

C 40001

(Pages : 3)

Name.....

Reg. No.....

SIXTH SEMESTER U.G. DEGREE EXAMINATION, MARCH 2023

(CUCBCSS—UG)

B.Com.

BCM 6B 13—AUDITING AND CORPORATE GOVERNANCE

(2017—2018 Admissions)

Time : Three Hours

Maximum : 80 Marks

Part AI. Answer *all* questions. Each question carries 1 mark :

Choose from the following :

- 1 Errors of _____ arise when an entry in books has been made and posted twice.
 - a) Principle.
 - b) Commission.
 - c) Duplication.
 - d) Compensating.
- 2 Auditor has no lien on :
 - a) Audit note book.
 - b) Audit working papers
 - c) Books of accounts of clients
 - d) All of the above.
- 3 Window dressing implies :
 - a) Checking wastages.
 - b) Under valuation of assets.
 - c) Over valuation of assets.
 - d) None of the above.
- 4 Remuneration of an internal auditor is fixed by _____.
 - a) Management.
 - b) Shareholders.
 - c) Government.
 - d) Statutory body.
- 5 The corporate governance structure of a company reflects the individual companies' :
 - a) Cultural and economic system.
 - b) Legal and business system.
 - c) Social and regulatory system.
 - d) All of the above.

Turn over

Fill in :

- 6 Auditor's plan of action _____.
- 7 Recording a transaction twice in the books of original entry is an error of _____.
- 8 Under the _____ theory, both internal and external corporate governance mechanisms are intended to induce managerial actions that maximize profit and shareholder value.
- 9 Lapping comes under misappropriation of _____.
- 10 _____ is a process of selecting and checking of a few transactions from a large volume of transactions.

(10 × 1 = 10 marks)

Part B (Short Answer Questions)

II. Answer any *eight* questions. Each question carries 2 marks :

- 11 What is Tax Audit ?
- 12 What are Fictitious assets ?
- 13 What is Embezzlement of Cash ?
- 14 Write a note on audit committee.
- 15 What are the objectives of Internal Check ?
- 16 What are Disadvantages of routine checking ?
- 17 What is meant by Whistle blowing in auditing ?
- 18 What do you mean by Interim Audit ?
- 19 What is audit documentation ?
- 20 What is Negative report ?

(8 × 2 = 16 marks)

Part C

III. Answer any *six* questions. Each question carries 4 marks :

- 21 Explain the Enron scandal.
- 22 What are the Principles of Internal Check ?
- 23 Sathyam Computers Services Ltd- Explain its corporate failure.

- 24 Differentiate Vouching and Verification.
- 25 Enumerate the professional qualification and personal qualities required for an Auditor.
- 26 Write a note on German model of Corporate governance.
- 27 What is Insider trading ? What are its features ?
- 28 What is the role of Corporate Governance in regulate the corporates ?

(6 × 4 = 24 marks)

Part D

IV. Answer any *two* questions. Each question carries 15 marks :

- 29 What is the meaning of Continuous Audit ? What are its advantages and disadvantages ?
- 30 Explain briefly Theories of Corporate governance.
- 31 What is meant by an Internal check ? Discuss system of internal Check as regards wages

(2 × 15 = 30 marks)

C 20015

(Pages : 3)

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SIXTH SEMESTER U.G. DEGREE EXAMINATION, MARCH 2022

(CUCBCSS—UG)

B.Com.

BCM 6B 13—AUDITING AND CORPORATE GOVERNANCE

(2017 and 2018 Admissions)

Time : Three Hours

Maximum : 80 Marks

Part AI. Answer *all* questions. Each question carries 1 mark :

Chose the most appropriate answer from the following :

1 Teeming and Lading is :

- (a) Manipulation of accounts. (b) Misappropriation of cash.
(c) Error of duplication. (d) Error of commission.

2 _____ audit is done between two annual audits of an organization for a part of year

- (a) Partial. (b) Internal.
(c) Interim. (d) Post and Vouch.

3 Audit papers are the property of _____.

- (a) Client. (b) Auditor.
(c) Both the client and the auditor. (d) The audit committee.

4 Auditor's plan of action _____.

- (a) Audit Programme. (b) Audit Note book.
(c) Audit working papers. (d) Audit files.

5 Preliminary expenses not written off are treated as :

- (a) Fixed assets. (b) Intangible assets.
(c) Fictitious assets. (d) None of the above.

