



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

Continuous Internal Assessment Test II - April 2025
SEMESTER VI

Class : III UG

Major : BCom/BCom(CA)

Time:2 Hours

Maximum Marks:60

21BCOC27/21BCCC27 – Auditing

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 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

(6x1=6)

Choose the correct answer

- Which of the following is not a principle of verification? CO3:K2
 - Physical examination
 - Document inspection
 - Inquiry from third parties
 - Internal control evaluation only
- What is the primary risk in the verification of inventory? CO3:K2
 - Overstatement or understatement of stock values
 - Missing sales invoices
 - Depreciation miscalculations
 - Wrong classification of assets
- Which document is most important for verifying the issuance of shares? CO4:K1
 - Share certificate
 - Purchase order
 - Bank passbook
 - Stock register
- If a company issues shares at a premium, where is the premium amount recorded? CO4:K1
 - Share capital account
 - Securities premium account
 - Profit & Loss account
 - Dividend Reserve
- Who appoints the first auditor of a company? CO5:K2
 - Share holders
 - Board of Directors
 - Government
 - SEBI
- Which section of the companies Act, 2013, deals with the auditor's report? CO5:K2
 - Sec 134
 - Sec 143
 - Sec 129
 - Sec 149

Part- B

(3x6=18)

Answer ALL Questions

(Each answer should not exceed 400 words or two pages)

- a. Explain the meaning and objectives of verification and valuation. CO3:K2

(Or)
- b. Explain the procedures for verification of different types of assets. CO3:K2
- a. Identify the different types of reserves. CO4:K3

(Or)
- b. Compare the functions of share application and share allotment. CO4:K2
- a. Identify the rights and duties of an Auditor. CO5:K3

(Or)
- b. Summarize on the importance of auditor's report for share holders. CO5:K2

Part-C

(3x12=36)

Answer ALL questions

(Each answer should not exceed 800 words or four pages)

- a. Identify the special provisions relating to verification of stocks and liabilities. CO3:K3

(Or)
- b. Discover the Auditor's duty regarding verification and valuation. CO3:K3
- a. Explain the Auditor's duty pertaining to share transfer audit. CO4:K2

(Or)
- b. Discover the duties of an Auditor pertaining to Reserve fund, Secret Reserves, Sinking fund and Provisions. CO4:K3
- a. Identify the Laws relating to an Auditor. CO5:K3

(Or)
- b. Discover the different kinds of report and reporting aspects relating to Standard Auditing Principles (SAP). CO5:K3

No. of Copies: 120

Staff in Charge: Dr.M.Srividhya & Dr.S.Porni