LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034

**B.Com.** DEGREE EXAMINATION – **CORPORATE SEC.**

FIFTH SEMESTER – **APRIL 2012**

# BC 5401 - AUDITING

Date : 30-04-2012 Dept. No. Max. : 100 Marks

Time : 1:00 - 4:00

**SECTION A(10x2=20)**

**Answer all the TEN questions. Each carries a maximum of 2 marks .**

**Explain the following:**

1. Balance sheet audit
2. Audit working papers
3. Internal Check
4. Vouching
5. Capital reserve
6. Qualities of an Auditor
7. Contingent liability
8. FIFO, LIFO
9. Goodwill valuation
10. Audit report

**Section B (5x8=40)**

**Answer any FIVE questions. Each carries a maximum of 8 marks**

1. Explain the different types of Errors? What steps are taken to locate them
2. Internal audit is an aid to external audit. Explain?
3. Distinguish between Provision and reserve
4. What documents should be examined while vouching receipts from debtors?
5. What is secret reserve? What is the duty of an Auditor regarding secret reserve?
6. What are the duties of an auditor in respect of Test checking?
7. What are the types of Audit programme
8. How would you verify the following assets a).Copyright b) Patents?

**Section C(2x20=40)**

**Answer any TWO questions. Each carries a maximum of 20 marks.**

1. Briefly discuss the concept of internal control. What are its objectives? State the important features of a good system of internal control?
2. What is verification? Enumerate the methods of valuation of stock of finished goods
3. ‘Vouching is the backbone of audit’ explain. What are the essential points to be noted in a valid voucher?

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