Turn over

Fill in :

- 6 A document in support of a transaction is called _____.
- 7 If a casual vacancy in the office of auditor arises by his resignation it should only be filled by the company in a _____ meeting.
- 8 The audit that is made compulsory under statute is called _____.
- 9 Accounting standards are prepared by _____.
- 10 The term 'Audit' is derived from a Latin word "audire" which means to _____.

(10 × 1 = 10 marks)

Part B (Short Answer Questions)

II. Answer any *eight* questions. Each question carries 2 marks :

- 11 What is Surprise checking ?
- 12 What is the meaning of Corporate governance ?
- 13 What is the role of Audit Committee ?
- 14 What are Contingent Liabilities ?
- 15 What is Insider trading ?
- 16 How to verify Income received in advance ?
- 17 What is Audit in Depth ?
- 18 What is meant by Internal Control ?
- 19 What is Balance Sheet audit ?
- 20 Explain briefly the objective of AAS - 3 : Documentation.

(8 × 2 = 16 marks)

Part C

III. Answer any *six* questions. Each question carries 4 marks :

- 21 How is the following vouched ?
 - (i) Receipt from the sale of fixed assets.
 - (ii) Loan received.
- 22 State the advantages of Continuous Audit.

- 23 What is internal check ? What are its advantages ?
- 24 What are the common governance problems noticed in various corporate failures ?
- 25 What are the objectives of vouching ?
- 26 Differentiate between Government Audit and Commercial Audit
- 27 Explain briefly different audit techniques.
- 28 What are the major recommendation and thrust areas of Cadbury committee ?

(6 × 4 = 24 marks)

Part D

IV. Answer any *two* questions. Each question carries 15 marks :

- 29 Explain the Models of Corporate Governance
- 30 What is Auditing ? What are the principles of auditing ?
- 31 Define Continuous Audit. What are its merits and demerits ?

(2 × 15 = 30 marks)

C 1017

(Pages : 3)

Name.....

Reg. No.....

SIXTH SEMESTER B.Com./B.B.A. DEGREE EXAMINATION, MARCH 2021

(CUCBCSS—UG)

B.Com.

BCM 6B 13—AUDITING AND CORPORATE GOVERNANCE

(2017 Admissions)

Time : Three Hours

Maximum : 80 Marks

Section A

Answer all questions.

Each question carries 1 mark.

1. All frauds in book-keeping are facilitated by _____.
 - (a) Weakness of internal control system.
 - (b) Lack of proper accounting.
 - (c) Due to mismanagement of the firm.
 - (d) Due to abnormal profit.

2. Concealment of shortage by delaying the recording of cash receipts is known as :
 - (a) Embezzlement.
 - (b) Misappropriation.
 - (c) Lapping.
 - (d) None of these.

3. Goodwill is valued at _____.
 - (a) Cost Price.
 - (b) After providing depreciation.
 - (c) At the market price.
 - (d) At cost less amount written-off.

4. Which of the following Auditing Assurance Standard deals with Audit Planning ?
 - (a) AAS 7.
 - (b) AAS 8.
 - (c) AAS9.
 - (d) AAS3.

Turn over

5. Which of the following will not lead to creation of secret reserve ?

- (a) Undervaluation of closing stock.
- (b) Charging capital expenditure to revenue.
- (c) Goods sent on consignment being shown as actual sales.
- (d) Charging higher rates of depreciation on fixed assets than actually required.

Fill in the blanks :

- 6 Meaning of the Latin word " Audire" is _____.
- 7 Audit done by the employees of the business undertaking is called _____.
- 8 _____ refers to Checking of selected number of transactions.
- 9 _____ is a Document is support of an entry made in books of accounts.
- 10 Voucher should bear a revenue stamp of rupee one when the payment exceeds Rs. _____.

(10 × 1 = 10 marks)

Section B

*Answer at least five questions.
Each question carries 4 marks.
All questions can be attended.
Overall Ceiling 20.*

- 11 What do you mean by Cost Audit ?
- 12 What do you mean by Investigation ?
- 13 What is meant by Audit procedures ?
- 14 What do you understand from the term "Statutory Audit" ?
- 15 What do you mean by Audit certificate ?
- 16 Explain the Adverse or Negative Opinion.
- 17 What do you mean by E governance ?
- 18 What is Whistle blowing ?
- 19 What is meant by Class action ?
- 20 List out the Codes and standards on corporate governance.

