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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 (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
Major : B.Com PA

Time : 3 Hours
Max. Marks : 100

21BCPC27 Auditing and Assurance

Course Outcomes:

- CO1: Familiarize the auditing and assurance standards practiced in India
CO2: Understand the functions of International and Indian Accounting and Assurance standards Board
CO3: Apply the audit procedures in internal control and authenticity of cash flow transactions
CO4: Implement effective Internal control system in a firm through audit
CO5: Apply the knowledge gained in conduct of company audit and special audit.

Part A

10 x 1 = 10

Choose the Correct Answer

- | | | | |
|-----|--|--|--------|
| 1. | Which one of the following is a detailed plan of auditing work? | | CO1 K1 |
| | a. Audit note book | b. Audit working papers | |
| | c. Audit schedule note | d. Audit programme | |
| 2. | Main object of auditing is | | CO1 K1 |
| | a. Detection of errors | b. To find out whether P & L and Balance sheet show true and fair state of affairs | |
| | c. Detection of frauds | d. Detection of errors and frauds | |
| 3. | The systematic examination of the books and records of a business is | | CO2 K1 |
| | a. Auditing | b. Vouching | |
| | c. Verification | d. Checking | |
| 4. | One among the following is not the evidence-gathering techniques employed by an auditor. | | CO2 K1 |
| | a. Risk assessment | b. Inspection | |
| | c. Re-performance | d. Analytical procedures | |
| 5. | Internal auditor is appointed by | | CO3 K1 |
| | a. Central Government | b. State Government | |
| | c. Management | d. Shareholders | |
| 6. | The logic behind the internal check is | | CO3 K1 |
| | a. Encouraging division of work | b. Minimizing fraud | |
| | c. Facilitating quick submission | d. Ensuring Perfection | |
| 7. | Test checking can not be applied to | | CO4 K1 |
| | a. Sales Book | b. Purchase Book | |
| | c. Bank Reconciliation Statement | d. Bills Book | |
| 8. | Outstanding expenses should be verified with the help of _____ | | CO4 K1 |
| | a. Cash Book | b. Credit Book | |
| | c. Stock Book | d. Journal Proper | |
| 9. | Auditor should be dutiful like _____ | | CO5 K1 |
| | a. A Watch dog | b. A Blood hound | |
| | c. A Detective | d. An insurer | |
| 10. | Special audit is necessary for _____ | | CO5 K1 |
| | a. Inefficient concerns | b. Processing concerns | |
| | c. Trading concerns | d. Manufacturing concerns | |

Part B

5 x 6 = 30

Answer ALL questions

Each answer should not exceed 400 words or two pages

- 11 a. Recall the nature of auditing. CO1K2
(or)
11.b. Explore the limitations of auditing. CO1K2
- 12 a. Indicate the sources of evidence. CO2K2
(or)
12.b. Highlight the importance of physical verification. CO2K2
- 13 a. Categorize the elements of internal control. CO5K3
(or)
13.b. List out the approaches to auditing in computerized environment. CO5K3
- 14 a. Sketch out the procedures for vouching cash and credit sales. CO4K3
(or)
14.b. Summarize the procedures for the auditing of wages. CO4K2
- 15 a. Identify the qualification of auditors. CO3K3
(or)
15.b. Outline the powers of auditors. CO3K2

Part C

5 x 12 = 60

Answer ALL questions

Each answer should not exceed 800 words or four pages

- 16 a. Explain the basic principles of audit. CO1K3
(or)
16.b. Indicate the role of International Auditing and Assurance Standards Board. CO1K3
- 17 a. Bring out the methods of obtaining audit evidence. CO4K2
(or)
17.b. Examine the need for proper documentation and direct confirmation of evidences. CO4K3
- 18 a. Discuss the evaluation of internal control systems. CO3K3
(or)
18.b. Write the techniques of test checking. CO3K4
- 19 a. Discuss the steps for auditing the impersonal ledgers. CO5K2
(or)
19.b. Differentiate between reserves and provisions. CO5K4
- 20 a. Elucidate the principles and features of government audit. CO2K2
(or)
20.b. Analyze the roles of Comptroller and Audit General of India. CO2K4