

**2 0 1 7**

**( 3rd Semester )**

**COMMERCE**

**Paper No. : BC-303**

**( Auditing )**

*Full Marks : 70*

*Pass Marks : 45%*

*Time : 3 hours*

**( PART : B—DESCRIPTIVE )**

**( Marks : 45 )**

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

1. (a) What do you understand by the term 'auditing'? What are its importances?  
2+7=9

*Or*

- (b) What is meant by external auditing?  
State some limitations of auditing. 2+7=9

2. (a) What are the types of audit programme?  
Explain the contents of audit programme. 3+6=9

( 2 )

Or

(b) What is routine checking? State few objectives of routine checking. State its advantages and disadvantages. 2+3+4=9

3. (a) What is meant by internal control? Explain the objectives of internal control. 3+6=9

Or

(b) What do you mean by vouching? Write few objectives of vouching. Give the difference between vouching and verification. 2+3+4=9

4. (a) Explain the rights and powers of a company auditor. 9

Or

(b) Explain the qualities of an auditor. 9

5. (a) How an auditor investigate under the Companies Act? 9

Or

(b) Explain different types of investigation. 9

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( 3rd Semester )

**COMMERCE**

Paper No. : BC-303

**( Auditing )**

( PART : A—OBJECTIVE )

( Marks : 25 )

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

1. State whether the following statements are *True (T)* or *False (F)* by putting a Tick (✓) mark : 1×5=5

(a) Detection of errors is the primary objective of an audit.

( T / F )

(b) Procedure of auditing generally starts with notification.

( T / F )

(c) Internal control is only related to internal check and internal audit.

( T / F )

(d) The first auditors should not hold any security carrying voting right of that company.

( T / F )

(e) Investigation is not a regular process.

( T / F )

2. Fill in the blanks :

1×5=5

(a) External auditing refers to auditing by

..... group.

(b) Principle of secrecy is the basic

..... of auditing.

(c) ..... himself performs the work of verification.

(d) Remuneration of auditors will be fixed by  
..... if he is appointed by  
the Board.

(e) Evidence is any type of .....  
which tends to establish a fact material to the  
case.

3. Choose the correct answer and place its code in the  
brackets provided : 1×5=5

(a) Which one of audits is not audit based on  
objectives?

(i) Independent Audit

(ii) Financial Audit

(iii) Trust Audit

(iv) Secretarial Audit [     ]

(b) Which one of these is the technique of auditing?

(i) Close meeting

(ii) Follow-up

(iii) Fieldwork

(iv) Inquiry [     ]

(c) Verification is related to

(i) assets and liabilities

(ii) owners and companies

(iii) audit programme and liabilities

(iv) None of the above [      ]

(d) Duty of auditors under Section 240 means

(i) assist the management

(ii) assist the government inspectors

(iii) assist the local authority

(iv) All of the above [      ]

(e) SFIO stands for

(i) Serious Fraud Investigation Office

(ii) Several Frauds Investigation Officer

(iii) Security and Frauds Investigation Officer

(iv) Security File Investigation Officer [      ]

( 5 )

4. Write on the following in 3 to 4 sentences each :

2×5=10

Window Dressing

(b) Audit Files



(c) Valuation

(d) Qualification of Auditors

(e) Investigation

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