

B.com (B&I) Sem-IV

NOV-15

Auditing

QP Code : 24316

Admission - Oct - 2015

(1) (2 ½ Hours)

[Total Marks : 75

- N.B. :** (1) All questions are compulsory subject to Internal Choice
(2) Figures to the right indicate full marks.

1. (a) Choose the correct alternative from the given option and rewrite the sentence :
- _____ is an important audit technique.
(Inquiry, Training, Co.ordination)
 - _____ is concerned with assets & liabilities.
(Verification, Calculation, arithmetical accuracy.)
 - _____ is the amount of profit available for distribution of dividend.
(Net profit Before Tax, Depreciation, Divisible profit)
 - The auditor of an insurance company is to be appointed at the _____ of the shareholders.
(Annual General Meeting, Management Meeting, Interim Meeting)
 - A bank must transfer _____ of its profit to Reserve fund before declaring dividend.
(20%, 30%, 50%)
 - Every general insurance company required to create a _____ reserve.
(catastrophe, general, claim)
 - _____ audit is conducted to assess the internal control system.
(Energy, System, Due diligence)
 - Management auditor is appointed by _____
(Shareholders, Central government, Management.)
- (b) State whether following statement are 'True' or 'False'
- Audit planning involves developing an overall plan for the conduct of audit.
 - Cost auditor is appointed by shareholders of the company.
 - Unqualified report is also known as clean report.
 - Auditor has a right to receive notice of Annual General Meeting.
 - NOSTRO account is maintained by insurance company.
 - SEBI is basically for protection of rights & interest of only mutual fund holders.
 - Audit committee should have atleast five members.

2. (a) What are the basic principles of auditing.
(b) What is vouching? Explain the procedure of vouching preliminary expenses.

OR

- (c) Explain the difference between internal check and internal control.
(d) What is cost audit? What are the special features of cost audit?

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Audit (2)

2

3. (a) What are the provisions relating to appointment of the company auditor? 8
(b) What are the provisions relating to maintenance of books of accounts? 7

OR

3. (c) What are the liabilities of company auditor? 8
(d) What is annual report? What are the contents of annual report? 7

4. (a) How would you evaluate the internal control system of the bank. 8
(b) Explain the audit procedure for premium received by an insurance company. 7

OR

4. (c) What is Long form Audit Report? Explain its significance. 8
(d) Explain the duties & powers of CAG. 7

5. (a) What is Energy audit? What are the objectives of Energy audit? 8
(b) Explain five instances of Professional misconduct of an auditor. 7

OR

5. (c) What is social audit? What are the objectives of social audit? 8
(d) What is audit committee? What are its functions? 7

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