

# AUDITING

B.COM.(HONS.) (PART-I)

UNIT - 3 : CLASSIFICATION OF AUDIT  
(OBJECTIVE QUESTIONS)

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**Dr. Rudra Kinker Verma,**  
**Asst professor(Guest Faculty),**  
**Dept of Commerce, BNMV College,**  
**Sahugarh, Madhepura (Bihar)**



# OBJECTIVE QUESTIONS

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**Choose the correct answer :-**

1. Statutory audit is..... :
  - i. Compulsory
  - ii. Voluntary
  - iii. Optional
  - iv. None of these.
  
2. Audit of Public Co. is .....:
  - i. Voluntary
  - ii. Complete
  - iii. Compulsory
  - iv. None of these

# OBJECTIVE QUESTIONS

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3. Audit of Partnership firm is :

- i. Compulsory
- ii. Voluntary
- iii. Optional
- iv. None of these

4. Audit of sole trading is :

- i. Compulsory
- ii. Periodical
- iii. Voluntary
- iv. None of these

# OBJECTIVE QUESTIONS

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5. Audit of trust is :
- i. Compulsory
  - ii. Voluntary
  - iii. Optional
  - iv. None of these
6. Audit of Co-operative firm is :
- i. Voluntary
  - ii. Compulsory
  - iii. Optional
  - iv. None of these

# OBJECTIVE QUESTIONS

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7. Audit of life insurance Co. is :

- i. Compulsory
- ii. Voluntary
- iii. Optional
- iv. None of these

8. Personal audit is :

- i. Voluntary
- ii. Compulsory
- iii. Optional
- iv. None of these

# OBJECTIVE QUESTIONS

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9. The effect of auditor on employees by continuous audit :
- i. Increases
  - ii. Decreases
  - iii. Remains constant
  - iv. None
10. Continuous Audit is suitable :
- i. For Big Institutions
  - ii. For Small Institutions
  - iii. For General Institutions
  - iv. None of these

# OBJECTIVE QUESTIONS

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11. Interim Audit is get done :

- i. At the beginning of the year
- ii. At the end of the year
- iii. At the middle of the year
- iv. None of these

12. Audit, which is done at the time of admission of a new partner is called :

- i. Casual Audit
- ii. Standard Audit
- iii. Partial Audit
- iv. None of these



# OBJECTIVE QUESTIONS

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13. Under Management audit is done :

- i. Work of the Employees
- ii. Work of Auditor
- iii. Work of Top Authorities
- iv. None of these

14. Under B/S audit examination is done of :

- i. Fixed Assets only
- ii. Fixed Liabilities only
- iii. All fixed Assets and Liabilities
- iv. None of these



# OBJECTIVE QUESTIONS

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15. Internal Audit is done by :

- i. Senior, Able and Honest Employees
- ii. Honest and Able Employees or Professional Auditor
- iii. Managers
- iv. None of these

# OBJECTIVE QUESTIONS

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## Whether the following statements are True or False :

16. Statutory audit is compulsory.
17. Audit of partnership firm is compulsory.
18. Audit of sole trading is voluntary.
19. Continuous audit is suitable for all type of institutions.
20. Under Management audit the work of employees examined.
21. Internal audit is done by the managers.
22. By continuous audit the effect of auditor increases.
23. Audit of trust is voluntary.
24. Audit of life Insurance Corporation is compulsory.
25. Audit which is done at the time of admission of a partner is called causal audit.

# ANSWER KEY

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1. (i)

2. (iii)

3. (ii)

4. (iii)

5. (i)

6. (ii)

7. (i)

8. (i)

9. (ii)

10. (i)

11. (iii)

12. (i)

13. (iii)

14. (iii)

15. (ii)

16. (true)

17. (false)

18. (true)

19. (false)

20. (false)

21. (false)

22. (false)

23. (false)

24. (true)

25. (true)

THANK YOU

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