

# 國立成功大學

## 114學年度碩士班招生考試試題

編 號：160

系 所：會計學系

科 目：審計學

日 期：0211

節 次：第 2 節

注 意：1.不可使用計算機  
2.請於答案卷(卡)作答，於  
試題上作答，不予計分。

**Part I: Multiple-Choice Questions: Select the best answer for each of the following questions (3 points for each question) (75 points)**

1. Regarding the audit of the acquisition and payment cycle, which of the following statements are correct? Select all that apply.
  - I. If the client counts inventory at year end, it is essential that cutoff tests be coordinated with the physical observation of inventory.
  - II. A company purchasing goods from a vendor on a FOB origin basis must record the liability when the goods are received at the company's receiving dock.
  - III. Sampling is more commonly used to audit accounts payable than accounts receivable.
  - IV. Auditors primarily emphasize the understatement of liabilities in the audit of accounts payable because they are concerned about potential legal liability.
  - V. Significant audit efficiencies can be achieved on many audits when controls are operating effectively.
  - VI. The auditors' ultimate substantive tests depend on the relative effectiveness of the system of internal controls related to accounts payable.
  - A. I, II, VI, VI
  - B. I, III, IV, V, VI
  - C. I, IV, V, VI
  - D. I, IV, V
2. Under which of the following situations would an auditor typically decide between issuing a qualified opinion or a disclaimer of opinion?
  - A. Material misstatement.
  - B. Inadequate disclosure of accounting policies.
  - C. Inability to obtain sufficient appropriate audit evidence.
  - D. Unreasonable justification for a change in accounting principle.
3. Ethel, the auditor for Danaher, Inc., requests a list of customers to perform accounts receivable confirmations. Danaher's management refuses to provide the list, claiming that it does not want to damage customer relations by disclosing its customers' names and addresses. If Ethel determines that any potential misstatements in accounts receivable could be material and pervasive to the financial statements, what type of audit opinion should she issue?
  - A. Unqualified opinion.
  - B. Qualified opinion.
  - C. Disclaimer of opinion.
  - D. Adverse opinion.
4. On August 14, a CPA dated the audit report on financial statements for the year ended June 30. On August 28, an event that should be disclosed in the notes to the financial statements came to the CPA's attention. The client properly disclosed the event, but the CPA decided not to dual-date the auditor's report and dated the report on August 28.

- Under these circumstances, the CPA was taking responsibility for
- A. All subsequent events that occurred through August 28.
  - B. Only the specific subsequent event disclosed by the entity.
  - C. All subsequent events that occurred through August 14 and the specific subsequent event disclosed by the entity.
  - D. Only the subsequent events that occurred through August 14.
5. On February 14, Year 2, Bella, CPA, met with the audit committee of the GreenRock Corporation to review the draft of Bella's report on the company's financial statements as of and for the year ended December 31, Year 1. On February 17, Year 2, Bella completed all remaining field work and obtained sufficient appropriate evidence to support the opinion on the financial statements. On February 28, Year 2, the final report was mailed to GreenRock's audit committee. What date most likely would be used on Bella's report?
- A. December 31, Year 1.
  - B. February 14, Year 2.
  - C. February 17, Year 2.
  - D. February 28, Year 2.
6. In the auditor's report, the group auditor opts not to make reference to another CPA who audited a client's subsidiary. This decision can be justified if, among other requirements, the group auditor
- A. Expresses an unmodified opinion on the consolidated financial statements.
  - B. Discovers that the other CPA issued an unmodified opinion on the financial statements of the subsidiary.
  - C. Cannot determine whether the group auditor and the other CPA have common audit methods and quality control policies and procedures.
  - D. Is satisfied with the other CPA's independence and professional reputation.
7. In an audit of a client's financial statements, the auditor determined that there was substantial doubt about the client's ability to continue as a going concern over the next year. If there were no other significant audit findings, which of the following indicates the proper form of the audit report that should be issued?
- A. A disclaimer of opinion.
  - B. An adverse opinion with an other-matter paragraph.
  - C. An unqualified opinion with an explanatory paragraph.
  - D. A qualified opinion with an emphasis-of-matter paragraph.
8. Management believes, and the auditor is satisfied, that a material loss probably will occur when the resolution of the pending litigation. Management cannot reasonably estimate the amount or range of the potential loss but fully discloses the situation in the notes to the financial statements. If management does not recognize the loss into the financial statements, the auditor should express a(n)
- A. Qualified opinion due to a scope limitation.

