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M 572

Reg. No. : .....

Name : .....



**VI Semester B.A./B.Sc./B.Com./B.B.A./B.B.A.T.T.M./B.B.M./B.C.A./B.S.W./  
B.A. Afsal UI Ulama Degree (CCSS – Regular) Examination, April 2012  
CORE COURSE IN COMMERCE  
6 B15 COM : Auditing**

Time : 3 Hours

Max. Weightage: 30

**PART – A**

This Part consist of **two** bunches of question carrying **equal** weightage of **one**. Each bunch consist of **four** objective type questions. Answer **all** questions.

- I. 1. Error committed in the course of recording transaction are called
  - a) Clerical error
  - b) Compensating error
  - c) Error of principle
  - d) None of these
2. Audit conducted at the will of the proprietor of the concern is called
  - a) Private audit
  - b) Complete audit
  - c) Voluntary audit
  - d) Partial audit
3. Diary maintained by the audit clerk during the course of audit for recording his observation are popularly called
  - a) Audit working paper
  - b) Audit note book
  - c) Audit programme
  - d) None of these
4. CAAT stands for
  - a) Computer Aided Auditing Technique
  - b) Computer Assisted Auditing Technique
  - c) Computer Audit And Technique
  - d) None of these

(W.=1)

II. State whether the following statement are **True** or **False** :

5. The first auditors of newly started company are appointed by the shareholders
6. Liabilities of an auditor to pay damages are known as civil liabilities.
7. Clean report is one in which auditor insert some qualification and modification.
8. Forfeited shares may be reissued by the company director's if the articles permit than to do.

(W.=1)

P.T.O.



## PART – B

Answer **any eight** questions in **one** or **two** sentences **each**. **Each** question carries a weightage of **one**.

9. What is cost audit ?
10. What do you mean by statutory liability ?
11. Mention any two examples of contingent liability.
12. What is collateral vouchers ?
13. Mention any two examples of voucher.
14. Define internal control.
15. Who are all the managerial personnel of a company ?
16. What is profit prior to incorporation ?
17. What do you mean by shares issued at a premium ?
18. What do you mean by flow chart ?

(W. 8×1=8)

## PART – C

Answer **any six** questions. Answer not to exceed **one** page. **Each** question carries a weightage of **2**.

19. Briefly state the main objects of auditing.
20. What are the advantages of audit ?
21. Distinguish between government audit and commercial audit.
22. What are the objective of an audit programme ?
23. Mention the areas where the use of computer in auditing may be relevant.
24. What do you mean by 'Audit in depth'? State the objectives ?
25. Point out the duties of an auditor in respect to valuation of stock.
26. What are the essentials of a valid voucher.

(W. 6×2=12)

## PART – D

Answer **any two**. **Each** question carries a weightage of **four**. Answer **not** to exceed **four** pages.

27. Discuss the rights and powers of an auditor under 'The Companies Act 1956'.
28. Explain the auditor's duties regarding valuation of stock.
29. What is continuous audit ? What are the merits and demerits ?

(W. 2×4=8)