(5 × 4 = 20 marks)

Section C

*Answer at least four questions.
Each question carries 8 marks.
All questions can be attended.
Overall Ceiling 32.*

- 21 Explain the Personal Qualities required for a professional auditor ?
- 22 What do you mean by Final audit ? What are its advantages and disadvantages ?
- 23 Distinguish between auditing and investigation.
- 24 What do you mean by Window dressing ? How it is done ?
- 25 Distinguish between internal check and internal audit.
- 26 What do you mean by audit programme ? What are its advantages ?
- 27 Explain the various liabilities of an auditor.
- 28 Explain the various theories of Corporate Governance.

(4 × 8 = 32 marks)

Section D

*Answer any one question.
Each question carries 18 marks.*

- 29 What do you mean by Auditing ? Explain the various types of audit.
- 30 What are the special attentions to be taken by an auditor while vouching cash payments ?
- 31 Briefly explain some of the major corporate governance failures and the problems noticed in those failures.

(1 × 18 = 18 marks)

C 80068

(Pages : 3)

Name.....

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SIXTH SEMESTER B.Com./B.B.A. DEGREE EXAMINATION, MARCH 2020

(CUCBCSS—UG)

B.Com.

BCM 6B 13—AUDITING AND CORPORATE GOVERNANCE

(2017 Admissions)

Time : Three Hours

Maximum : 80 Marks

Part A

I. Answer *all* questions. Each question carries 1 mark :

1 Which of the following types of audit is not statutorily required for companies in India ?

- (a) Internal audit.
- (b) Cost audit.
- (c) Audit of annual financial statements.
- (d) Tax audit.

2 Verification refers to :

- (a) Examining the physical existence and valuation of assets.
- (b) Examining the journal and ledger.
- (c) Examination of vouchers related to assets.
- (d) None of the above.

3 Test Checking refers to :

- (a) Testing of accounts and records.
- (b) Checking of selected number of transactions.
- (c) Examination of adjusting and closing entries.
- (d) Checking of all transactions recorded.

4 Window dressing implies :

- (a) Curtailment of expenses.
- (b) Checking of Wastages.
- (c) Under valuation of assets.
- (d) Over Valuation of assets.

Turn over

5 Audit programme is prepared by :

- (a) The auditor.
- (b) The client.
- (c) The audit assistants.
- (d) The auditor and his audit assistants.

Fill in the blanks :

- 6 An audit which is compulsory by the law is _____.
- 7 Process of verifying the documentary evidences of transactions are known as _____.
- 8 Legal proceeding in which one or several plaintiffs bring suit on behalf of a group is called _____.
- 9 _____ refers to Checking of selected number of transactions.
- 10 The kind of audit conducted generally between two annual audit is called _____.

(10 × 1 = 10 marks)

Part B

II. Answer any *eight* questions. Each question carries 2 marks :

- 11 What do you mean by Environment audit ?
- 12 What is teeming and lading ?
- 13 What do you mean by Investigation ?
- 14 List out the Rights of an auditor.
- 15 What do you mean by Audit working papers ?
- 16 What is meant by a Qualified Audit Report ?
- 17 What do you mean by Management Audit ?
- 18 What do you understand from Green governance ?
- 19 What do you mean by Whistle blowing ?
- 20 What is meant by Insider trading ?

(8 × 2 = 16 marks)

Part C

III. Answer any *six* questions. Each question carries 4 marks :

- 21 What are the basic principles which govern the auditors whenever he carries out an Audit ?
- 22 What do you mean by Continuous audit ? What are its advantages and disadvantages ?
- 23 "An auditor is responsible for the detection of errors and frauds." Comment.
- 24 Distinguish between Vouching and Verification.
- 25 What do you mean by Internal audit ? What are its objectives ?
- 26 What do you mean by Audit Programme ? What are its advantages and disadvantages ?
- 27 Explain the various theories of corporate governance.
- 28 Briefly explain the various reasons that may lead to corporate failure.

(6 × 4 = 24 marks)

Part D

IV. Answer any *two* questions. Each question carries 15 marks :

- 29 What do you mean by Auditing ? Explain the various object of auditing.
- 30 What are the steps taken by an auditor for vouching of non-cash items ?
- 31 Explain the various duties and liabilities of an auditor ?

(2 × 15 = 30 marks)