



Biyani Girls College
I Internal Examination 2019-20
B.COM. (III Year) - H
Subject- Auditing

Time: 1.30 Hrs.

Set: B

MM: 40

[I] Multiple Choice Questions

(1*10=10)

- 1) Process of checking the evidence of the entries called _____.
(a) Verification (b) Observation (c) Vouching (d) Inspection
- 2) A kind of audit conducted for a part of the accounting year is called _____.
(a) Periodical audit (b) Partial audit (c) Cost audit (d) Interim audit
- 3) Total amount spent for advertisement expenses be verified from the
(a) Receipts from the Medias or advertisement agency
(b) Debtors books
(c) Fixed assets register (d) none of the above.
- 4) Vouching helps the auditors to ascertain whether the entries in the book are
(a) True and fair (b) Only fair
(c) Only true (d) none of the above.
- 5) For which of the following, Audit is optional?
(a) Trusts (b) Proprietorship concern.
(b) Joint stock companies (d) None of the above.
- 6) Serial number of vouchers should be _____.
(a) Colored (b) Even number (c) Continuous (d) Odd number
- 7) _____ is a systematic examination of the books and records or a business.
(a) Auditing (b) Verification (b) Vouching (d) Checking.
- 8) Which of the following are not objectives of auditing?
(a) Ascertain the profit and preparation of P/L Account, Balance sheet.
(b) Detection and prevention of frauds and errors.
(c) Give a true and fair view of financial amount.
(d) To submits the accounts to Government of India.
- 9) Which of the following is not a kind of audit?
(a) Statutory and private audit. (b) Government and continuous audit.
(c) Continuous, final, Interim, Cash, Cost and Management audit.
(d) None of these.
- 10) An audit which is compulsory by the law _____.
(a) Government audit (b) Cost audit (c) Internal audit (d) statutory audit.

[II] Long type Questions:

(10*3=30)

- (1) What is internal check? State difference between internal check and internal audit. What are the essential of an efficient internal check system.
- (2) "Auditing is luxury". Give any four arguments against it.
- (3) "An auditor is not a valuer and yet he is intimately connected with values". Explain fully how you will reconcile this statement.