

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)

BCom DEGREE EXAMINATION DECEMBER 2022
(Fifth Semester)

Branch – COMMERCE (COST AND MANAGEMENT ACCOUNTING)

PRINCIPLES AND PRACTICES OF AUDITING

Time: Three Hours

Maximum: 75 Marks

SECTION-A (10 Marks)

Answer ALL questions

ALL questions carry EQUAL marks (10 x 1 = 10)

1. Auditing is compulsory for
(i) Sole trader business (ii) Partnership firm
(iii) Company (iv) Audit book
2. An auditor is a -----
(i) Watch dog (ii) Blood hound
(iii) Street dog (iv) Tame dog
3. ----- book is a diary or register maintained by audit staff to note errors, doubtful queries and difficulties.
(i) Audit note (ii) Audit working papers
(iii) Technical work (iv) Company
4. ----- is a written scheme prepared by the auditor to distribute work to be followed during audit.
(i) Audit programme (ii) Audit file
(iii) Minute book (iv) Vouching
5. ----- is a broader term.
(i) Internal audit (ii) Internal check
(iii) Internal control (iv) Auditing
6. ----- is a system which provides a measure for the management to obtain information and control of a business organization.
(i) Internal check (ii) Internal control
(iii) Audit (iv) Frauds
7. ----- is done throughout the year.
(i) Verification (ii) Vouching
(iii) Valuation (iv) Confirmation
8. An auditor examines documentary evidences relating to the recording of transactions in support and thus, checks the authenticity of such records is known as -----.
(i) Accounts (ii) Audit
(iii) Vouching (iv) Verification
9. A ----- represents the verification of cost accounts and checking on the adherence to cost accounting plan.
(i) Company Audit (ii) Management Audit
(iii) Cost Audit (iv) CAGI

Cont...

10. A ----- is an objective examination and evaluation of the financial statements of an organization to make sure that the financial records are a fair and accurate representation of the transactions they claim to represent.
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|----------------------|---------------------|
| (i) Financial audit | (ii) Cost audit |
| (iii) Research audit | (iv) Internal Audit |

SECTION - B (35 Marks)

Answer **ALL** Questions

ALL Questions Carry **EQUAL** Marks (5 x 7 = 35)

- 11 a. Describe the objectives of Auditing.
OR
b. Bring out the Advantages of Auditing.
- 12 a. Analyze the Advantages of audit Programme.
OR
b. Narrate the basic elements of audit report.
- 13 a. Explain the objects of internal check.
OR
b. Show the features of good Internal Check System.
- 14 a. State the Objects of Vouching.
OR
b. Narrate the objectives of verification of assets.
- 15 a. State the objectives of Cost Audit.
OR
b. Show the Disqualification Cost Auditor.

SECTION - C (30 Marks)

Answer any **THREE** Questions

ALL Questions Carry **EQUAL** Marks

(3 x 10 = 30)

16. Explain the classifications of audit.
17. Discuss the contents of audit note book.
18. Distinguish between internal check systems and internal audit.
19. Enumerate the provisions of Appointment of an auditor.
20. Differentiate financial audit and cost audit.

Z-Z-Z

END