

COM/VI/17

2016

(6th Semester)

COMMERCE

Paper : BC-617

(**Auditing**)

Full Marks : 75

Time : 3 hours

(PART : B—DESCRIPTIVE)

(*Marks : 50*)

*The figures in the margin indicate full marks
for the questions*

Answer **one** question from each Unit

UNIT—I

1. Discuss the various objects of an audit. 10
2. What is auditing? Discuss the advantages of auditing. 3+7=10

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(Turn Over)

(2)

UNIT—II

3. What is an audit programme? Discuss the advantages of an audit programme. 3+7=10
4. Discuss the objects of internal check. Point out the distinction between internal check and internal audit. 4+6=10

UNIT—III

5. What do you mean by verification of assets? What are its objects? 3+7=10
6. What are the objectives of vouching? What are the points to be kept in mind while examining vouchers? 4+6=10

UNIT—IV

7. State the rights and duties of an auditor of a company under the Companies Act. 10
8. What do you mean by divisible profit? What are the auditor's duties with regard to payment of dividend by a company? 3+7=10

(3)

UNIT—V

9. What is cost audit? Discuss the objects of cost audit. 3+7=10
10. Draft a suitable audit programme to conduct the audit of any *two* of the following : 5×2=10
- (a) Hospital
 - (b) Club
 - (c) Cinema Hall

2016

(6th Semester)

COMMERCE

Paper : BC-617

(Auditing)

(PART : A—OBJECTIVE)

(Marks : 25)

The figures in the margin indicate full marks for the questions

Answer **all** questions

SECTION—A

(Marks : 10)

1. Indicate whether the following statements are *True (T)*
or *False (F)* by putting a Tick (✓) mark : $1 \times 5 = 5$

(a) An audit undertaken under law is called
continuous audit.

(T / F)

(b) Internal check and internal audit are vital
components of the system of internal control.

(T / F)

(c) Section 224 of the Companies Act, 1956 deals with special audit.

(T / F)

(d) A documentary evidence produced in support of each and every entry made in the books of account is voucher.

(T / F)

(e) A vacancy caused by the resignation of an auditor during the term of his appointment, the vacancy shall only be filled by the company at the general meeting.

(T / F)

2. Choose the correct answer and put its code in the brackets provided : $1 \times 5 = 5$

(a) The first auditor of a company shall be appointed by

(i) Board of Directors

(ii) Top-level management

(iii) Shareholders

(iv) Accountant General

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(3)

(b) The Section which contains provisions regarding remuneration of the auditor is

(i) Section 224 (9)

(ii) Section 224 (7)

(iii) Section 224 (8)

(iv) None of the above

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(c) Interim audit refers to an audit conducted

(i) in between the two different accounting years

(ii) in between two annual audits

(iii) in between one statutory audit, one management audit and one internal audit

(iv) None of the above

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(d) The work of one clerk is automatically checked by another clerk is called

(i) internal control

(ii) internal check

(iii) internal audit

(iv) None of the above

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(e) Management audit is conducted by

(i) the statutory auditor

(ii) government auditor

(iii) cost auditor

(iv) None of the above

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(5)

SECTION—B

(Marks : 15)

3. Write notes on the following :

3×5=15

(a) Interim audit

(b) Meaning of fraud

3. Write notes on the following

- (a) Internal audit
- (b) Internal control
- (c) Internal audit
- (d) None of the above

(e) Management audit is conducted by

- (a) the statutory auditor
- (b) government auditor
- (c) cost auditor
- (d) None of the above

(7)

(c) Errors of principle

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(d) Voucher

(9)

(e) Meaning of verification
