



SRN-19

B.Com. (Semester – V) Examination, October 2013
AUDITING – I
Major – 3

Duration : 2 Hours

Total Marks : 80

- Instructions :** 1) *All questions are compulsory, however internal choice is available.*
2) *Answer sub-questions in question No. 1 and Question No. 2 in not more than 100 words.*
3) *Answer question No. 3 to question No. 6 in not more than 400 words.*
4) *Figures to the right indicate maximum marks for sub question/question.*

1. Write short notes on the following (**any four**) : **(4×4=16)**
- a) Social audit .
 - b) Audit sampling
 - c) Types of internal control
 - d) Distinguish between verification V/S vouching.
 - e) Vouching procedure for rent paid
 - f) Verification procedure for secured loans.
2. Write short notes on the following (**any four**) : **(4×4=16)**
- a) Basic principles governing an audit.
 - b) Contents of Permanent file
 - c) Distinguish between internal V/s external audit
 - d) Precaution to be taken by the auditor while examining voucher
 - e) Verification procedure for contingent liabilities
 - f) Vouching procedure for insurance premium paid.
3. A) What is auditing ? Discuss the types of audit based on authority. **12**
- OR
- B) What are errors ? State various types of errors committed in recording transactions in the books of accounts ? **12**

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4. A) What is an audit programme ? Briefly explain its contents and objectives. 12

OR

B) Explain routine checking ? State its merits and demerits. 12

5. A) State the importance of having an internal audit. 12

OR

B) What is an internal control questionnaire ? Briefly explain its purpose. 12

6. A) Specify the procedure to be followed by the auditor for verification and valuation of inventories. Support your answer with relevant case laws. 12

OR

B) Explain the procedure to be followed by the auditor while verifying the following items. (4×3=12)

i) Copy rights

ii) Unsecured loans

iii) Motor vehicles.