



End Term (Odd) Semester Examination November 2025

Roll no.....

Name of the Course and semester: B. Com (Hons.)- III SEM

Name of the Paper: Audit and Assurance

Paper Code: BCH-302(A)

Time: 3-hour

Maximum Marks: 100

Note:

- (i) All the questions are compulsory.
- (ii) Answer any two sub questions from a, b and c in each main question.
- (iii) Total marks for each question is 20 (twenty).
- (iv) Each sub-question carries 10 marks.

Q1. (CO:1)

(2X10=20 Marks)

- a. Explain the significance of rules and regulations in audit and assurance.
- b. Why are regulatory frameworks essential for maintaining audit quality, ethical conduct, and stakeholder confidence?
- c. How do the statutory regulatory bodies ensure compliance and enforce disciplinary actions?

Q2. (CO:2)

(2X10=20 Marks)

- a. How does a strong audit and assurance framework contribute to effective corporate governance?
- b. Discuss the role of internal and external audits in building transparency, accountability, and ethical conduct within an organisation.
- c. Analyze how auditor independence and professional skepticism influence the credibility of financial statements.

Q3. (CO:3)

(2X10=20 Marks)

- a. State the major types of audit risks (inherent risk, control risk, and detection risk), and how do they influence the auditor's strategy and procedures during an assurance engagement?
- b. Discuss how the ethical lapses undermine audit quality and stakeholder trust?
- c. Explain the factors considered by an auditor before accepting a new client or engagement.

Q4. (CO:4)

(2X10=20 Marks)

- a. Discuss the provisions of Internal Audit Reporting as an integral part of Audit and Assurance.
- b. Elucidate the different types of audit evidence (physical, documentary, analytical, oral, and electronic).
- c. Elaborate the procedures used by auditors to obtain appropriate audit evidence, such as inspection, observation, inquiry, confirmation, recalculation, and analytical procedures.

Q5. (CO:5)

(2X10=20 Marks)

- a. Highlight the key audit procedures performed during an assurance engagement? Discuss how substantive procedures and tests of controls help auditors gather sufficient and appropriate audit evidence.
- b. Interpret the activities involved in the completion and review stage of an audit.
- c. Figure out the auditor's opinion, basis of opinion, key audit matters, and management responsibilities contribute to transparent financial reporting?