

U.G. 6th Semester Examination - 2020**BBA****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** questions: 1×10=10
- a) What do you mean by auditing?
 - b) Define internal audit.
 - c) What do you mean by vouching?
 - d) What is meant by depreciation?
 - e) What is reserve?
 - f) What is meant by capital reserve?
 - g) What do you mean by dividend?
 - h) What is divisible profit?

- i) Give few examples of capital profit.
 - j) Give one example of intangible asset.
 - k) What do you mean by interim dividend?
 - l) What is cost audit?
 - m) Define property audit.
 - n) What do you mean by sinking fund?
2. Answer any **five** questions: 2×5=10
- a) Distinguish between Internal Control and Internal Cheque.
 - b) Define errors of principle in accounting with example.
 - c) State two reasons of depreciation.
 - d) Distinguish between reserve and provision.
 - e) Differentiate between profit and divisible profit.
 - f) State the primary and secondary objectives of audit.
 - g) Distinguish between Fixed Instalment Method and Diminishing Balance Method of depreciation.
 - h) Distinguish between cost audit and financial audit.

3. Answer any **two** questions: $5 \times 2 = 10$
- a) State the provisions of the Companies Act 2013 regarding qualification of company auditors.
 - b) State what considerations should be borne in mind before declaring dividend.
 - c) State the objectives of GST audit.
4. Answer any **one** question: $10 \times 1 = 10$
- a) An auditor is a watch-dog, not a blood hound – Explain.
 - b) Discuss the advantages and disadvantages of Management Audit.
 - c) Discuss about legal rights and liabilities of an audit under the Companies Act 2013.
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