

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)

BCom DEGREE EXAMINATION MAY 2023
(Fourth Semester)

Branch – COMMERCE (PROFESSIONAL ACCOUNTING)

AUDITING - I

Time: Three Hours

Maximum: 50 Marks

SECTION-A (5 Marks)

Answer ALL questions

ALL questions carry EQUAL marks

(5 x 1 = 5)

- 1 Audit Means
 - (i) Recording Business Transactions
 - (ii) Preparing the final accounts
 - (iii) Examination of Books, Accounts, Vouchers etc
 - (iv) Preparing Balance Sheet
- 2 As per SQC 1, the firm should form a system of _____ intended for providing reasonable assurance that a firm and its employees adhere to the professional standards and legal and regulatory requirements. its employees adhere to the professional standards and legal and regulatory requirements.
 - (i) Quality Control
 - (ii) Making an audit team
 - (iii) Regulatory
 - (iv) Reporting Requirements
- 3 Which of the following is one of the procedures in the planning phase?
 - (i) Determine materiality
 - (ii) Select staff to perform the audit
 - (iii) Prepare client proposal
 - (iv) Determine need for other professionals
- 4 Risk arises to inherent limitations of control is known as.
 - (i) Inherent Risk
 - (ii) Control Risk
 - (iii) Risk of Material Misstatements
 - (iv) Detection Risk
- 5 When the auditor decides to select less than 100 percent of the population for testing, the auditor is said to use ?
 - (i) audit sampling.
 - (ii) representative sampling.
 - (iii) poor judgment.
 - (iv) estimation sampling.

SECTION - B (15 Marks)

Answer ALL Questions

ALL Questions Carry EQUAL Marks

(5 x 3 = 15)

- 6 a Explain the Objectives of Auditing.
OR
b Describe the advantages of Auditing.
- 7 a Summarize the Qualities of Auditor.
OR
b Narrate the Process of Standard Setting.
- 8 a Distinguish between Permanent File and Current File.
OR
b Explain the Audit procedure for obtaining Audit Evidence.

Cont...

- 9 a Describe the Risk Assessment Procedure.
OR
b State the Elements of Internal Control.

- 10 a Bring out the Types of Controls.
OR
b Narrate Audit Sampling.

SECTION -C (30 Marks)

Answer ALL questions

ALL questions carry EQUAL Marks

(5 x 6 = 30)

- 11 a Discuss the Basic Principles governing an Audit.
OR
b Classify the Relationship of Auditing with other disciplines.
- 12 a Enumerate the Terms of engagement in recurring Audit
OR
b Elucidate the Control of Quality of Audit Work.
- 13 a Identify the Audit Procedure for obtaining Audit Evidence.
OR
b Discover the Ownership and Custody of Working Papers.
- 14 a Examine the Evaluation of Internal Control Systems.
OR
b Justify – Auditor’s responsibility for prevention and detection of Fraud as per SA 230.
- 15 a Point out & Explain the Impact of IT related risks.
OR
b Summarize the Types of Sampling.

Z-Z-Z

END