**BBA, Semester 6 Online Exam -2020**

**( Subject –AUDITING , Core-113)**

**SET – A**

**Time :- 2 hours Total Marks :- 80**

**QI Choose the correct answer :- (1X20 =20 marks)**

**1. \_\_\_\_\_\_\_ committee acts as a liasion between the auditors of the company and its board of directors.**

a) Audit committee

b) Internal check committee

c) Internal control committee

d) None of the above

**2 \_\_\_\_\_\_\_\_ is the cash purchase related voucher.**

a) Cash bill

b) Cash memo

c) \Goods inward book

d) All of the above

**3. The value or the reputation of the firm is represented in the form of \_\_\_\_\_\_\_.**

a) Patent

b) Goodwill

c) Fictitious assets

d) None of the above

**4. Investment may be classified as \_\_\_\_\_\_\_\_.**

a) Investment in Govt. securities

b) Investment in shares

c) Investment in immovable property

d) All of the above

**5 . The auditor has a right to \_\_\_\_\_\_\_\_\_.**

a) Take legal & technical advice

b) Sign the audit report

c) Receive remuneration

d) All of the above

**6. Manipulation of accounts is done by \_\_\_\_\_\_\_.**

a) Responsible & senior officers

b) Owners

c) Directors of the business

d) All of the above

**7. The term \_\_\_\_\_\_\_\_ implies an examination of accounts and rewards for some special purpose.**

a) Investigation

b) Internal check

c) Audit programme

d) None of the above

**8. Essentials of good audit report includes \_\_\_\_\_\_\_.**

a) Simplicity

b) Clarity

c) Firmness

d) All of the above

**9. The duties of internal auditor are prescribed by**

a) Companies act

b) Company law board

c) Management

d) Audit programme

**10. Which of the following persons is qualified to be a company auditor?**

a) An employee of the company

b) A body corporate

c) A person who is indebted to the company for an amount exceeding Rs. 1000

d) A practicing-chartered accountant

**11. When the auditor is an employee of the organization being audited, the audit is classified as \_\_\_\_\_**

a. Internal

b. External

c. Compliance

d. Both A&B

**12. Internal auditor is appointed by\_\_\_\_\_\_**

a) Management

b) Shareholders

c) Government

d) Statutory body

**13. \_\_\_\_\_ is the medium through which an auditor expresses his opinion on the state of affairs of the client’s business.**

a) Audit report

b) Audit certificate

c) Audit programme

d) Audit planning

**14. \_\_\_\_\_\_\_ is a method of organising the accounting system of a business concern or a factory by which the duties of various clerks are arranged in such a way that the work of one person is automatically checked by another.**

a) Internal control

b) Internal check

c) Internal audit

d) All of the above

**15. Internal check is a part of …………..**

a) Internal audit

b) Internal accounting

c) External audit

d) Internal control

**16. Civil liability of an auditor implies liability for ………….**

a) Misappropriation of cash

b) Misappropriation of goods

c) Fraud

d) Misfeasance

**17. If an auditor is not appointed at annual general meeting, he is appointed by the**

a) The Central Government

b) Board of Directors

c) Shareholders

d) Company Law board

**18. The audit that is made compulsory under statute is called \_\_\_\_\_\_\_\_**

a) Statutory audit

b) Partial audit

c) Complete audit

d) Continuous audit

**19. Audit means \_\_\_\_\_\_\_.**

a) Recording business transactions

b) Preparing final accounts

c) Examination of books, accounts or vouchers

d) Decision making

**20. When a transaction has not been recorded in the books of account either wholly or partially such errors are called \_\_\_\_\_\_\_.**

a) Error of commission

b) Error of omission

c) Compensating error

d) None of the above

**QII Very short answer questions ( answer in one-two lines ) ( 2X 5 = 10 marks )**

(i ) Write the main classification of Errors ?

(ii) What are the categories of Primary objects of audit?

( iii) Write three important classification of audit .

(iv) Define audit report.

(v) What do you mean by Internal audit.

**QIII Short answer questions ( answer in five -ten lines ) ( 2X 5 = 10 marks )**

1. Write the difference between Accountancy and Auditing.
2. “ Accountancy is a necessity while Auditing is luxury “ Comment.
3. Discuss the qualities of an auditor.
4. Explain Errors of Commission.
5. Define Fraud and discuss its classifications.
6. Explain the Social Objects of auditing.
7. Describe the importance of audit.
8. Discuss the advantages and disadvantage of continuous audit.
9. Write the essential elements of internal control.
10. Discuss the objectives of internal check.