

**B.B.A. Part—II Examination**  
**AUDITING**  
**Paper—206**

Time : Three Hours]

[Maximum Marks : 80

**Note :—**(1) Attempt **ALL** questions.  
 (2) All questions carry equal marks.

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|----|-----|--|---|
| 1. | (a) | What do you understand by 'Auditing' ?                   | 4 |
|    | (b) | State the advantages of Audit.                           | 4 |
|    | (c) | Write short notes on Balance Sheet Audit.                | 4 |
|    | (d) | Differentiate between Annual Audit and Continuous Audit. | 4 |

**OR**

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|----|-----|---|---|
|    | (e) | State the various objects of an audit.                            | 4 |
|    | (f) | Write about the merits of annual audit.                           | 4 |
|    | (g) | Explain the interim audit.  | 4 |
|    | (h) | Write short note on Cost Auditing.                                | 4 |
| 2. | (a) | What is an internal check system ?                                | 4 |
|    | (b) | How would you vouch the "Director's fee" Cash Payment ?           | 4 |
|    | (c) | Which point the auditor should keep in mind while vouching ?      | 4 |
|    | (d) | What are the duties of an auditor toward the 'Missing Vouchers' ? | 4 |

**OR**

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|--|-----|---|---|
|  | (e) | What do you mean by vouching ?  | 4 |
|  | (f) | Explain the importance of vouching.   | 4 |
|  | (g) | Distinguish between Internal Check and Internal Audit along with auditor's duties in this connection. | 4 |
|  | (h) | Explain the vouching of Returns Inward Book.  | 4 |

3. (a) "An Auditor is not a valuer and yet he is intimately concerned with proper valuation of assets and liabilities." Discuss. 16

**OR**

- (b) How would Auditor verify the following assets ?
- (i) Goodwill
  - (ii) Trademark
  - (iii) Goods on Consignment
  - (iv) Household property. 16
4. (a) Write the Qualifications of a Company Auditor. 4
- (b) "An auditor is a watchdog and not a bloodhound". Explain. 4
- (c) Explain 'standard report of Auditor'. 4
- (d) What are the provisions regarding appointment of Auditor ? 4

**OR**

- (e) Explain the types of 'Audit Report'. 4
- (f) Explain any four duties of an Auditor. 4
- (g) What is procedure of appointment of Auditor ? 4
- (h) Write a note on the duties of an auditor toward divisible profit. 4
5. (a) Write the audit process of 'Co-operative Society'. 16

**OR**

- (b) What are the points to be considered while Auditing of Banking Company ? 16