

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)

BCom DEGREE EXAMINATION DECEMBER 2023
(Fifth Semester)

Branch – COMMERCE (COST AND MANAGEMENT ACCOUNTING)

PRINCIPLES AND PRACTICES OF AUDITING

Time: Three Hours

Maximum: 50 Marks

SECTION-A (5 Marks)

Answer ALL questions

ALL questions carry EQUAL marks (5 x 1 = 5)

- 1 The term 'Audit' is derived from a Latin word "audire" which means;
(i) To inspect (ii) To examine
(iii) To hear (iv) To investigate
- 2 Audit programme should be _____
(i) flexible (ii) rigid
(iii) oral and flexible (iv) oral
- 3 _____ Incorporates both accounting and administrative controls.
(i) Internal control (ii) Internal check
(iii) Statutory audit (iv) Internal audit
- 4 Which of the following documents is not relevant for vouching of sales?
(i) daily cash sales summary (ii) credit memos
(iii) delivery challans (iv) sales department attendance record
- 5 First auditor of the company is appointed by the _____
(i) Shareholders (ii) Central government
(iii) Company law board (iv) Board of directors

SECTION - B (15 Marks)

Answer ALL Questions

ALL Questions Carry EQUAL Marks (5 x 3 = 15)

- 6 a Explain the importance of Auditing.
OR
b Summarize the steps of Investigation in Auditing.
- 7 a Describe the merits of Audit programme.
OR
b Outline the contents of Audit working papers.
- 8 a Describe a system of Internal check with regard to cash sales.
OR
b State the features of Internal audit.
- 9 a Explain the various types of Lapping.
OR
b State the objectives of Verification of assets.
- 10 a Bring out the qualifications of Cost auditor.
OR
b Compare Financial audit from Cost audit.

Cont...

SECTION -C (30 Marks)

Answer ALL questions

ALL questions carry EQUAL Marks

(5 x 6 = 30)

- 11 a Discuss the various classification of Audit.
OR
b Discover the objectives of Auditing.
- 12 a Classify the various methods to obtain Audit evidence.
OR
b Categorize the basic elements of Audit report.
- 13 a Elucidate the scope of Internal control.
OR
b Identify the precautions to be taken while applying test checks.
- 14 a Highlight the auditors' duties regarding vouching the items of payment side of cashbook.
OR
b Classify the different types of Verification procedures.
- 15 a Summarize the legal provisions relating to Cost audit.
OR
b Outline the duties and liabilities of Cost auditor.

Z-Z-Z

END