

4/H-76 (xi) (a) (Syllabus-2019)

2 0 2 2

(May/June)

COMMERCE

(Honours)

(**Auditing**)

(BC-403)

Marks : 75

Time : 3 hours

*The figures in the margin indicate full marks
for the questions*

1. (a) "Auditing is both luxury as well as not luxury." Explain the statement. 7½
- (b) What are the personal qualities of an auditor? 7½
- Or
- (a) Distinguish between Government Audit and Commercial Audit. 5
- (b) Write a note on Cost Audit and Joint Audit. 5+5=10

- 2. (a) "Vouching is the essence of Auditing." Elaborate this statement. 5
- (b) How would you vouch the following? 5+5=10

- (i) Receipts from Debtors
- (ii) Capital Expenditures

Or

What is 'test checking'? What are the precautions to be taken before applying test check? Mention some of the transactions that are not suitable for test checking. 3+6+6=15

- 3. (a) Distinguish between Auditor's Report and Auditor's Certificate. 5
- (b) Briefly highlight the points, which a company auditor should pay attention to, while preparing an Audit Report. 10

Or

- (a) "Auditor cannot be held liable, if there is negligence without loss." Defend your answer. 5
- (b) What are the duties of a company's auditor regarding (i) Divisible Profits and (ii) Reserve Fund and Sinking Fund? 5+5=10

- 4. (a) What are the characteristics of fraud as given under SA 240? 3
- (b) Describe the responsibilities of an auditor as given under SA 240. 12

Or

Write an essay on 'Responsibility of an auditor according to SA 250'. 15

- 5. (a) Is it necessary to audit the books of accounts in case of a large-scale sole proprietorship firm? Justify your answer. 7
- (b) What are the points to be considered by an auditor before commencing the audit of a partnership firm? 8

Or

- (a) Which programmes are commonly used in CAATTs? 6
- (b) Give any five points of difference between Financial Audit and Environmental Audit. 5
- (c) What are the advantages of Social Audit? 4