- B. Qualified opinion due to a material misstatement.
  - C. Unmodified opinion with an additional section in the auditor's report.
  - D. Unmodified opinion with no additional section in the auditor's report.
9. When planning a sample for a test of details, an auditor should consider tolerable misstatement for the sample. This consideration should
- A. Be associated with the auditor's business risk.
  - B. Remain unaffected by qualitative factors.
  - C. Be related to preliminary judgments about materiality levels.
  - D. Not be changed during the audit process.
10. How would an increase in tolerable misstatement and an increase in the risk of material misstatement (RMM) affect the sample size in a substantive test of details?

Increase in Tolerable Misstatement	Increase in the RMM
---------------------------------------	---------------------

- |                         |                      |
|-------------------------|----------------------|
| A. Increase sample size | Increase sample size |
| B. Increase sample size | Decrease sample size |
| C. Decrease sample size | Increase sample size |
| D. Decrease sample size | Decrease sample size |
11. Which of the following would most likely be advantageous in using classical variables sampling rather than monetary-unit sampling?
- A. An estimate of the standard deviation of the population's recorded amounts is not required.
  - B. The auditor rarely needs the assistance of a computer program to design an efficient sample.
  - C. Including zero and negative balances generally does not necessitate specific design adjustments.
  - D. Any amount that is individually significant is automatically identified and selected.
12. Debby, the auditor of XYZ Corp., has been assigned to take a monetary-unit sample of a population of vouchers in the purchasing department. The population has a total recorded amount of \$500,000. The auditor believes that a maximum misstatement of \$1,000 is acceptable and would like 95% confidence in the results. (The confidence factor at 95% and zero misstatements = 3.00.)

Table of First 10 Vouchers in Population

Voucher	Cumulative	
#	Balance	Balance
1	\$200	\$ 200
2	150	350
3	40	390
4	100	490
5	10	500
6	290	790
7	50	840
8	190	1,030
9	70	1,100
10	180	1,280

In examining the sample, one overstatement was detected, causing an extension of \$370 to

the tolerable misstatement. Assuming a sample size of 1,000 and assuming that the maximum dollar amount of overstatement, if no misstatements were found, was established to be \$1,000 before the sampling analysis, what conclusion can the auditor now make from the sampling evidence?

- A. She is 95% confident that the dollar amount of overstatement in the population of vouchers is between \$1,000 and \$1,370.
  - B. She is 95% confident that the dollar amount of overstatement in the population of vouchers exceeds \$1,370.
  - C. She is 95% confident that the dollar amount of overstatement in the population of vouchers is less than \$1,370.
  - D. The number of detected misstatements was insufficient to justify a conclusion.
13. Adequate disclosure ensures that enough information is provided to prevent financial statements from being misleading. Decisions regarding adequate disclosure should consider the needs of:
- A. Users with a reasonable knowledge of business and accounting.
  - B. All readers of the financial statements.
  - C. Experts in accounting and finance.
  - D. Governmental regulatory agencies.
14. Which of the following statements about internal control is correct?
- A. Internal control should provide reasonable assurance that employee collusion cannot occur.
  - B. The establishment and maintenance of internal control are essential responsibilities of the internal auditor.
  - C. Exceptionally effective internal control is enough for the auditor to eliminate substantive procedures on a significant account balance.
  - D. The cost-benefit relationship is a primary criterion to consider when designing internal control.
15. Although substantive procedures can support the accuracy of underlying records, these tests often fail to provide direct evidence of segregation of duties because
- A. Substantive procedures rarely guarantee the records' accuracy if only a sample of the transactions has been tested.
  - B. The records may be accurate even though they are maintained by someone performing incompatible functions.
  - C. Substantive procedures cover the entire audit period, whereas tests of controls are typically limited to when the auditor is present at the client's premises.
  - D. Many computerized procedures leave no audit trail of who performed them so that substantive procedures may be limited to inquiries and observation of office personnel.
16. Which procedure would an auditor most likely perform to test controls related to management's assertion about the completeness of cash receipts for cash sales at a retail outlet?
- A. Observe the consistency of the employee's use of cash registers and tapes.
  - B. Inquire about employee's access to recorded but undeposited cash.

