

(6 Pages)

Reg. No. :

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B.Com. (CBCS) DEGREE EXAMINATION,
APRIL 2020.

Sixth Semester

Commerce — Main

AUDITING

(For those who joined in July 2016 only)

Time : Three hours

Maximum : 75 marks

PART A — (10 × 1 = 10 marks)

Answer ALL the questions.

Choose the correct answer :

1. The audit of partnership firm is _____
(a) Optional (b) Compulsory
(c) Discretionary (d) None of the these
2. Cost audit is conducted by the _____
(a) Cost auditor (b) accountant
(c) Cost accountant (d) None of these

3. Internal audit facilities —————
- (a) Internal check
 - (b) Internal control
 - (c) Final audit
 - (d) None of the above
4. Internal control is —————
- (a) A part of internal check
 - (b) A part of internal audit
 - (c) Whole system of control employed by the management
 - (d) None of these
5. Vouching is done with the help of —————
- (a) Auditor's staff (b) Voucher
 - (c) Clerical staff (d) Bills and memos
6. Which one of the following is documentary evidence?
- (a) Vouching (b) Voucher
 - (c) Violence (d) None of these
7. ————— is done at the end of the year
- (a) Verification (b) Valuation
 - (c) Vouching (d) None of these

8. Verification means _____
(a) Proving the truth (b) Confirmation
(c) Both (a) and (b) (d) Neither (a) nor (b)
9. Joint auditors are appointed in _____
(a) Small scale industries
(b) A company which has several departments
(c) A firm where more partners are there
(d) A company which has six departments
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) Explain any five advantages of audit.

Or

- (b) What do you mean by test checking?

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

Or

- (b) What are the objectives of internal check?

13. (a) Define vouching. What are its objects?

Or

- (b) How would an auditor vouch the wages paid to workers?

14. (a) Enumerate the methods of valuation of stock-in-trade.

Or

- (b) What are the objectives of verifications?

15. (a) Enumerate the characteristics of a good report.

Or

- (b) State the various rights of company auditor.

PART C — (5 × 8 = 40 marks)

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

Each answer should not exceed 600 words.

16. (a) How is auditing different from accounting?

Or

- (b) What are the objectives of audit?

17. (a) Describe the system of internal check as to cash receipts and cash payments.

Or

- (b) What are the advantages and disadvantages of internal check?

18. (a) What are the points to be considered while examining the vouchers?

Or

- (b) Voucher is the essence of audit-discuss.

19. (a) What are the duties of an auditor regards verifications of assets?

Or

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

20. (a) Explain the qualifications of the company auditor.

Or

- (b) What are the elements of audit report?
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