

**LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034**

**B.B.A. DEGREE EXAMINATION – BUSINESS ADMINISTRATION**

**FIFTH SEMESTER – NOVEMBER 2009**

**BU 5401 - AUDITING**

Date & Time: 14/11/2009 / 9:00 - 12:00 Dept. No.

Max. : 100 Marks

**SECTION – A**

**ANSWER ALL THE QUESTIONS**

**(10 X 2 = 20)**

1. What is a voucher?
2. Write any two difference between Internal audit and External audit
3. State the objects of internal check.
4. State any two differences between Investigation and auditing.
5. What are working papers?
6. What is verification?
7. How is copyright verified?
8. What do you mean by cut-off test?
9. State any two duties of an auditor in connection with capital reserve.
10. What is sinking fund?

**SECTION – B**

**ANSWER ANY FIVE QUESTIONS**

**(5 X 8 = 40)**

11. What are the primary and secondary objects of auditing?
12. Explain the concept of internal control system. What are the characteristics of an effective internal control system?
13. Explain the meaning of “duty of care and caution”.
14. Explain the objects and essentials of good working paper.
15. How would you vouch petty cash payments and investments?
16. As a management expert, what system of internal check would you suggest for the inventory?
17. What are the main features of government audit?
18. As an auditor of a company, how would you verify sundry creditors and contingent liabilities?

**SECTION – C**

**ANSWER ANY TWO QUESTIONS**

**(2 X 20 = 40)**

19. What are the different classifications of auditing? Explain the merits and demerits of private audit and continuous audit.
20. What are the procedures involved in vouching credit purchases and credit sales?
21. What are the provisions in the company’s act for the appointment and removal of an auditor of a company?

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