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Name.....

Reg. No.....

**SIXTH SEMESTER B.Com./B.B.A. DEGREE EXAMINATION, MARCH 2020**

(CUCBCSS—UG)

B.Com.

**BCM 6B 13—AUDITING AND CORPORATE GOVERNANCE**

(2017 Admissions)

Time : Three Hours

Maximum : 80 Marks

**Part A**

I. Answer *all* questions. Each question carries 1 mark :

1 Which of the following types of audit is not statutorily required for companies in India ?

- (a) Internal audit.
- (b) Cost audit.
- (c) Audit of annual financial statements.
- (d) Tax audit.

2 Verification refers to :

- (a) Examining the physical existence and valuation of assets.
- (b) Examining the journal and ledger.
- (c) Examination of vouchers related to assets.
- (d) None of the above.

3 Test Checking refers to :

- (a) Testing of accounts and records.
- (b) Checking of selected number of transactions.
- (c) Examination of adjusting and closing entries.
- (d) Checking of all transactions recorded.

4 Window dressing implies :

- (a) Curtailment of expenses.
- (b) Checking of Wastages.
- (c) Under valuation of assets.
- (d) Over Valuation of assets.

Turn over

5 Audit programme is prepared by :

- (a) The auditor.
- (b) The client.
- (c) The audit assistants.
- (d) The auditor and his audit assistants.

Fill in the blanks :

- 6 An audit which is compulsory by the law is \_\_\_\_\_.
- 7 Process of verifying the documentary evidences of transactions are known as \_\_\_\_\_.
- 8 Legal proceeding in which one or several plaintiffs bring suit on behalf of a group is called \_\_\_\_\_.
- 9 \_\_\_\_\_ refers to Checking of selected number of transactions.
- 10 The kind of audit conducted generally between two annual audit is called \_\_\_\_\_.

(10 × 1 = 10 marks)

### Part B

II. Answer any *eight* questions. Each question carries 2 marks :

- 11 What do you mean by Environment audit ?
- 12 What is teeming and lading ?
- 13 What do you mean by Investigation ?
- 14 List out the Rights of an auditor.
- 15 What do you mean by Audit working papers ?
- 16 What is meant by a Qualified Audit Report ?
- 17 What do you mean by Management Audit ?
- 18 What do you understand from Green governance ?
- 19 What do you mean by Whistle blowing ?
- 20 What is meant by Insider trading ?

(8 × 2 = 16 marks)

**Part C**

III. Answer any *six* questions. Each question carries 4 marks :

- 21 What are the basic principles which govern the auditors whenever he carries out an Audit ?
- 22 What do you mean by Continuous audit ? What are its advantages and disadvantages ?
- 23 "An auditor is responsible for the detection of errors and frauds." Comment.
- 24 Distinguish between Vouching and Verification.
- 25 What do you mean by Internal audit ? What are its objectives ?
- 26 What do you mean by Audit Programme ? What are its advantages and disadvantages ?
- 27 Explain the various theories of corporate governance.
- 28 Briefly explain the various reasons that may lead to corporate failure.

(6 × 4 = 24 marks)

**Part D**

IV. Answer any *two* questions. Each question carries 15 marks :

- 29 What do you mean by Auditing ? Explain the various object of auditing.
- 30 What are the steps taken by an auditor for vouching of non-cash items ?
- 31 Explain the various duties and liabilities of an auditor ?

(2 × 15 = 30 marks)