

FOR THE CANDIDATES ADMITTED
DURING THE ACADEMIC YEAR 2021 ONLY)

21UCF412

REG.NO

NGM COLLEGE (AUTONOMOUS) POLLACHI
END-OF-SEMESTER EXAMINATIONS: MAY-2023

B.Com-Finance
IV SEMESTER

MAXIMUM MARKS: 70
TIME: 3 HOURS

PART III
PRINCIPLES OF AUDITING

SECTION – A (10 X1 = 10 MARKS)
ANSWER THE FOLLOWING QUESTIONS
MULTIPLE CHOICE QUESTIONS

(K1)

1. Internal check is essential for _____
(a) Petty traders (b) Cash Transaction in Large corner
(c) A corner using Automatic equipment (d) None of the above
2. The examination of financial transaction with supporting evidence is called _____
(a) Verification (b) Vouching
(c) Auditing (d) Investigation
3. Auditing around the computer is known as _____
(a) Black box approach (b) Blue box approach
(c) Green box approach (d) Red box approach
4. Verifications of assets involve a critical examination of _____
(a) Ownership (b) Survival
(c) Existence (d) All of the above
5. An appointment of subsequent auditors, the company must give intimation within 7 days of search appointments to _____
(a) The Board of Directors (b) The Registrar of companies
(c) The Auditor so appointed (d) The central Government

ANSWER THE FOLLOWING IN ONE (OR) TWO SENTENCES

(K2)

6. What is Audit?
7. State the meaning of Internal Auditing.
8. Define Investigation.
9. What do you mean by secret Reserves.
10. Tell the meaning of Audit report.

SECTION – B**(5 X 4 = 20 MARKS)****ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS. (K3)**

11. (a) State the various objectives of an Audit.
(OR)
(b) What are the different types of Auditor evidence?
12. (a) What are the important points to be borne in mind in devising good internal check system?
(OR)
(b) Explain the points you would keep in view while auditing the sale.
13. (a) Distinguish between Investigation and Auditing.
(OR)
(b) What points would you bear in mind in conducting an Investigation?
14. (a) State the importance of verification and valuation of an asset from the point view of an auditor of a limited company
(OR)
(b) What are the duties of an auditor in connection with the reserve?
15. (a) Discuss the liabilities of auditor under the companies act.
(OR)
(b) Explain the rights and duties of an company auditor.

SECTION – C**(4 X 10 = 40 MARKS)****ANSWER ANY FOUR OUT OF SIX QUESTIONS.****(16TH QUESTION IS COMPULSORY AND ANSWER ANY THREE QUESTIONS FROM Q.NO: 17 TO 21)****(K4) OR (K5)**

16. Explain in detail the classification of audit.
17. What are the essential qualities required of an auditor apart from the statutory qualification?
18. What do you mean by outstanding assets and outstanding liabilities and explain the duties of an auditor in regard there to?
19. Discuss the internal control components of an EDP Accounting system.
20. What are the different methods of writing off depreciation in respect of assets which are of depreciable nature?
21. Define audit report and what are the components of an audit report?