Channel	<a href="https://t.me/altclasses">https://t.me/altclasses</a>	
3	Whatsapp Group for Doubts	<a href="https://chat.whatsapp.com/LSDM362gJy2ErmRgTI7ceA">https://chat.whatsapp.com/LSDM362gJy2ErmRgTI7ceA</a>	
4	LMS Link	<a href="https://altclasses.in/knowledge-forum-ca-final/">https://altclasses.in/knowledge-forum-ca-final/</a>	
5	Contact Number	<b>9319805511, 7206941195</b>	
6	Website Link	<a href="https://altclasses.in/">https://altclasses.in/</a>	

CA Pankaj Garg

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