



LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034

B.B.A. DEGREE EXAMINATION – BUSINESS ADMINISTRATION

FIFTH SEMESTER – NOVEMBER 2011

BU 5401 - AUDITING

Date : 12-11-2011
Time : 9:00 - 12:00

Dept. No.

Max. : 100 Marks

PART-A

Answer all questions. Each carries a maximum of 2 marks

(10x2=20)

Explain the following:

1. Internal audit
2. Error of commission
3. Balance sheet audit
4. Test checking
5. Teeming and lading
6. Statutory meeting
7. Revenue expenditure
8. Cost audit
9. Qualification of a company auditor
10. Audit report

PART - B

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

(5x8=40)

11. What is an error and how does it differ from a fraud? Explain different types of frauds.
12. Explain the auditors duty of 'reasonable care and skill' in his work.
13. Distinguish between a fixed and a flexible audit programme.
14. What is internal check? State a suitable internal check as to wages.
15. 'Voucher is the essence of audit'. Discuss.
16. Describe the procedure relating to vouching of cash sales.
17. How would you vouch petty cash payments?
18. Enumerate the methods of valuation of stock.

PART – C

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

(2x20=40)

19. How would you verify the following assets:

- i. Copyright
- ii. Plant and machinery
- iii. Leasehold property
- iv. Goodwill

20. Describe the rights and duties of a Company Auditor.

21. Describe the main classes of errors and frauds usually found while auditing the accounts of a business. State the auditor's duty as to detection and prevention of errors.
