

**U.G. 6th Semester Examination - 2022****BBA****[HONOURS]****Course Code : BBBACCHT602****Course Title : Auditing**

Full Marks : 40

Time : 2 Hours

*The figures in the right-hand margin indicate marks.**Candidates are required to give their answers in their own words as far as practicable.*

1. Answer any **ten** of the following questions:  $1 \times 10 = 10$
- Define Auditing.
  - What do you mean by secret reserve?
  - What do you mean by proposed dividend?
  - What do you mean by Fraud?
  - Define compensating error.
  - Who are the virtual owners of the company?
  - Define final dividend.
  - What do you mean by Auditor's Independence?
  - Is there any difference between error and fraud?

*[Turn over]*

- What is propriety Audit?
  - Which documents are kept in the Temporary Audit File?
  - If CAG of India fails to appoint auditor for the government company, who can appoint such auditor?
  - Is there any difference between profit and Divisible profit?
  - "Test checking is based on a presumption."  
– What is the presumption?
  - What is Internal Audit?
2. Answer any **five** of the following questions:  $2 \times 5 = 10$
- Define Error of Principle in Accounting with an example.
  - Point out two important reasons of depreciation.
  - Distinguish between Cost audit and Management audit.
  - Distinguish between Equity share and Preference Share.
  - Mention two social objectives of audit.

- f) We know audit is not compulsory in case of sole-proprietorship business, but, under what circumstances it is compulsory?
- g) Mention two limitations of Test Checking.
- h) What do you mean by Verification of Assets?

3. Answer any **two** of the following questions:  $5 \times 2 = 10$

- a) Briefly describe the professional qualification of a company auditor.
- b) Briefly describe the functions of auditing.
- c) Management Audit is indispensable in modern day business. – Discuss.

4. Answer any **one** question of the following:

$10 \times 1 = 10$

- a) Discuss the advantages and disadvantages of Management audit. 10
- b) Discuss the auditor's duties regarding divisible profit. 10
- c) Discuss the rights of a company Auditor. 10

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