

B - 263

(Pages : 02)

FS - 16

[Total No. of Questions : 6]

**B.Com (Semester - V) Examination, October - 2011**  
**Major Paper - III : AUDITING - I**

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 is 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 full marks for respective questions / sub - questions.

**Q1) Answer any four of the following : [4 × 4 = 16]**

- Explain Basic principles governing an Audit.
- Distinguish between errors and fraud?
- What are the contents of an Audit Programme?
- What is test check? Explain its Advantages?
- How would you vouch 'sales return'?
- What is Internal control?

**Q2) Answer any four of the following : [4 × 4 = 16]**

- What is Internal Audit? What are its objectives?
- Distinguish between verification and valuation.
- Importance of Audit sampling.
- Routine checking.
- Vouching procedure for Insurance claims.
- Teeming and lading.

**Q3) Describe the classification of an audit on the basis of time. [12]**

OR

What are the primary and secondary objectives of Auditing? [12]

P.T.O.

B - 263

-2-

FS - 16

Q4) a) What are the general points an auditor should consider while framing a system of Internal check? [12]

OR

b) What are the aspects to be examined by statutory Auditor in evaluation of internal Audit? [8]

c) As an auditor, how would you vouch the item 'salaries and wages'. [4]

Q5) What points are to be borne in mind by an auditor before the commencement of an the audit. [12]

OR

What is an Audit note book? Explain its Importance and state its contents. [12]

Q6) How will you verify the following items: [3 × 4 = 12]

a) Debtors.

b) Copy Rights.

c) Secured loan.

OR

Distinguish between verification and vouching. What special points should be consider while doing vouching. [12]

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