- C. Trace the deposits in the cash receipts journal to the cash balance in the general ledger.
- D. Compare the cash balance in the general ledger with the bank confirmation request.
17. Sales returns and allowances should have controls to ensure proper approval and processing. Which of the following is a key control of sales returns and allowances?
- A. Someone in the sales department approves the credit memo related to a sales return or allowance.
- B. Maintenance of a separate accounting ledger for accounts written off.
- C. The original customer order must be matched with the document created by the shipping department.
- D. The receipt of returned goods by the receiving department and the preparation of a receiving report.
18. Which statement about the auditor's response to assessed risks of material misstatement in a financial statement audit is true?
- A. Risk assessment procedures performed to obtain an understanding of an entity's internal control may also serve as tests of controls.
- B. When the risks of material misstatement are high, an auditor should reduce the amount of substantive testing.
- C. Reliance on internal control may be sufficient to allow the auditor to eliminate the need for substantive testing of significant transaction classes.
- D. When assessing the risks of material misstatement, auditors are generally advised against relying on control operation evidence gathered from prior audits.
19. During the planning phase of an audit, an auditor identifies matters to communicate with those charged with governance. The auditor would most likely inquire of management whether
- A. There was significant turnover in the accounting department.
- B. It consulted with another CPA firm about installing a new computer system.
- C. There were changes in the application of significant accounting policies.
- D. It agreed with the auditor's selection of fraud detection procedures.
20. Which fraudulent activities most likely could be perpetrated due to the lack of effective internal controls in the revenue cycle?
- A. Fictitious transactions might be recorded, leading to an understatement of revenues and an overstatement of receivables.
- B. Customer claims for returned goods might be intentionally recorded in other customers' accounts.
- C. Authorization of credit memos by personnel who receive cash may permit the misappropriation of cash.
- D. Not preparing shipping documents could result in an overstatement of inventory balances.
21. An auditor established a \$75,000 tolerable misstatement for an asset with an account balance of \$1,200,000. The auditor selected a sample of every twentieth item from the population representing the asset account balance and discovered overstatements of \$4,500 and understatements of \$600. Under these circumstances, the auditor most likely would conclude that

