

Answer ALL questions choosing either (a) or (b).

Each answer should not exceed 600 words.

16. (a) State the advantages of audit.

Or

(b) Define audit note book. What particulars does it contain?

17. (a) Distinguish between internal check and internal audit.

Or

(b) Explain the internal check with regard to payment of wages.

18. (a) What factors to be kept in mind while examining vouchers?

Or

(b) How will you vouch the credit sales and credit purchase?

19. (a) Explain the verification of various liabilities.

Or

(b) How should investments be verified for the purpose of company balance sheet?

20. (a) What are the elements of audit report?

Or

(b) Explain the qualifications of the company auditor.

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B.Com. (CBCS) DEGREE EXAMINATION,  
APRIL 2019.

Sixth Semester

Commerce — Main

AUDITING

(For those who joined in July 2016 onwards)

Time : Three hours

Maximum : 75 marks

PART A — (10 × 1 = 10 marks)

Answer ALL questions.

Choose the correct answer :

1. Final audit is otherwise called as \_\_\_\_\_.  
(a) Complete Audit (b) Periodical Audit  
(c) Internal Audit (d) Both (a) and (b)
2. Investigation may be carried out on behalf \_\_\_\_\_  
(a) Owners (b) Shareholders  
(c) Outsiders (d) Staff
3. Weakness letter is concerned with evaluation of \_\_\_\_\_  
(a) Internal Audit (b) External Audit  
(c) Internal Control (d) Internal Check



4. Internal auditors are appointed by \_\_\_\_\_  
 (a) The shareholders  
 (b) The management  
 (c) Board of directors at the board meeting  
 (d) The Company's statutory auditor
5. \_\_\_\_\_ is to ensure that all the transactions are properly recorded in the books of accounts.  
 (a) Internal check (b) Verification  
 (c) Vouching (d) Valuation
6. Voucher means evidence, it may be \_\_\_\_\_.  
 (a) Erected (b) Cancelled  
 (c) Affixed (d) Any one of these
7. \_\_\_\_\_ is done at the end of the year.  
 (a) Verification (b) Valuation  
 (c) Vouching (d) None of these
8. Goodwill, copyright, patents, trademarks are example of \_\_\_\_\_.  
 (a) Fixed assets (b) Wasting assets  
 (c) Tangible assets (d) Intangible assets
9. In the case of a firm, an auditor is liable for negligence under \_\_\_\_\_.  
 (a) Company law (b) Commercial law  
 (c) Society law (d) Common law
10. The liability of an auditor when he is appointed by a private concern is stated in  
 (a) Indian companies Act, 1956  
 (b) Agreement with the client  
 (c) Industrial Disputes Act  
 (d) The auditor's report given by him

## PART B — (5 × 5 = 25 marks)

Answer ALL questions choosing either (a) or (b).

Each answer should not exceed 250 words.

11. (a) What are the objectives of audit?  
 Or  
 (b) What is an audit programme?
12. (a) What are the advantages of internal check?  
 Or  
 (b) State the objectives of internal check.
13. (a) What are the purpose of vouching?  
 Or  
 (b) How will you vouch salaries in an office?
14. (a) What are the duties of an auditor regards valuation of assets?  
 Or  
 (b) What are the objects of verification?
15. (a) Explain the different kinds of auditor's report.  
 Or  
 (b) What are the contents of audit report?