



H. Sambath

Avinashilingam Institute for Home Science and Higher Education for Women
Deemed to be University Estd. u/s 3 of UGC Act 1956, Category 'A' by MHRD (now MoE)
Re-accredited with 'A++' Grade by NAAC. CGPA 3.65/4, category I by UGC
Coimbatore - 641 043, Tamil Nadu, India

Bachelor's Degree Examination- May 2025
VI Semester

Class : III UG

Time : 3 Hours

Major : Commerce / B.Com CA

Max. Marks: 100

21BCOC27 / 21BCCC27 Auditing

Course Outcomes:

CO1: Gain knowledge on different types of auditing in an organization.

CO2: Acquire knowledge on preparation and procedure of audit, audit programme and fundamental principles for internal check

CO3: Instil the knowledge on the verification techniques of assets, liabilities and its valuation for internal and external audit.

CO4: Understand the share capital audit and its provisions.

CO5: Understand the law relating to appointment, rights, duties, liabilities of an auditor and preparation of audit report.

Part A

10 x 1 = 10

Choose the Correct Answer

1. What is the primary object of an audit?
 - a. To detect and prevent fraud
 - b. To express an opinion on the fairness of the financial statements
 - c. To evaluate the efficiency of the company's operations
 - d. To determine the company's tax liability

CO1 K1
2. Which of the following is an object of an audit?
 - a. To prepare the company's financial statements
 - b. To conduct a review of the company's internal controls
 - c. To determine whether the financial statements are free from material misstatements
 - d. To provide consulting services to the company

CO1 K1
3. Who is responsible for preparing the audit program?
 - a. Auditor
 - b. Client
 - c. Audit committee
 - d. External auditor

CO2 K1
4. What is a general audit program?
 - a. A program that outlines the overall audit approach and procedures
 - b. A program that is tailored to a specific client or industry
 - c. A program that focuses on a specific area of the audit, such as internal controls
 - d. A program that is used for all audits

CO2 K1
5. What is the primary objective of vouching?
 - a. To verify the existence of assets
 - b. To verify the accuracy and authenticity of transactions
 - c. To evaluate the internal controls of the company
 - d. To determine the company's tax liability

CO3 K1
6. Which of the following is a method of verifying assets?
 - a. Physical verification
 - b. Documentary verification
 - c. Both a and b
 - d. None of the above

CO3 K1
7. What is the primary objective of a share capital audit?
 - a. To verify the existence and ownership of shares
 - b. To evaluate the internal controls over share capital transactions
 - c. To determine the company's compliance with share capital regulations
 - d. All of the above

CO4 K1
8. What is the difference between authorized share capital and issued share capital?
 - a. Authorized share capital is the maximum amount of share capital that can be issued, while issued share capital is the actual amount of share capital issued
 - b. Authorized share capital is the actual amount of share capital issued, while issued share capital is the maximum amount of share capital that can be issued
 - c. Authorized share capital is the same as issued share capital
 - d. None of the above

CO4 K1

9. Who is responsible for expressing an opinion on the fairness of financial statements?
 a. Management
 b. Auditor
 c. Board of Directors
 d. Shareholders
- CO5 K1
10. What is the primary role of an auditor?
 a. To prepare financial statements
 b. To express an opinion on the fairness of financial statements
 c. To provide consulting services to the company
 d. To investigate fraud
- CO5 K1

Part B

5 x 6 = 30

Answer ALL questions

Each answer should not exceed 400 words or two pages

- 11.a. Enumerate the origin of auditing.
 (or)
 11.b. State the scope of audit.
- CO1 K1
- CO1 K1
- 12.a. Summarize the contents of audit programme.
 (or)
 12.b. Indicates the merits and demerits of audit note book.
- CO2 K2
- CO2 K2
- 13.a. Determine the importance of vouching.
 (or)
 13.b. List out the objects of verification of assets and liabilities.
- CO3 K3
- CO3 K3
- 14.a. Explain the audit of allotment of share.
 (or)
 14.b. Different between reserve and provision.
- CO4 K4
- CO4 K4
- 15.a. Summarize the appointment of an auditor.
 (or)
 15.b. Discriminate the importance of auditor report for share holders .
- CO5K4
- CO5K4

Part C

5 x 12 = 60

Answer ALL questions

Each answer should not exceed 800 words or four pages

- 16.a. Illustrate and explain the types of audit.
 (or)
 16.b. Explain the qualities of an auditor.
- CO1 K3
- CO1 K3
- 17.a. Analyse the various types of working papers.
 (or)
 17.b. Explain the characteristics of internal control.
- CO2 K4
- CO2 K4
- 18.a. Explain the procedure for vouching of credit side of cash book.
 (or)
 18.b. Describe the verification of different types of assets.
- CO3 K2
- CO3 K2
- 19.a. Discriminate the classification of reserve.
 (or)
 19.b. Evaluate briefly the sinking fund.
- CO4 K5
- CO4 K5
- 20.a. Explain the rights and duties of an auditor.
 (or)
 20.b. Describe the contents of auditors reports.
- CO5 K2
- CO5 K2