B.B.A. (Part–II) Examination
(206) : AUDITING

Time : Three Hours]   [Maximum Marks : 80

Note :—(1) **ALL** questions are compulsory.

(2) All questions carry equal marks.

1. (a) What is statutory audit ?   4

(b) Write on audit programme.   4

(c) Distinction between Continuous Audit and Periodic Audit.   4

(d) Explain in brief process of 'Balance Sheet' audit.   4

OR

(e) What is Auditing ?   4

(f) What are the advantages of continuous audit ?   4

(g) What are the advantages of audit programme ?   4

(h) What are the objects of internal audit ?   4

2. (a) What are objectives of Internal Check System ?   4

(b) What is the procedure of vouching ?   4

(c) Explain the vouching of sales book.   4

(d) How would you vouch the travelling expenses ?   4

OR

(e) Differentiate between internal check and internal control.   4

(f) How would you vouch the cash receipts ?   4

(g) Explain the vouching of purchase of land and building.   4

(h) Explain the process of checking the opening balance.   4

3. (a) How would the auditor verify the following liabilities ?

   (1) Creditors

   (2) Reserves and Funds

   (3) Debentures

   (4) Capital. 16

OR

   (b) Explain the methods of valuation of stock of a business and point out the duties of an auditor in respect of the valuation of stock. 16

4. (a) Write on duties of a company auditor. 4

   (b) Write a note on the appointment of the auditor. 4

   (c) Write in brief about an 'Audit Report'. 4

   (d) State provisions of the Companies Act, 1956 with regard to qualifications for the auditor.

   4

OR

   (e) Examine the salient features of a qualified report. 4

   (f) Explain the duties of cost auditor u/s 227 (1) of the Companies' Act, 1956. 4

   (g) Explain the qualification of an auditor of any company. 4

   (h) What are the duties of an auditor towards fraud ? 4

5. (a) Write in detail on the audit of insurance company. 16

OR

   (b) If you are appointed as an auditor for the co-operative bank what precautionary steps will you take ? 16