LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034

**B.Com.** DEGREE EXAMINATION – **COMMERCE**

SIXTH SEMESTER – **APRIL 2012**

# CO 6607 - AUDITING

 Date : 23-04-2012 Dept. No. Max. : 100 Marks

 Time : 1:00 - 4:00

**PART – A**

**Answer ALL questions: (10 x 2 = 20 marks)**

1. What do you mean by auditing?
2. Write a note on periodical audit.
3. What is internal audit?
4. Write short notes on test checking.
5. Give any two objectives of internal check.
6. Define the term ‘vouching’.
7. What is an audit report?
8. Give any two examples for contingent liabilities.
9. Who can be appointed as an auditor?
10. What is an audit note book?

**PART – B**

**Answer any FIVE questions: (5 x 8 = 40 marks)**

1. Distinguish between an error and a fraud in the books of business.
2. “An auditor is a watch-dog” – Discuss briefly.
3. State the advantages of an audit programme.
4. What is internal control? State its inherent limitations.
5. Discuss the duties of an auditor in respect to verification of purchase ledgers.
6. Briefly explain the basis of valuation of assets.
7. What do you mean by First Auditors? Discuss briefly.
8. Write short notes on
9. Bad debts (b) Deferred Revenue expenditure.

**PART – C**

**Answer any TWO questions: (2 x 20 = 40 marks)**

1. “Auditing begins where accountancy ends” – Discuss.
2. What are the essential features of a good system of internal check? Also state the position of an auditor in relation to such a system.
3. As an auditor, how would you proceed to vouch
4. Sales ledger (b) Cash book.

**$$$$$$$**