- A. There is an unacceptably high risk that the actual misstatements in the population exceed the tolerable misstatement, as the total projected misstatement surpasses the tolerable misstatement.
  - B. There is an unacceptably high risk that the tolerable misstatement exceeds the sum of actual overstatements and understatements.
  - C. The asset account is fairly stated because the total projected misstatement is less than the tolerable misstatement.
  - D. The asset account is fairly stated because the tolerable misstatement exceeds the net of projected actual overstatements and understatements.
22. Which of the following statements accurately describes statistical sampling in tests of controls?
- A. As the population size increases, the sample size should increase proportionately.
  - B. Deviations from specific control activities increase the likelihood of misstatements but do not always cause misstatements.
  - C. There is an inverse relationship between the expected population deviation rate and the sample size.
  - D. An auditor considers detection risk and the sample size when determining the tolerable deviation rate.
23. What is an auditor's evaluation of a statistical sample for attributes when a test of 100 documents results in 6 deviations if the tolerable rate is 7%, the expected population deviation rate is 4%, and the allowance for sampling risk is 2%?
- A. Adjust the planned assessed risk of material misstatement because the tolerable deviation rate combined with the allowance for sampling risk exceeds the expected population deviation rate.
  - B. Accept the sample results as support for the assessed risk of material misstatement because the sample deviation rate plus the allowance for sampling risk exceeds the tolerable deviation rate.
  - C. Accept the sample results as support for the assessed risk of material misstatement because the tolerable deviation rate minus the allowance for sampling risk equals the expected population deviation rate.
  - D. Modify the assessed risk of material misstatement because the sample deviation rate combined with the allowance for sampling risk exceeds the tolerable deviation rate.
24. When performing tests of controls for the effectiveness of internal controls related to cash receipts, an auditor may use a systematic sampling technique with a start at any randomly selected item. The most significant disadvantage of this type of sampling is that the items in the population
- A. Must be systematically replaced in the population when sampling.
  - B. May systematically occur more than once in the sample.
  - C. Must be recorded in a systematic pattern before the sample can be drawn.
  - D. May occur in a systematic pattern, thus compromising the randomness of the sample.
25. During the process of confirming receivables as of December 31, Year 1, a positive confirmation was returned indicating the "balance owed as of December 31 was paid on January 10, Year 2." The auditor would most likely
- A. Determine whether any changes in the account occurred between January 1 and January 10, Year 2.

- B. Determine whether the customer took a customary trade discount.
- C. Reconfirm the zero balance as of January 10, Year 2.
- D. Verify that the amount was received.

**PART II: Problems and Analysis (25 points)**

1. The table below presents key ratios for Asia Networks deemed significant by the auditor during the current and prior year audits. Select the most likely explanation for the analytical results from the list of options provided. Each option may be used once, more than once, or not at all. (10%)

Ratio	Year 1	Year 2	Explanation (Your answer)
1. Quick	1.60	2.10	
2. Return on equity	7%	2%	
3. Inventory turnover	3.15	4.52	
4. Debt to equity	4.51	1.98	
5. Gross profit percentage	42%	37%	

- A. Cost of goods sold decreased by less than sales decreased during the year.
- B. Cost of goods sold increased during the year at a lower rate than sales increased.
- C. Proceeds from the issuance of noncurrent debt were used to pay accounts payable.
- D. Capital stock was issued during the year.
- E. The entity may have accumulated excess and obsolete inventory.
- F. Inventory decreased at a greater rate than the decrease in cost of goods sold for the year.
- G. A decrease in market demand for products may accelerate inventory turnover.
- H. Sales decreased compared with the prior year.

2. **Fact pattern:** An audit was performed by Ally Cooper, CPA, of the financial statements of Lockheed Leasing Company for the year ended December 31. A cash advance to Caterpillar Credit Corporation is material to the presentation of Lockheed’s financial position. Caterpillar Credit’s unaudited financial statements show negative working capital, negative equity, and losses in each of the 5 preceding years. Ms. Cooper has suggested an allowance for the uncollectibility of the advance to Caterpillar Credit. Following is the note to Lockheed’s statements:

**Note to Financial Statements**

At December 31, the Company had advanced \$500,000 to Caterpillar Credit Corporation. We obtained written confirmation of this debt from Caterpillar Credit Corporation and reviewed the unaudited financial statements of Caterpillar Credit Corporation. Caterpillar Credit Corporation is not able to repay this advance at this time. Still, the Company has informed us that it is optimistic as to the future of Caterpillar Credit Corporation. Lockheed Leasing



Company's common shareholders wholly own Caterpillar Credit Corporation's stock.

Assume that subsequent to the date of the auditor's report (but prior to issuance of the related financial statements):

**Question1:** Please discuss which type of subsequent event this incident should be classified as. (7%)

**Question2:** Assume Lockheed Leasing Company sells all of its stock in Caterpillar Credit and the new owners repay the advance from Lockheed. What audit opinion should Ms. Cooper issue as to Lockheed's financial statements? Please explain the reasons. (8%)