

**PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)**

**BCom DEGREE EXAMINATION MAY 2023
(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 Choose from the following the prime duty of auditor as per Section 143 (9)
(i) Attend any general meeting (ii) Report Fraud
(iii) sign the report (iv) Comply with Accounting Standards of ICAI
- 2 Identify the accounts on which Auditor gives report on
(i) Truthfulness of Accounts (ii) Fairness of Accounts
(iii) Validity of Accounts (iv) All of these
- 3 Indicate the book on which test checking should not be applied to
(i) Sales Book (ii) Purchase Book
(iii) Bank Reconciliation Statement (iv) Bills book
- 4 Identify the item on which dividend cannot be paid.
(i) Capital Profits (ii) Capital Receipts
(iii) Revenue Receipts (iv) Specific Reserve
- 5 Which of the following person is qualified to be a company auditor?
(i) An Employee of the Company (ii) A person who is indebted to the company
(iii) A body corporate (iv) A Practicing Chartered Accountant
- 6 Who would normally appoint Company Auditor?
(i) Central Government (ii) Shareholders
(iii) Board of Directors (iv) Company Law Board
- 7 Which of the following is the end product of any audit process ?
(i) Audit Report (ii) Auditor's Opinion
(iii) True state of Affairs (iv) Guarantee to Correctness of Accounts
- 8 Which of the following entities require Continuous Audit?
(i) Banking Company (ii) Trading Company
(iii) Smaller Concerns (iv) Manufacturing Company
- 9 Identify the contribution made towards the capital of an NGO
(i) Corpus Contribution (ii) Relief Fund
(iii) Donation (iv) Capital Contribution
- 10 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

Cont...

SECTION - B (35 Marks)

Answer ALL Questions

ALL Questions Carry EQUAL Marks

(5 x 7 = 35)

- 11 a Bring out the points to be considered for Trade Receivables.
OR
b Explain the Vouching of Cash and Credit Purchases.
- 12 a Discuss the Audit Procedures of Petty Cash Payments.
OR
b Describe the Audit Procedures of Dividend Income.
- 13 a Analyse the Procedures for Appointment of Auditors of a Company.
OR
b Explain the concept of Branch Audit.
- 14 a Classify the Types of Modified Opinion.
OR
b Explain the Objectives of Auditor as per SA 700.
- 15 a Summarise the Audit Procedures of an Educational Institution.
OR
b Describe the Audit Procedures carried out in Hospitals.

SECTION - C (30 Marks)

Answer any THREE Questions

ALL Questions Carry EQUAL Marks

(3 x 10 = 30)

- 16 Outline the Procedures for audit of Allowance Received from Suppliers.
- 17 Discuss the General Considerations of Payments.
- 18 Elucidate the Reporting Requirements under Companies Act, 2013 including Company Auditor Report Order (CARO).
- 19 Outline the Basic Elements of the Audit Report.
- 20 Examine the Audit Plan to be concentrated by the Auditor for NGO.

Z-Z-Z

END