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| **ST. JOSEPH’S COLLEGE (AUTONOMOUS), BANGALORE-27** |  |
| **B.COM - VI SEMESTER** |  |
| **SPECIAL SUPPLIMENTORY EXAMINATION-JUNE** |  |
| **BC 6416/BPS 6416- Auditing Principles And Practice** |  |
|  |  |  |  |  |  |  |  |
| **Time- 2 1/2 hrs** |  | **Max Marks-70** |  |  |
|  |  |  |  |  |  |  |  |
| **This paper contains two printed pages and four parts** |  |
| **Supplementary candidates only.** |
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**SECTION A**

**Answer any FIVE of the following questions. Each question carries two marks(5x2=10)**

1. Give two difference between audit and accountancy.
2. What is the need of internal audit?
3. Define vouching.
4. Point out the different methods of valuation of: i) land and buildings ii)creditors.
5. Mention four characteristics of auditing.
6. Mention two acts related to insurance business in India.
7. Give two objectives of verification of investments.

**SECTION B**

**Answer any THREE of the following questions. Each question carries five marks. (3x5=15)**

8. What are the auditor’s responsibilities towards detection and reporting as per SA240?

9. Describe a suitable internal check system for purchases.

10. Differentiate between routine checking and vouching.

11. Give the process of valuation and verification of Goodwill.

12. Explain the secondary objectives of SA200.

**SECTION C**

**Answer any THREE of the following questions. Each question carries ten marks. (3x10=30)**

13. Elaborate the different types of audit.

14. Explain the fundamental principles of internal control.

15. Describe the procedure while vouching cash payments.

16. What are the different methods of valuation of inventories? Explain verification of inventories along with relevant cases.

17. “As an auditor, knowing the difference between what you have a right to do and what is right to do.”- Comment.

**SECTION D**

**Answer the following compulsory question. The question carries fifteen marks. (1x15=15)**

18. According to TheCompanies Act, 2013, section 143(2):

“The auditor shall make a report to the members of the company on the accounts examined by him and on every financial statements which are required by or under this Act to be laid before the company in general meeting and the report shall after taking into account the provisions of this Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of this Act or any rules made thereunder or under any order made under sub-section (11) and to the best of his information and knowledge, the said accounts, financial statements give a true and fair view of the state of the company’s affairs as at the end of its financial year and profit or loss and cash flow for the year and such other matters as may be prescribed.”

With regard to the above, mention the duties of the auditor regarding the reporting requirements as per the Companies’ Act, 2013.

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**BC 6416\_B\_18**