

B.Com. (CBCS) DEGREE EXAMINATION,  
NOVEMBER 2023.

Sixth Semester

Commerce – Core

AUDITING

(For those who joined in July 2017 – 2020)

Time : Three hours Maximum : 75 marks

PART A – (10 × 1 = 10 marks)

Answer ALL questions.

Choose the correct answer :

1. The term audit is derived from the latin term \_\_\_\_\_.
- (a) Auditae (b) Audi  
(c) Audis (d) Audire

2. Audit Programme forms part of \_\_\_\_\_.
- (a) Audit note book  
(b) Audit working papers  
(c) Audit files  
(d) Investigation
3. The main object of internal check
- (a) To detect errors and frauds  
(b) To examine accounts  
(c) To verify assets  
(d) To verify liabilities
4. Internal auditor is appointed by \_\_\_\_\_.
- (a) The share holders (b) The management  
(c) The government (d) The statutory body
5. Which of the following is termed as backbone of auditing?
- (a) Vouching (b) Verification  
(c) Valuation (d) Interim audit
6. \_\_\_\_\_ is paid to creditors.
- (a) Dividend (b) Investment  
(c) Profit (d) Interest

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7. The correctness of money value of assets and liabilities appearing in the balance sheet is \_\_\_\_\_.
- (a) Verification (b) Valuation  
(c) Amalgamation (d) Absorption
8. Which of the following does not require physical verification?
- (a) Stock (b) Plant  
(c) Goodwill (d) Loose tools
9. A person can be appointed as an auditor in \_\_\_\_\_ companies.
- (a) 20 (b) 25  
(c) 30 (d) 35
10. Audit report with reservations is known as \_\_\_\_\_.
- (a) Clean report  
(b) Qualified report  
(c) Adverse Opinion  
(d) Disclaimer of opinion

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PART B – (5 × 5 = 25 marks)

Answer ALL questions, choosing either (a) or (b).  
Each answer should not exceed 250 words.

11. (a) State the difference between Accountancy and Auditing.
- Or
- (b) What are the advantages of Audit Programme?
12. (a) State the features of Internal control.
- Or
- (b) Write the internal check system for Purchase returns.
13. (a) Discuss the importance of Vouchers.
- Or
- (b) What are the types of Voucher?
14. (a) What are the objectives of verification of Liabilities?
- Or
- (b) What do you mean by Fictitious assets? Give some examples.

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[P.T.O.]



15. (a) Narrate the disqualifications of auditor.

Or

(b) State the different kinds of audit report.

PART C — (5 × 8 = 40 marks)

Answer ALL questions, choosing either (a) or (b)  
Each answer should not exceed 600 words.

16. (a) Discuss the advantages and limitations of auditing.

Or

(b) Describe the preliminary steps to be taken before commencement of an audit.

17. (a) What are the advantages of internal check system?

Or

(b) Describe the internal check system for cash sales.

18. (a) State the precautions to be taken by an auditor while examining vouchers.

Or

(b) How would you vouch Purchase book?

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19. (a) Describe how auditor is verifying Goodwill and trademarks.

Or

(b) What are the different types of assets?

20. (a) Describe the various rights conferred on a Company auditor.

Or

(b) Explain the contents of Audit report.

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