



Name:
Enrolment No:

UPES
End Semester Examination, December 2023

Course: Auditing and Assurance

Semester: III

Program: INT. B.COM - MBA

Time : 03 hrs.

Course Code: FINC207

Max. Marks: 100

Instructions:

SECTION A
10Qx2M=20Marks

S. No.		Marks	CO
Q 1	Which audit test involves checking the mathematical accuracy of accounting records and the clerical accuracy of calculations? A) Vouching B) Tracing C) Reperformance. D) Inspection	2	CO1
Q2	The audit report is addressed to: A). The external stakeholders B) The audit committee C) The management of the audited entity D) The internal auditors	2	CO1
Q3	What is the primary purpose of substantive audit procedures? A) To test the effectiveness of internal controls B) To assess inherent risk C) To gather evidence about the fairness of the financial statements. D) To verify the compliance with laws and regulations	2	CO1
Q4	Independence is a fundamental principle of auditing. What does auditor independence refer to? A) The auditor's ability to work independently of the client's management. B) The auditor's ability to make decisions on behalf of the client C) The auditor's ability to influence the client's financial statements D) The auditor's ability to charge high fees	2	CO1
Q5	Which of the following audit procedures is used to test the valuation of assets and liabilities? A) Confirmation B) Inspection. C) Observation D) Reperformance	2	CO1
Q6	In the context of auditing, what does the term "risk assessment" refer to?	2	CO1

	A) The risk of the audit failing B) The risk of the company going bankrupt C) The risk that material misstatements may exist in the financial statements. D) The risk of economic downturns		
Q7	When planning an audit, the auditor is required to assess the client's internal controls. What is the purpose of this assessment? A) To identify areas for cost reduction B) To determine the level of management compensation C) To identify areas of potential fraud D) To assess the risk of material misstatements in the financial statements.	2	CO1
Q8	Which of the following is not a primary component of the audit risk model? A) Inherent risk B) Detection risk C) Control risk D) Compliance risk.	2	CO1
Q9	Which audit opinion is issued when the auditor believes the financial statements are not presented fairly in all material respects? A) Unqualified opinion B) Qualified opinion C) Adverse opinion. D) Disclaimer of opinion	2	CO1
Q10	Which of the following is not a type of audit evidence? A) Documentation B) Observation C) Inquiry D) Opinion.	2	CO1
SECTION B 4Qx5M= 20 Marks			
Q 11	What is audit notebook?	5	CO2
Q12	What are the advantages of continuous audit?	5	CO2
Q13	What is meaning to government audit	5	CO2
Q14	Differentiate between internal audit and internal check?	5	CO2
SECTION-C 3Qx10M=30 Marks			
Q 15	Explain the different classes of errors and frauds that an auditor may come across while auditing a firm's accounts.	10	CO3
Q16	Discuss the various objectives of auditing	10	CO3
Q17	"Accounting is a necessity while auditing is a luxury." Comment	10	CO3

SECTION-D
2Qx15M= 30 Marks

Q 18	"Auditing begins where accounting ends." Discuss	15	CO4
Q19	What is routine checking? Distinguish between routine checking and test checking. Also discuss the advantages and limitation of routine checking.	2+8+5= 15	CO4