

LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034



B.B.A. DEGREE EXAMINATION – BUSINESS ADMINISTRATION

FIFTH SEMESTER – APRIL 2016

BU 5401 – AUDITING

Date: 25-04-2016

Dept. No.

Max. : 100 Marks

Time: 09:00-12:00

PART – A

Answer **ALL** the questions:

(10 x 2 = 20)

1. What do you mean by efficiency audit?
2. Define Internal check.
3. What is window dressing?
4. What are the objectives of verification of assets?
5. How is a casual vacancy for an auditor is filled up?
6. What is Materiality?
7. What is Teeming and Lading?
8. Define Audit Note Book.
9. List any two objectives of vouching.
10. How should goodwill be valued?

PART – B

Answer any **FOUR** questions:

(4 x 10 = 40)

11. Differentiate between auditing and accountancy.
12. State the circumstances in which the errors and frauds are likely to occur.
13. What are the contents of Audit Report?
14. Describe the various steps in the evaluation of internal control system relating to cash transactions.
15. What are the various factors that affect the gross profit?
16. What are the advantages and disadvantages of Audit Programme?
17. Explain the different techniques for auditing in an EDP environment.

PART – C

Answer any **TWO** questions:

(2 x 20 = 40)

18. Discuss in detail about the basic principles that govern an audit.
19. How would you vouch the following receipts?
 - a. Cash Sales
 - b. Collection from debtors
 - c. Rent Received
 - d. Bill receivable
 - e. Royalties received
20. What is verification? How will you verify the following assets?
 - a. Inventory
 - b. Investment
 - c. Patent
 - d. Loose tools
21. State the provisions of Companies Act, 1956 with regard to liabilities of an auditor.

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