



BRAINWARE UNIVERSITY

Term End Examination 2018 - 19

Programme – Bachelor of Commerce (Honours) in Banking & Financial Accounting

Course Name –Auditing Practice & Corporate Governance

Course Code – BCM601

(Semester – 6)

Time allotted:3 Hours

Full Marks : 70

[The figure in the margin indicates full marks. Candidates are required to give their answers in their own words as far as practicable.]

Group –A

(Multiple Choice Type Question)

10 x 1 = 10

1. *Choose the correct alternative from the following*
 - (i) ___ is a systematic examination of books & records of a business
 - a. Auditing
 - b. Vouching
 - c. Verification
 - d. None of the above
 - (ii) Concurrent audit is a part of
 - a. Internal check system
 - b. Continuous audit
 - c. Internal audit system
 - d. None
 - (iii) Instruction of audit issued by Controller & Auditor General of India
 - e. Statutory Audit
 - f. Management Audit
 - g. Final Audit
 - h. Government audit
 - (iv) Voucher refers to
 - a. Cash receipt
 - b. Cash payment
 - c. Credit transaction
 - d. All of the above
 - (v) Internal Auditor is appointed by
 - a. The management
 - b. The government
 - c. The shareholders
 - d. None of the above
 - (vi) Auditor of acompany does not have right to visit foreign branches of the company
 - a. Unlimited liability
 - b. Manufacturing
 - c. Banking
 - d. Nonprofit making

- (vii) For which of the following auditing is optional?
- | | |
|----------------------------|--------------------------|
| a. Trusts | b. Joint Stock Companies |
| c. Proprietorship Concerns | d. None of these |
- (viii) Under which of the following section auditor has a duty to enquire into six specified matters and report by exception?
- | | |
|--------------------|---------------------|
| a. Section 227(4A) | b. Section 227 (IA) |
| c. Section 227 (2) | d. Section 227(3) |
- (ix) Directors' responsibilities are unlikely to include
- | | |
|---|--|
| a. A duty to keep proper accounting records | b. A duty to propose high dividends for shareholders |
| c. A fiduciary duty | d. A duty of care |
- (x) Audit Programme is prepared by
- | | |
|-------------------|--------------------------------|
| a. The auditor | b. The client |
| c. The Government | d. The auditor & his assistant |

Group – B

(Short Answer Type Questions)

3 x 5 = 15

Answer any *three* from the following

- | | |
|--|-----|
| 2. Discuss the role of Management Audit in a Joint Stock Company. | 5 |
| 3. Explain Green Governance. | 5 |
| 4. Explain the procedure of verifying purchase of fixed assets of an organization. | 5 |
| 5. Define “Audit Evidence”. Categorize audit evidence briefly. | 2+3 |
| 6. Briefly explain the functions of Cost Audit in a company. | 5 |

Group – C

(Long Answer Type Questions)

3 x 15 = 45

Answer any *three* from the following

- | | |
|--|----|
| 7. (a) Discuss “Business Ethics”. | 5 |
| (b) Describe CSR. | 3 |
| (c) Illustrate the different functions of CSR in an organization. | 7 |
| 8. (a) Interpret the term “Window Dressing of Balance Sheet”. | 5 |
| (b) Critically explain the liabilities of an auditor regarding window dressing of balance sheet. | 10 |
| 9. (a) Define “Social Audit”. | 5 |
| (b) Explain the objectives of Social Audit. | 5 |
| (c) Discuss System Audit. | 5 |
| 10. Briefly explain the role of an auditor in the valuation of closing stock. | 15 |
| 11. How an auditor can be appointed in a joint stock company? Explain the procedure. | 15 |
