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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)
Re-accredited with 'A++' Grade by NAAC. Recognised by UGC Under Section 12B
Coimbatore - 641 043, Tamil Nadu, India

Bachelor's Degree Examination – November 2024
III Semester

Class : II UG
Major : B.Com PA

Time: 3 Hours
Max. Marks: 100

23BCPC06 Auditing and Assurance

Course Outcomes:

- CO1:** Familiarize the auditing and assurance standards practiced in India.
CO2: Understand the functions of International and Indian Accounting & Assurance standards Board.
CO3: Apply the audit procedures in internal control.
CO4: Implement effective internal control system in a firm through audit.
CO5: Understand various statutory provisions relating to audit under Companies Act 2013.

Part A

10 x 1 = 10

Choose the Correct Answer

1. What is the primary objective of auditing?
a. To detect fraud
b. To ensure compliance
c. To Provide Assurance on financial statements
d. To evaluate Management
CO1 K1
2. Which type of audit examines the entire financial statements?
a. Internal audit
b. External audit
c. Compliance audit
d. Comprehensive audit
CO1 K1
3. What verification procedure involves comparing accounting records with physical assets?
a. Count and verification
b. Reconciliation
c. Confirmation
d. Analytical procedures
CO2 K1
4. Which method evaluates evidence by analysing relationships between financial data?
a. Test of Control
b. Substantive testing
c. Confirmation testing
d. Analytical Procedures
CO2 K1
5. Which method evaluates internal control by identifying and testing key controls?
a. Tests of Control
b. Compliance Testing
c. Substantive Testing
d. Control risk assessment
CO3 K1
6. Probability proportional to size (PPS) Sampling, Random Sampling and Stratified Sampling are three types of _____ in auditing.
a. Non-Statistical Sampling
b. Statistical Sampling
c. Judgemental Sampling
d. Block Sampling
CO3 K1
7. Which contains two kinds of accounts viz? (i) Nominal accounts like rent, salaries, cartage etc., and (ii) Real accounts like machinery, furniture etc.,
a. Personal Ledger
b. Impersonal accounts
c. Nominal accounts
d. Real accounts
CO4 K2
8. Rent payments received in advance or annual subscription payments received at the beginning of the year are common example of
a. Capital Expenditure
b. Capital Revenue
c. Cash Payments
d. Deferred Revenue
CO4 K2
9. A _____ is intended to determine if an organisation delivers an honest and accurate representation of its financial position by evaluating information, such as bank balances, financial transactions, and accounting records.
a. Cost Audit
b. Statutory Audit
c. Secretarial Audit
d. Audit Committee
CO5 K3
10. Audit of _____ is a process of systematic evaluation and documentation of financial statements of educational organisation, such as schools, colleges, universities, institutions of national importance, etc.,
a. Healthcare Institutions
b. Educational Institutions
c. Hospitality Sectors
d. Co-operative Societies
CO5 K3

Part B

5 x 6 = 30

Answer ALL questions

Each answer should not exceed 400 words or two pages

- 11.a. What is Auditing? List out the objectives of Auditing. CO1 K1
(or)
11.b. Define Audit Programme. What are the types of Audit Programme? CO1 K1
- 12.a. Describe the Sources of Audit Evidence. CO2 K1
(or)
12.b. What are the techniques of Physical Verification? CO2 K1
- 13.a. List out the Elements of Internal Control. CO3 K2
(or)
13.b. Distinguish between Internal Audit and Statutory Audit. CO3 K2
- 14.a. What are the differences between Reserves and Provisions? CO4 K2
(or)
14.b. While conducting verification of assets, what are the points to be considered by the auditor? CO4 K2
- 15.a. Enumerate the contents of Auditor's Report. CO5 K2
(or)
15.b Explain the Role and Powers of NFRA. CO5 K2

Part-C

5 x 12 = 60

Answer ALL Questions

Each answer should not exceed 800 words or four pages

- 16.a. Briefly discuss about Audit Techniques and Analytical Procedure of Auditing. CO1 K1
(or)
16.b. Examine the Role of International Auditing and Assurance Standards Board. CO1 K1
- 17.a. Enumerate the Audit Procedures for obtaining Audit Evidence. CO2 K2
(or)
17.b. Describe the Methods of obtaining Audit Evidence. CO2 K2
- 18.a. Explain the components of Internal Control? Why are Internal Controls Important? CO3 K2
(or)
18.b. What is Internal Financial Control? Explain the advantages of a robust financial control system. CO3 K2
- 19.a. Summarize about Audit of Payments and Audit of Receipts. CO4 K3
(or)
19.b. (i) Express the concept of Audit of Impersonal Ledger.
(ii) What do you understand by Deferred Revenue Expenditure and Revenue Expenditure? CO4 K3
- 20.a. State the Auditor's Qualifications and Disqualifications. CO5 K3
(or)
20.b. Explain the Rights and Duties of Auditor. CO5 K3