

(Pages : 3)

R – 1408

Reg. No. : .....

Name : .....



**Sixth Semester B.Com. Degree Examination, April 2023**

**First Degree Programme under CBCSS**

**Core Course**

**CO 1641/CX 1641/ TT 1641/ HM 1641/CC 1641 – AUDITING**

**(Common for Commerce/Commerce & Tax Procedure and Practice/Commerce and Tourism and Travel Management/Commerce and Hotel Management and Catering/Commerce with Computer Applications)**

**(2018 Admission Onwards)**

Time : 3 Hours

Max. Marks : 80

**SECTION – A**

Very short answer. Answer **all** questions. Each question carries **1** mark.  
(One sentence to maximum two sentences)

1. What is management audit?
2. What is meant by statutory audit?
3. Define social audit.
4. Give a brief account of 'Audit Trials'.
5. What is primary voucher?
6. What is meant by verification?

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7. What do you understand by wasting assets?
8. Give an example of an asset subject to depletion.
9. What is FIFO?
10. What is a Qualified Audit Report?

(10 × 1 = 10 Marks)

### SECTION – B

Short answer. Answer any **eight** questions. Each question carries **2** marks.  
(Not to exceed one paragraph).

11. Give any two advantages of auditing.
12. Briefly explain the concept of 'Auditor's Independence'.
13. Give any two examples of auditor's working papers.
14. What do you mean by audit note book?
15. Enumerate the objects of Audit Programme.
16. What are the advantages of internal check to the auditor?
17. What are the objectives of vouching?
18. What is the meaning of the term "fraud"?
19. What do you mean by errors of principle? Give examples.
20. Briefly explain an auditor's liability for negligence.
21. State the three conditions that must be proved to hold an auditor criminally liable.
22. Write a short note on the remuneration of company auditors.

(8 × 2 = 16 Marks)

### SECTION – C

Short essay. Answer any **six** questions. Each question carries **4** marks.  
(Not to exceed 120 words)

23. What are the purposes of cost audit?
24. Briefly explain the advantages of Audit Note Book.
25. What are the basic principles of internal control? Also enumerate the characteristics of a good internal control.
26. Distinguish between routine checking and vouching.
27. Enumerate the advantages and limitations of 'test checks'.
28. "Vouching is the essence of auditing". Explain.
29. Explain the disqualifications of a company auditor.
30. What are the objects of investigation?
31. On what grounds a Statutory Auditor ceases to be an auditor of a company?

**(6 × 4 = 24 Marks)**

### SECTION – D

Long essay. Answer any **two** questions. **Each** question carries **15** marks.

32. What do you mean by continuous audit? What are the advantages and disadvantages of continuous audit?
33. Discuss the steps would you suggest for internal checks with respect to cash receipts.
34. Discuss the differences between verification and valuation of assets.
35. Discuss the status of a statutory auditor.

**(2 × 15 = 30 Marks)**