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Reg. No.....

Name.....

B.Com. DEGREE (C.B.C.S.S.) EXAMINATION, APRIL 2013

Sixth Semester

Core Course 16—PRACTICAL AUDITING

(Common for B.Com. Model I and Model II and U.G.C.
sponsored B.Com. Degree Programmes)

Time : Three Hours

Maximum Weight : 25

Answers may be written either in English or in Malayalam.

Section A

*This section consists of four bunches of four questions each.
Each bunch carries a weight of 1.*

I. Choose the correct answer from the choices given :

1. An audit which is governed, authorised and made compulsory under any law is called _____ audit.
 - (a) Government audit.
 - (b) Statutory audit.
 - (c) Management audit.
 - (d) Social audit.
2. According to Section 224 (IB) an individual cannot be auditor of more than _____ companies at a time.
 - (a) 10.
 - (b) 15.
 - (c) 20.
 - (d) 5.
3. The remuneration of first auditor is fixed by :
 - (a) Board of Directors.
 - (b) Government.
 - (c) Shareholders.
 - (d) Employees.
4. Audit working papers are the property of the _____ only.
 - (a) Client.
 - (b) Auditor.
 - (c) Shareholders.
 - (d) Government.

II. Fill in the blanks :

5. Final audit is also known as _____ audit.
6. _____ audit is the process of auditing in computerised environment.
7. An audit conducted in between two annual audit is called _____ audit.
8. Liabilities of an auditor to pay damages are known as _____ liabilities.

Turn over

III. State whether the following statements are True or False :

9. Only a Chartered Accountant can carryout statutory audit.
10. An audit programme, once drawn, needs no revision.
11. Management audit is compulsory under law.
12. Internal control and internal check are the part of internal audit function.

IV. Match the following :

- | | |
|----------------------|------------------------|
| 13. Fraud | — Division of labour. |
| 14. Final Audit | — Intentional mistake. |
| 15. Internal check | — Statutory audit. |
| 16. Compulsory audit | — Complete audit. |

(4 × 1 = 4)

Section B

*Answer any five questions.
Each question carries a weight of 1.*

17. What is internal audit ?
18. What is clean audit report ?
19. How is current asset valued ?
20. Define Investigation.
21. What is statutory report ?
22. What is an Audit Note Book ?
23. Explain the meaning of cost audit.
24. Define Vouching.

(5 × 1 = 5)

Section C

*Answer any four questions.
Each question carries a weight of 2.*

25. Explain the scope of audit assurance standards.
26. What are the objectives of government audit ?
27. Distinguish between verification and valuation of assets.
28. What are the features of an audit programme ?
29. Vouching is the back bone of auditing. Explain.
30. Explain the significance of Cost Audit.

(4 × 2 = 8)

Section D

*Answer any two questions.
Each question carries a weight of 4.*

31. Define Investigation. Describe the mode of investigation on behalf of a person who wishes to purchase a running business.
32. Define Auditing. Explain the advantages and disadvantages of auditing.
33. Discuss the rights and duties of an auditor under the Companies Act 1956.

(2 × 4 = 8)