

**DIPLOMA EXAMINATION IN ENGINEERING/TECHNOLOGY/
MANAGEMENT/COMMERCIAL PRACTICE, NOVEMBER – 2023**

AUDITING

[Maximum Marks: 75]

[Time: 3 Hours]

PART-A

I. Answer *all* the following questions in one word or one sentence. Each question carries ‘one’ mark.

(9 x 1 = 9 Marks)

| | | Module Outcome | Cognitive level |
|----|--|----------------|-----------------|
| 1. | Define Auditing. | M1.01 | R |
| 2. | An audit conducted in between two annual audit is called..... | M1.02 | R |
| 3. | Define internal check | M2.01 | R |
| 4. |is a continuous and systematic process of examining and reporting the operations and records of a concern by its employees. | M2.04 | R |
| 5. | What is vouching? | M3.01 | R |
| 6. | Any documentary evidence in support of a transaction in the books of accounts is called..... | M3.02 | R |
| 7. | What is social audit? | M4.01 | R |
| 8. |is the medium through which an auditor expresses his opinion on the state of affairs of the client's business. | M4.03 | R |
| 9. | What is verification? | M3.05 | R |

PART-B

II. Answer any *eight* questions from the following. Each question carries ‘three’ marks.

(8 x 3 = 24 Marks)

| | | Module Outcome | Cognitive level |
|-----|---|----------------|-----------------|
| 1. | What are the differences between book keeping and auditing? | M1.01 | R |
| 2. | Explain the advantages of auditing. | M1.01 | U |
| 3. | As a management expert, what system of internal check would you suggest for cash receipt. | M2.02 | A |
| 4. | Compare Internal audit and external audit. | M2.04 | U |
| 5. | What is vouching of cash receipts? | M3.03 | R |
| 6. | Compare verification and valuation. | M3.04 | U |
| 7. | Explain the objectives of Social Audit. | M4.01 | U |
| 8. | List out the disqualifications of a Company Auditor. | M4.02 | R |
| 9. | Explain the objectives of vouching. | M3.01 | U |
| 10. | An engineering student says that there is no difference between commercial audit and government audit. Do you agree? Justify your answer. | M1.02 | A |

PART-C

Answer all questions from the following. Each question carries 'seven' marks

(6 x 7 = 42 Marks)

| | | Module Outcome | Cognitive level |
|-------|---|----------------|-----------------|
| III. | Explain the objectives of Auditing. OR | M1.01 | U |
| IV. | What are the limitations of Auditing? | M1.01 | R |
| V. | Explain the advantages of internal check. OR | M2.01 | U |
| VI. | Purchase and sale are the important aspects of any business concern. Can you suggest an appropriate checking system in terms of purchase and sale ? | M2.02 | A |
| VII. | Compare Vouching and Verification. OR | M3.03 | U |
| VIII. | As an auditor of a company, how would you examine the documentary evidences relating to trading transactions? | M3.03 | A |
| IX. | Explain the advantages of social audit. OR | M4.01 | U |
| X. | Explain the different types of audit report. | M4.03 | R |
| XI. | Explain the vouching of capital expenditure. OR | M3.03 | U |
| XII. | What is the valuation of assets? | M3.05 | R |
| XIII. | Explain classification of audit according to organizational structure of a business. OR | M1.02 | U |
| XIV. | Explain the principles of auditing. | M1.04 | U |
