

Roll No



**PRESIDENCY UNIVERSITY
BENGALURU**

**SCHOOL OF COMMERCE
MID TERM EXAMINATION - APR 2023**

Semester : Semester IV - 2021

Course Code : COM2017

Course Name : Sem IV - COM2017 - Principles and Practices of Auditing

Program : BCM&BCH

Date : 13-APR-2023

Time : 9.30AM - 11.00AM

Max Marks : 50

Weightage : 25%

Instructions:

- (i) Read all questions carefully and answer accordingly.
- (ii) Question paper consists of 3 parts.
- (iii) Scientific and non-programmable calculator are permitted.
- (iv) Do not write any information on the question paper other than Roll Number.

PART A

ANSWER ALL THE QUESTIONS

(5 X 2 = 10M)

1. What are the objectives of audit?
(CO1) [Knowledge]
2. What do you understand by audit evidence?
(CO1) [Knowledge]
3. State with reasons (in short) whether the following statement is correct or incorrect:
As per section 138 of the Companies Act, 2013 private companies are not required to appoint internal auditor.
(CO2) [Knowledge]
4. What is Internal check?
(CO2) [Knowledge]
5. State with reasons (in short) whether the following statements are correct or incorrect-
Maintenance of Internal Control System is the responsibility of the Statutory Auditor.
(CO1) [Knowledge]

PART B

ANSWER ALL THE QUESTIONS

(2 X 10 = 20M)

6. Distinguish between Internal Audit and External Audit.
(CO1) [Comprehension]

7. Explain ICS with example and Explain the method of evaluation of internal control in following situation. Healthy and wealthy Limited is into small manufacturing as well as trading business. For the purpose of evaluating the internal control of Healthy and Useful Limited, a team member of the auditors of the company used a method according to which the whole description of internal control that was operating in the said company was to be recorded.

(CO2) [Comprehension]

PART C

ANSWER THE FOLLOWING QUESTION

(1 X 20 = 20M)

8. Explain the Auditing principles and differentiate Between Internal check and Internal control system.

(CO1) [Application]