



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 an A++ Grade by NAAC CGPA 3.65/4, Category I by UGC

Coimbatore-641043, Tamil Nadu, India

Continuous Internal Assessment Test I – August 2025

III Semester

Class : II UG
Major : B.Com Professional Accounting

Time : 2 hours
Max. Marks : 60

23BCPC06 Auditing and Assurance

Course Outcome:

- 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

Choose the Correct the Answer

6 x 1 = 6

- Which of the following is typically the responsibility of an internal auditor?
a) Approving company expenditures
b) Conducting compliance reviews
c) Setting the company's accounting policies
d) Determining the tax liability of the company
CO1:K2
- Which one of the following consists of comparing entries in the books of account with documentary evidence in support thereof.
a) Internal check
b) Internal control
c) vouching
d) verification
CO2:K2
- The evidence obtained by vouching and verification comes under
a) Compensation
b) Internal Audit
c) Observation
d) Inspection
CO2 :K3
- The auditor has to obtain _____ to substantiate his opinion on the financial statements.
a) Internal evidence
b) Internal and external evidence
c) External evidence
d) Sufficient and appropriate evidence
CO2 :K3
- Which of the following is an example of preventive internal control?
a) Regular bank reconciliations
b) Proper segregation of duties
c) Independent verification of transactions
d) Physical inventory counts
CO3:K1
- An auditor should study and evaluate internal controls to
a) Determine whether safeguarded
b) Suggest improvements in internal control
c) Plan audit procedures
d) Express an opinion.
CO3:K3

Part B

3 x 6 = 18

Answer ALL questions

Each answer should not exceed 400 words or two pages

- 7.a. State the primary objectives of auditing.
CO1:K2
(or)
- 7.b. What is audit sampling? List out the various types of sampling.
CO1:K3
- 8.a. What is mean by Physical Verification? Explain its Techniques and objectives.
CO2:K3
(or)
- 8.b. Describe the Analytical review techniques and its representation by management.
CO2:K4
- 9.a. What are important features of a good system of internal control?
CO3:K3
(or)
- 9.b. What are the various Techniques of Test Checks
CO3:K3

Part C

3 x 12 = 36

Answer ALL questions

Each answer should not exceed 800 words or four pages

- 10.a. Discuss the procedure of Audit Note Book. CO2:K2
(or)
- 10.b. What are the Audit Techniques will be followed by Auditors and Explain Audit Trail CO2:K3
- 11.a. Discuss various types of evidence which may be used in audit. CO2:K2
(or)
- 11.b. Explain the objectives of verification of audit. How would you verify the following? CO2:K2
(i) Verification of investments (ii) Trade marks. (iii) Freehold property
- 12.a. Explain the company invoice and tax invoice, give examples. CO2:K2
(or)
- 12.b. Explain about Internal control Questionnaire with sample format and list out the advantages and disadvantages of Internal control Questionnaire CO2:K2

No of Copies: 60+30