V semester B.Com examination, Nov./Dec. 2007

(Semester scheme)

COMMERCE

Elective Paper-5.6: Auditing - I

Time: 3 hrs max. marks:90

SECTION-A

1. Answer any 10 sub-questions. Each sub question carries 2 marks (10x2=20).

- a) Give the meaning of embezzlement of cash.
- b) What do you mean by compensating error?
- c) What is routine checking?
- d) Name two types of audit report.
- e) What is a project?
- f) Why journal voucher is used in computerized accounting?
- g) Expand EDP and CAAT.
- h) What is statutory audit?
- i) What is deferred revenue expenditure?
- j) State two types of internal control.
- k) Define internal check.
- I) What is a tangible asset?

SECTION-B

Answer any five of the following. Each question carries 5 marks.

- 2. "An auditor is a watch-dog and not a blood-hound". Discuss.
- 3. State the limitations of audit.
- 4. What are the objectives of verification of assets?
- 5. What is meant by CAAT?
- 6. Briefly explain internal check as regards cash sales.
- 7. State the contents of audit note book.
- 8. What is meant by manipulation of accounts?
- 9. Explain Government audit.

SECTION-C

Answer any three of the following. Each question carries 15 marks.

- 10. Bring out the steps to be taken by an auditor before commencing a new audit of a company.
- 11. How do you verify the following:
- a) Sundry creditors
- b) Bills payable
- c) Contingent liability
- 12. What is an audit report? Explain the contents and essential features of a good audit report.
- 13. Explain audit working papers and audit files as vital tools of an audit work.
- 14. What are the statutory qualification and duties of an auditor?