

**4/H-76 (xi) (a) (Syllabus-2019)**

**2 0 2 2**

**( May/June )**

**COMMERCE**

**( Honours )**

**( Auditing )**

**( BC-403 )**

**Marks : 75**

**Time : 3 hours**

*The figures in the margin indicate full marks  
for the questions*

1. (a) "Auditing is both luxury as well as not luxury." Explain the statement. 7½

- (b) What are the personal qualities of an auditor? 7½

**Or**

- (a) Distinguish between Government Audit and Commercial Audit. 5

- (b) Write a note on Cost Audit and Joint Audit. 5+5=10

( 2 )

2. (a) "Vouching is the essence of Auditing."  
Elaborate this statement. 5

- (b) How would you vouch the following?  
5+5=10

(i) Receipts from Debtors

(ii) Capital Expenditures

Or

What is 'test checking'? What are the precautions to be taken before applying test check? Mention some of the transactions that are not suitable for test checking.

3+6+6=15

3. (a) Distinguish between Auditor's Report and Auditor's Certificate. 5

- (b) Briefly highlight the points, which a company auditor should pay attention to, while preparing an Audit Report. 10

Or

- (a) "Auditor cannot be held liable, if there is negligence without loss." Defend your answer. 5

- (b) What are the duties of a company's auditor regarding (i) Divisible Profits and (ii) Reserve Fund and Sinking Fund?

5+5=10

( 3 )

4. (a) What are the characteristics of fraud as given under SA 240? 3

- (b) Describe the responsibilities of an auditor as given under SA 240. 12

Or

Write an essay on 'Responsibility of an auditor according to SA 250'. 15

5. (a) Is it necessary to audit the books of accounts in case of a large-scale sole proprietorship firm? Justify your answer. 7

- (b) What are the points to be considered by an auditor before commencing the audit of a partnership firm? 8

Or

- (a) Which programmes are commonly used in CAATs? 6

- (b) Give any five points of difference between Financial Audit and Environmental Audit. 5

- (c) What are the advantages of Social Audit? 4

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