

**STELLA MARIS COLLEGE (AUTONOMOUS) CHENNAI – 600 086.  
(effective from the academic year 2008-2009)**

**SUBJECT CODE : CM/MC/AG64**

**B.Com. DEGREE EXAMINATION APRIL 2011  
COMMERCE  
SIXTH SEMESTER**

**COURSE : MAJOR – CORE  
PAPER : AUDITING  
TIME : 3 HOURS** **MAX. MARKS : 100**

**SECTION – A**

**ANSWER ALL QUESTIONS: ( 10 x 3 = 30 )**

1. What do you mean by working papers?
2. What are the essential qualities of an auditor in today's complex business world?
3. What is internal check?
4. Define vouching.
5. What do you think is the auditor's duty with regard to checking cash balance at the close of the year?
6. What is capital expenditure?
7. Distinguish between reserves and provisions.
8. What is misfeasance? How can auditors be held for such act of misfeasance?
9. State any three advantages of CAAT.
10. What is meant by unqualified opinion of the auditor?

**SECTION – B**

**ANSWER ANY FIVE QUESTIONS: ( 5 x 6 = 30 )**

11. What is EDP? What are the problems of EDP?
12. You have been instructed by a client to investigate in to the books of a business which has been offered for sale to him. Identify the reasons for him to reject the offer.
13. Explain the statutory duties of an auditor of a limited company
14. What are the factors to be considered before recommending for dividend?

15. What is audit note book? What are its contents?
16. Distinguish between internal audit and external audit.
17. What are the points you should bear in mind while auditing the books of account of an educational institution.

**SECTION – C**

**ANSWER ANY TWO QUESTIONS:**

**( 2 x 20 = 40 )**

18. Define Auditing. Describe the objectives of a company audit.
19. Discuss the provisions of the companies act with regard to the appointment of auditor of a company.
20. Explain the points you would keep in view while auditing credit purchases and credit sales.
21. What is meant by verification of assets? As an auditor of a public limited company how would you verify (a) allotment of shares for consideration other than cash (b) investments (c) book debts.

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