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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 – November 2025.

V Semester

**Class : III UG
Major : B.Com.**

**Time: 3 Hours
Max. Marks: 100**

23BCOC11 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 reports

Part A

10 X 1 = 10

Choose the Correct Answer

- Where Audit in the case of an enterprise is made compulsory by law, it is called CO1K1
 - Statutory Audit
 - Private Audit
 - Dependent Audit
 - Cost Audit
- The best evidence in the case of tangible assets e.g., cash, stock in trade, plant and machinery, etc., is their CO1K1
 - Documentary evidence
 - Physical evidence
 - Oral evidence
 - Ledgers and Journals
- A plan of Organisation, Authorisation and record procedures, Sound practices and Quality of Personnel are the Characteristics of an effective _____ System. CO2K1
 - Internal Check
 - Audit Sampling
 - Internal Control
 - Vouching
- _____ may be defined as an exercise in managerial control by means of an independent appraisal by employees of the organisation itself. CO2K1
 - Internal Check
 - Vouching
 - Verification
 - Internal Audit
- A _____ is an original evidence of a transaction or entry. CO3K1
 - Voucher
 - Audit Plan
 - Audit programme
 - Audit Standard
- According to the " _____ " issued by the Institute of Chartered Accountants of India (ICAI), the auditor's objective in regard to verification of assets generally is to satisfy himself. CO3K1
 - Accounting Standards
 - Statement of Auditing Practices
 - Life Standards
 - Standard of Cost and Management Accounting
- The first auditor(s) of a company shall be appointed by the _____ within one month of the date of registration of the company. CO4K1
 - Chairman
 - Secretary
 - Board of Directors
 - Managing Director
- For any resolution by a shareholder for the removal of the present auditor, a special notice of his intention to move such a resolution must be given to the company, at least _____ days before the date of the general meeting. CO4K1
 - 21
 - 28
 - 30
 - 14
- Before undertaking Management Audit, the auditor should ascertain the following CO5K1
 - Basic aims and objectives of the enterprise
 - Policies laid down by the management for accomplishment of the basic aims and objectives
 - Procedures, plans and programmes through which the policies are to be implemented
 - All the above
- A _____ is a formal, systematic evaluation that assesses an organization's or a program's social performance and impact on communities and stakeholders. CO5K1
 - Tax Audit
 - Social Audit
 - Performance Audit
 - Environmental Audit

Part B

5 X 6 = 30

Answer All Questions

Each Answer should not exceed 400 words or two pages

- 11.a. List out the objectives of Auditing. CO1K1
(or)
- 11.b. What is the nature and purpose of Audit Documentation ? CO1K1
- 12.a. State the features of Internal Check. CO2K2
(or)
- 12.b. What are the objectives of Internal Control ? CO2K2
- 13.a. Define Vouching and explain its objectives. CO3K3
(or)
- 13.b. How would you verify the following liabilities CO3K3
i. Sundry Creditors ii. Bills Payable
- 14.a. How may the Auditor of a company be removed CO4K4
i. on the expiry of his term of office
ii. before the expiry of his term of office
(or)
- 14.b. Define the Audit Report. What are its contents ? CO4K4
- 15.a. Elucidate the objectives of Cost Audit. CO5K5
(or)
- 15.b. Explain the scope of Management Audit. CO5K5

Part C

5 X 12 = 60

Answer All Questions

Each answer should not exceed 800 words or four pages

- 16.a. Describe the advantages and limitations of Auditing. CO1K1
(or)
- 16.b. Briefly discuss about types of Audit Evidence and sources of Audit Evidence. CO1K1
17. a. i. Enumerate the features of a good Internal Control System. (6 Marks) CO2K2
ii. Describe the Internal Control Questionnaire. (6 Marks) CO2K2
(or)
- 17.b. Describe the system of internal check as regard to cash receipts and cash payments. CO2K2
- 18.a. Describe the procedure relating to vouching of cash sales and cash receipts from debts. CO3K3
(or)
- 18.b. Analysis the general principles of verification of assets. CO3K3
- 19.a. Explain the qualification and disqualification of auditor. CO4K4
(or)
- 19.b. Describe the duties and liabilities of auditors. CO4K4
- 20, a. Indicate the special points to which your attention should be directed in audit of an Educational Institutions. CO5K5
(or)
- 20.b. Describe the steps you would like while conducting the audit of a Banking company. CO5K5