

FINAL YEAR B.Com. DEGREE EXAMINATION, MARCH/APRIL 2008

Reg. No.....

Part III—Commerce (Main)

Paper XI—AUDITING

(2005 and earlier admissions)

(New Scheme)

Time : Three Hours

Maximum : 80 Marks

**Section A**

*Answer any ten questions in not exceeding 2 or 3 lines each.  
Each question carries 1 mark.*

1. Who is CAG ?
2. State the primary objectives of audit.
3. Define Social Audit.
4. What is Teeming and Lading ?
5. What is Management Audit ?
6. Define Capital Reserve.
7. Define Stock Dividend.
8. What is a qualified report ?
9. Define Contingent Assets.
10. Define Audit Programme.
11. What is Systems Audit ?
12. What is Intrinsic value ?

(10 × 1 = 10 marks)

**Section B**

*Answer any ten questions in not exceeding one page each.  
Each question carries 4 marks.*

13. Define Investigation and state any four distinctions between Investigation and Auditing.
14. What are the aspects of Cost Audit ?
15. State the advantages of Audit Programmes.
16. Enumerate the main principles of auditing.
17. Make distinctions between Internal Audit and External Audit.
18. "In vouching payments the auditor does not merely seek proof that money has been paid away"—  
Explain.

19. State the causes for depreciation of assets.
20. State the duties of an auditor in the case of secret reserves.
21. Draft a specimen audit report.
22. What are the advantages of Management Audit ?
23. What are the various methods of Debenture Redemption ?
24. State the duties of an auditor in connection with share transmission.

(10 × 4 = 40)

### Section C

*Answer any two questions in not exceeding four pages each.*

*Each question carries 15 marks.*

25. What preparations would you make before the commencement of Company Audit ?
26. Discuss the provisions regarding the appointment and removal of Company Auditors.
27. As an auditor how will you verify the fixed assets ?
28. Discuss the objectives, benefits and limitations of continuous audit.

(2 × 15 = 30)