

**17U538**

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Name: .....

Reg. No.....

**FIFTH SEMESTER B.Com. PROFESSIONAL DEGREE EXAMINATION, NOVEMBER 2019**

(CUCBCSS-UG)

**CC17U BCP5 B03 - AUDITING AND ASSURANCE**

B.Com. Professional - Core Course

(2017 Admission Regular)

Time: Three Hours

Maximum: 80 Marks

**Part A**

Answer *all* questions. Each question carries 1 mark.

Choose from the following:

1. Objective of an audit is to formulate an overall opinion on
  - a. Cost Statement
  - b. Books of Accounts
  - c. Financial Statement
  - d. None of these
2. Auditor of a Government Company can be appointed by
  - a. Shareholders
  - b. C & AG
  - c. Board of Directors
  - d. Audit Committee
3. The sampling method where the auditor selects the sample without following a structured technique is called .....
4. If there is a material misstatement which is pervasive, the auditor's opinion will be a
  - a. Adverse Opinion
  - b. Disclaimer of Opinion
  - c. Qualified Opinion
  - d. Unmodified Opinion
5. Complete and exhaustive description of the internal control system as found in operation by the auditor is called .....
6. Narrative Record
7. Questionnaire
8. Block Sampling
9. Haphazard Sampling
10. Check List
11. Flow Chart

Fill in the blanks:

6. Auditor should retain the working papers for at least ..... years.
7. The casual vacancy of company auditor can be filled by the .....
8. CAAT stands for .....
9. .... audit is a tool to improve management's performance recognizing facts and information about management's decision making to detect and overcome management deficiency.

10. The written statement provided by the management to auditor to support other audit evidence or assertions is called .....

(10 x 1 = 10 Marks)

**Part B (Short Answer Questions)**

Answer any *eight* questions. Each question carries 2 marks.

11. What is propriety audit?
12. Explain audit sampling.
13. List any 4 prohibited services for a company auditor.
14. Explain applicability of secretarial audit.
15. What is the relationship between audit risk and materiality?
16. Write a short note on remuneration of company auditor.
17. What is meant by audit working papers?
18. List any four advantages of audit.
19. What is investigation?
20. What is error of commission?

(8 x 2 = 16 Marks)

**Part C (Short Essay Questions)**

Answer any *six* questions. Each question carries 4 marks.

21. Distinguish between cost audit and statutory audit.
22. What are the different types of audit opinions? Explain.
23. Briefly discuss the inherent limitations of internal control.
24. Write a short note on external confirmations and its types.
25. How to verify the existence of fixed asset as at the year end?
26. Explain the concept of true and fair.
27. What is audit engagement letter? What are its contents?
28. Differentiate between audit report and audit certificate.

(6 x 4 = 24 Marks)

**Part D (Essay Questions)**

Answer any *two* questions. Each question carries 15 marks.

29. Define auditing. Explain the basic principles governing an audit.
30. Discuss the eligibility and disqualifications for a company auditor.
31. Explain the verification of
  - a. Sundry creditors
  - b. Inventory
  - c. Cash in hand

(2 x 15 = 30 Marks)

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