

B.Com. 5th Semester

AUDITING

Paper—BCG-505

Time Allowed—3 Hours] [Maximum Marks—50

Note :— This question paper consists of *three* sections.

SECTION—A (10 marks)

Note :— This section consists of *twelve* very short answer questions and students are required to attempt any *ten* questions with answer to each question up to *five* lines in length. Each question carries 1 mark.

1. (i) Accounting and Auditing
- (ii) Scope of Audit
- (iii) Objectives of Auditing
- (iv) Audit Planning
- (v) Internal Check vs. Internal Control
- (vi) Statutory requirements of Internal Audit
- (vii) Primary Vouchers
- (viii) Routine checking and Vouching
- (ix) Verification vs. Valuation
- (x) Vouching of Petty Cash Book
- (xi) Clean Audit Report
- (xii) Tax Audit.

SECTION—B (20 marks)

Note :— This section consists of *four* questions and students are required to attempt any *two* questions with answer to each question up to *five* pages in length. Each question carries **10** marks.

2. Describe the different errors that are not revealed by trial balance. Also, explain the steps an auditor would take to detect these errors.
3. Write a detailed note on various audit classifications along with their advantages and disadvantages.
4. Define internal check. Enumerate a suitable system of internal check for recording cash receipts and cash payments.
5. What are the essential characteristics of a good internal control system ? Highlight the position of an auditor in relation to such system.

SECTION—C (20 marks)

Note :— This section consists of *four* questions and students are required to attempt any *two* questions with answer to each question up to *five* pages in length. Each question carries **10** marks.

6. Define vouching. Explain various aspects that should be taken into consideration during vouching.
7. How would an auditor proceed to vouch credit sales and sales returns ?
8. Describe the duties of an auditor related to vouching of payment side of cash book.
9. 'Auditor's report should contain adequate disclosures of the facts but it should not be too detailed.' Discuss the statement and draft a specimen of audit report.