

Mid-West University  
**Examinations Management Office**  
Surkhet, Nepal  
End-Semester Examinations-2080  
Bachelor of Business Studies (BBS)  
Semester - VIII

Subject: Introduction to Auditing  
Full Marks: 60 Pass Marks: 30

Course Code: ACC 486  
Time: 3:00 Hours

*You are required to answer in your own words as far as applicable. Figures in the margins indicate full marks.*

**SECTION A: VERY SHORT ANSWER QUESTIONS (10 X 1 = 10 MARKS)**

Answer **ALL** the questions.

1. Explain any two natures of auditing.
2. Point out any two key differences between error and fraud.
3. What do you mean by audit working papers?
4. Clarify the concept of by test checking.
5. Point out the types of auditor's opinion.
6. Mention any two roles of auditor general in government audit.
7. Write short notes on signing on audit report.
8. Define cost audit.
9. Mention any four basic principles of financial audit.
10. list out the types of investigation.

**SECTION B: SHORT ANSWER QUESTIONS (3 X 8 = 24 MARKS)**

Answer any **THREE** questions.

11. Describe the differences between accounting and auditing. [8]
12. What is audit evidence? Describe the main methods of obtaining audit evidences while conducting audit. [2+6]
13. How would you vouch the following items? [4×2]
  - a. Sales
  - b. Purchase
  - c. Cash received from accounts receivable
  - d. Commission received
14. Mention the code of conducts regarding a professional auditor. [8]
15. Illustrate the procedures of investigation. [8]

**SECTION C: LONG ANSWER QUESTIONS (2 X 13 = 26 MARKS)**

Answer any **TWO** questions.

16. What do you mean by auditing? Describe the evolution of auditing in the context of Nepal. [3+10]
17. What is audit report? Explain the contents of audit report. Also, briefly, explain the differences between vouching and valuation. [2+6+5]
18. Elaborate the activities followed by an auditor while conducting audit of an educational institution. [13]

**THE END**