

**SIXTH SEMESTER B.Com. DEGREE EXAMINATION, MARCH 2017****(CUCBCSS—UG)****BCM 6B 13—AUDITING****Time : Three Hours****Maximum : 80 Marks****Part A***Answer all questions.***I. Choose the correct answer from the following :****1 A statutory auditor has a right of access at all times to :**

- (a) Books and accounts of a company.
- (b) Books, accounts and documents of the company.
- (c) Books, accounts and vouchers of the company.
- (d) Notices and documents of the company.

**2 When auditor does not have any reservation, objection regarding the information under audit then he issues an :**

- (a) Qualified opinion.
- (b) Adverse opinion.
- (c) Unqualified opinion.
- (d) Negative opinion.

**3 Balance sheet audit is also known as :**

- (a) Continues Audit.
- (b) Annual Audit.
- (c) Internal Audit.
- (d) Financial Audit.

**4 Auditor has to obtain ———— audit evidence :**

- (a) Adequate.
- (b) Correct.
- (c) Relevant.
- (d) Sufficient and appropriate.

**5 Civil liability of an auditor implies liability for :**

- (a) Misappropriation of cash.
- (b) Misappropriation of goods.
- (c) Fraud.
- (d) Misfeasance.

**Turn over**

## II. Fill in the blanks :

- 6 Internal check is meant for ———— Prevention of frauds.
- 7 ———— type of audit is conducted by the internal audit staff.
- 8 Concealment of shortage by delaying the recording of cash receipts is known as ————.
- 9 The auditor of a Government Company is appointed by the ————.
- 10 An audit which is compulsory by the law is ————.

(10 × 1 = 10 marks)

**Part B**

*Answer any eight questions.  
Each question carries 2 marks.*

- 11 What is Internal Audit ?
- 12 What do you mean by Audit procedure ?
- 13 What is audit plan ?
- 14 Explain the objective of Tax Audit.
- 15 What do you mean by vouching ?
- 16 What is an audit report ?
- 17 Explain EDP.
- 18 What is Audit in Depth ?
- 19 What is Social Audit ?
- 20 What do you mean by verification of assets and liabilities ?

(8 × 2 = 16 marks)

**Part C**

*Answer any six questions.  
Each question carries 4 marks.*

- 21 Explain the limitations of Auditing
- 22 What are the advantages of internal check ?
- 23 What is audit working paper ? What are its advantages ?
- 24 What are the differences between internal check and internal audit ?
- 25 What are the objectives of vouching of cash transactions ?

- 26 What are the differences between vouching and verification ?
- 27 Explain the qualifications and disqualifications of an auditor.
- 28 What is an audit committee ? Explain its functions.

(6 × 4 = 24 marks)

**Part D**

*Answer any two questions.*

*Each question carries 15 marks.*

- 29 Explain the rights and duties of an auditor.
- 30 Explain the various classification of audit.
- 31 Define Auditing. Explain the liabilities of a Company Auditor.

(2 × 15 = 30 marks)