

KALYANI MAHAVIDYALAYA
Part - III Test Examination, 2015
B.Com. [General]
Sub.- Auditing & Management Accounting

Time - 1.30Hours

Full Marks - 50

Group - A

1. Answer any three questions : 3x1=3
- (i) Define auditing.
 - (ii) Distinguish between error and fraud.
 - (iii) What is statutory audit ?
 - (iv) What is periodical audit ?
 - (v) What is audit note book ?
2. Answer any two questions : 2x6=12
- (i)As an auditor how would you vouch 'payment of wages' ?
 - (ii)What is internal check system ? What are its objectives ?
 - (iii)What is audit programme ? What are its advantages ?
 - (iv)Explain the concept of the term 'True and Fair' .
3. What is auditor's report ? distinguish between auditor's report and auditor's certificate.
10

or

How an auditor can be removed before the expiry of his term ? 10

Group - B

4. Answer any three questions : 3x1=3
- (i)Define Working Capital.
 - (ii)What is the meaning of 'Fund' ?
 - (iii)What is Accounting Ratio ?
 - (iv)Define Budget.
 - (v)Mention two importance of cash flow statement.
5. Answer any two questions : 2x6=12

(i) New India Ltd. Plans to manufacture three products - A, B and C. The sales forecast for the products is 83,200 units, 72,800 units and 88,400 units respectively. The estimated inventory position is as below :

Products	Inventory (Units)		
	A	B	C
As on 1st January ,2015	16,000	12,000	20,000
As on 31 st December ,2015	20,800	11,160	27,600

You are required to prepare the production budget of the company for the year 2015.

(ii) Is depreciation a source of fund ?

(iii) From the following Balance Sheet calculate Liquid Ratio and Debt-equity Ratio :

Balance Sheet

Liability	Amount(Rs.)	Assets	Amount(Rs.)
Share Capital	1,00,00	Goodwill	60,000
Reserve	20,000	Fixed Assets	1,40,000
P&L A/C	30,000	Stock	30,000
Secured Loans	80,000	Debtors	30,000
Provisions for taxation	20,000	Advances	10,000
Creditors	<u>50,0000</u>	Cash	<u>30,000</u>
	<u>3,00,000</u>		<u>3,00,000</u>

6.