

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)

BCom DEGREE EXAMINATION DECEMBER 2024

(Fifth Semester)

Branch – COMMERCE (PROFESSIONAL ACCOUNTING)

AUDITING - II

Time: Three Hours

Maximum: 75 Marks

SECTION-A (10 Marks)

Answer ALL questions

ALL questions carry EQUAL marks

(10 x 1 = 10)

- 1 The excess of the face value of the shares shall be transferred to ____
(i) Capital Redemption Reserve (ii) Securities Premium
(iii) Revenue Reserves (iv) Capital Gains Deposits Account
- 2 Which of the following shares are issued by the company to directors or employees for providing know-how or making available rights in the nature of intellectual property rights?
(i) ESOP (ii) Rights Shares
(iii) Sweat Equity Shares (iv) Preference Shares
- 3 Which of the following represents systematic allocation of the depreciable amount of an intangible asset over its useful value?
(i) Depreciation (ii) Amortisation
(iii) Appreciation (iv) Distribution
- 4 Which assertion is common among income statement and balance sheet captions?
(i) Existence (ii) Valuation
(iii) Completeness (iv) Measurement
- 5 Which of the following may be defined as the information used by the auditor in arriving at the conclusions on which the auditor's opinion is based ?
(i) Audit Programme (ii) Audit Plan
(iii) Audit Note Book (iv) Audit Evidence
- 6 CAG shall appoint the subsequent auditors within _____ days
(i) 30 Days (ii) 60 Days
(iii) 180 Days (iv) 90 Days
- 7 For a company other than Government Company, first auditor shall be appointed by -----
(i) CAG (ii) Members
(iii) Board of Directors (iv) Promoters
- 8 The Auditor of a Sole Proprietor Concern is appointed by
(i) CAG (ii) Bank
(iii) Sole Proprietor himself (iv) District Administration
- 9 In case of Frauds involving amount less than INR 1 crores, the auditor should report to the
(i) Central Government
(ii) Reserve Bank of India
(iii) Board of Directors / Audit Committee
(iv) Comptroller & Audit General
- 10 Drawing Power in case of a Consortium advance is computed and allocated to member banks by the
(i) Bank members proportionately (ii) Lead bank
(iii) Borrower (iv) Reserve Bank of India

Cont...

SECTION - B (35 Marks)

Answer ALL Questions

ALL Questions Carry EQUAL Marks

(5 x 7 = 35)

- 11 a Describe vouching of cash receipts.

OR

- b Summarise the procedures for vouching forward purchase and purchase returns.

- 12 a Explain the audit procedures of provisions and contingent liabilities.

OR

- b Summarise the audit procedures of inventories.

- 13 a Classify the types of modified opinion.

OR

- b Explain the qualifications and disqualifications of an auditor.

- 14 a Explain the basic elements of the audit report.

OR

- b State the powers and duties of auditor.

- 15 a Analyse the differences between partnership firm and LLP.

OR

- b Summarise the audit procedures for audit of hospitals.

SECTION - C (30 Marks)

Answer any THREE Questions

ALL Questions Carry EQUAL Marks

(3 x 10 = 30)

- 16 Discuss in detail the audit procedures of share capital.

- 17 Enumerate the procedures to be followed at the time of audit of payments.

- 18 Examine the Procedures for Appointment of First Auditors and Subsequent Auditors as per the provisions of Section 139 of Companies Act, 2013.

- 19 Elucidate the matters to be mentioned in CARO, 2020.

- 20 Outline the Audit Plan to be concentrated by the Auditor for NGO.

Z-Z-Z

END