

**SECTION II****[TO BE ATTACHED TO THE MAIN ANSWER-BOOK]****BCOM DEGREE (CBCS) PRIVATE EXAMINATION, MARCH 2020****DO NOT WRITE YOUR REGISTER NUMBER OR NAME ANYWHERE IN THE****SECTION II OF THE QUESTION PAPER****CO6CRT19MCQ - AUDITING AND ASSURANCE**Answer **all** questions.

All questions carry equal marks

Put a tick mark [✓] against the correct answer

1. Voucher relates to _____.
(a) Cash receipt. (b) Cash payment.
(c) Credit transactions (d) All of the above.

2. Internal auditor is appointed by _____.
(a) Management (b) Shareholders
(c) Government (d) Statutory body

3. Civil liability of an auditor implies liability for
(a) Misappropriation of cash (b) Misappropriation of goods
(c) Fraud (d) Misfeasance

4. _____ is the examination of all documentary evidence which are available to support the authenticity of transactions entered in the client's records.
(a) Accounting (b) Vouching
(c) Internal check (d) None of the above

5. Internal check is suitable for _____.
(a) Larger concerns (b) Smaller concerns
(c) Petty-shop keepers (d) None of the above





6. _____ are the documents prepared or obtained by the auditors in connection with the audit.
- (a) Audit notes (b) Audit working papers
- (c) Audit report (d) All of the above
7. If no auditors are appointed or re-appointed at the annual general meeting, the _____ may appoint a person to fill the vacancy.
- (a) Board of directors (b) Company in general meeting
- (c) Central Government (d) Comptroller and Auditor General of India (C&AG)
8. Due to lack of audit evidence, auditor issues a _____
- (a) Qualified opinion (b) Unqualified opinion
- (c) Adverse opinion (d) Disclaimer of opinion
9. Which of the following is not internal audit evidence?
- (a) Bank Reconciliation Statement (b) Bank Statement
- (c) Copy of Sales Invoice (d) Voucher
10. Which of the following item is not suitable for test checking?
- (a) Purchase transactions (b) Sale transactions
- (c) Balance Sheet items (d) All of above
11. Internal check is carried on by
- (a) Special staff (b) Internal auditor
- (c) Accountant (d) None of the above
12. While checking allotment of shares the auditor should see that it is made within
- (a) 100 days of issue of prospectus (b) 120 days of issue of prospectus
- (c) 150 days of issue of prospectus (d) 80 days of issue of prospectus
13. _____ assets are those assets which have no value but represent only expenditure or loss
- (a) Wasting assets (b) Fictitious assets
- (c) Intangible assets (d) Circulating assets





14. _____ is a type of voucher.
- (a) Template voucher (b) Adjustment voucher
- (c) Reversal voucher (d) All of the above
15. If the statutory time limit of _____ years is over, the money being in Unclaimed Dividend Account is transferred to the Central Government with details of shareholders who have not claimed the dividend.
- (a) 3 (b) 4
- (c) 1 (d) 7
16. Cash sales can be done through _____.
- (a) Sales at the counter (b) Sales by travelling agents
- (c) Postal sales (d) All of the above
17. A continuous audit is specially needed for
- (a) Any trading concerns (b) Smaller concerns
- (c) Banking companies (d) Any manufacturing companies
18. Charging excessive provision for depreciation results in
- (a) Less profit (b) More profit
- (c) No change in profit (d) No change in loss
19. Investment may be classified as _____.
- (a) Investment in Govt. securities (b) Investment in shares
- (c) Investment in immovable property (d) All of the above
20. The auditor gives a _____ report when he is unable to give an opinion on the financial statement taken as a whole, but he believes that he can express an opinion on certain items in the statements.
- (a) Adverse report (b) Qualified report
- (c) Piecemeal report (d) Clean report

No. of MCQ's Attempted :

Marks Scored :

(To be entered by the examiner)

No. of MCQ's not Attempted :

**ATTACH SECTION II INTERNAL EXAMINATION MCQ PAPER
WITH THE MAIN ANSWER BOOK**

