VI Semester B.Com. Examination, April/May 2015
COMMERCE (Freshers) (Semester Scheme)
(2014 –15 & Onwards)
Paper – 6.2 : PRINCIPLES AND PRACTICE OF AUDITING

Time : 3 Hours
Max. Marks : 100

**Instruction**: Answers should be written completely either in **English** or in **Kannada**.

**SECTION – A**

Answer any 10 sub-questions. Each sub-question carries 2 marks.

**10×2 = 20**

1. a) Define Auditing.
   
   \[ \text{Define Auditing.} \]

1. b) What is meant by Vouching?

   \[ \text{What is meant by Vouching?} \]

1. c) Give the meaning of Internal Check.

   \[ \text{Give the meaning of Internal Check.} \]

1. d) What is meant by Contingent Liability?

   \[ \text{What is meant by Contingent Liability?} \]

1. e) What is Accounting Standard?

   \[ \text{What is Accounting Standard?} \]

1. f) Mention the types of Voucher.

   \[ \text{Mention the types of Voucher.} \]

1. g) What is meant by error of principle?

   \[ \text{What is meant by error of principle?} \]
h) State any four causes of depreciation.

i) What is Audit Note Book?

j) What do you mean by Professional Ethics?

k) What is Tax Audit?

l) Define Management Audit.

SECTION – B

Answer any four questions. Each question carries 8 marks.

(4x8 = 32)

2. “Vouching is the essence of Auditing” – Analyse.

3. Distinguish between “Internal Check” and “Internal Audit”.

4. State the differences between “Accountancy” and “Auditing”.

5. How do you verify the following?
   a) Investments       b) Sundry Creditors

6. Briefly explain the procedure for appointment of Company Auditor.
Answer any three questions. Each question carries 16 marks. (3x16 = 48)

7. What are the steps to be followed by an auditor before the commencement of a new Audit?

8. Explain the rights and duties of a Company Auditor.

9. How do you verify and value the following items?
   a) Land and Building
   b) Goodwill
   c) Bills Payable.

10. Explain the Audit Procedure of Educational Institutions.