

本試題是否可以使用計算機：可使用，不可使用（請命題老師勾選）

考試日期：0302，節次：2

※ 請勿在本試題紙上作答，否則不予計分。

Part I: Multiple-Choice Questions: Select the best answer for each of the following question (2% for each question) (50%)

1. Controls which provide a means of ensuring that the physical counts are properly summarized, priced at the same amount as the unit records, correctly extended and totaled, and included in the general ledger at the proper amount are known as
  - a. Standard cost controls.
  - b. Pricing internal controls.
  - c. Compilation internal controls.
  - d. Count quantity internal controls.
  
2. For effective internal control purposes, the vouchers payable department generally should
  - a. Obliterate the quantity ordered on the receiving department copy of the purchase order.
  - b. Stamp, perforate, or otherwise cancel supporting documentation after payment is mailed.
  - c. Establish the agreement of the vendor's invoice with the receiving report and purchase order.
  - d. Ascertain that each requisition is approved as to price, quantity, and quality by an authorized employee.
  
3. A client erroneously recorded a large purchase twice. Which of the following internal control measures would be most likely to detect this error in a timely and efficient manner?
  - a. Footing the purchases journal.
  - b. Reconciling vendors' monthly statements with subsidiary payable ledger accounts.
  - c. Tracing totals from the purchases journal to the ledger accounts.
  - d. Sending written quarterly confirmations to all vendors.
  
4. A weakness in internal control over recording retirements of equipment may cause an auditor to
  - a. Inspect certain items of equipment in the plant and trace those items to the accounting records.
  - b. Review the subsidiary ledger to ascertain whether depreciation was taken on each item of equipment during the year.

(背面仍有題目,請繼續作答)

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- c. Trace additions to the "other assets" account to search for equipment that is still on hand but no longer being used.
  - d. Select certain items of equipment from the accounting records and locate them in the plant.
5. Trent is auditing an entity's compliance with requirements governing a major federal financial assistance program in accordance with the Single Audit Act. Trent detected noncompliance with requirements that have a material effect on that program. Trent's report on compliance should express a(n)
  - a. Unqualified opinion with a separate explanatory paragraph.
  - b. Qualified opinion or an adverse opinion.
  - c. Adverse opinion or a disclaimer of opinion.
  - d. Limited assurance on the items tested.
6. The independence of the internal audit department will most likely be assured if it reports to the
  - a. President.
  - b. Controller.
  - c. Treasurer.
  - d. Audit committee of the board of directors.
7. Which of the following conditions or events most likely would cause an auditor to have substantial doubt about an entity's ability to continue as a going concern?
  - a. Significant related-party transactions are pervasive.
  - b. Usual trade credit from suppliers is denied.
  - c. Arrearages in preferred stock dividends are paid.
  - d. Restrictions on the disposal of principal assets are present.
8. In evaluating an entity's accounting estimates, one of an auditor's objectives is to determine whether the estimates are
  - a. Not subject to bias.
  - b. Consistent with industry guidelines.
  - c. Based on objective assumptions.
  - d. Reasonable in the circumstances.
9. An auditor decides to issue a qualified opinion on an entity's financial statements because a major inadequacy in its computerized accounting records prevents the

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auditor from applying necessary procedures. The opinion paragraph of the auditor's report should state that the qualification pertains to

- a. A client-imposed scope limitation.
- b. A departure from generally accepted auditing standards.
- c. The possible effects on the financial statements.
- d. Inadequate disclosure of necessary information.

10. If information accompanying the basic financial statement in an auditor-submitted document has been subjected to auditing procedures, the auditor may include in the auditor's report on the financial statements an opinion that the accompanying information is fairly stated in

- a. Accordance with generally accepted auditing standards.
- b. Conformity with generally accepted accounting principles.
- c. All material respects in relation to the basic financial statements taken as a whole.
- d. Accordance with attestation standards expressing a conclusion about management's assertions.

11. Which of the following procedures would an auditor most likely perform to test controls relating to management's assertion about the completeness of cash receipts for cash sales at a retail outlet?

- a. Observe the consistency of the employees' use of cash registers and tapes.
- b. Inquire about employees' access to recorded but undeposited cash.
- c. Trace 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.

12. To gather evidence regarding the balance per bank in a bank reconciliation, an auditor would examine all of the following except

- a. Cutoff bank statement.
- b. Year-end bank statement.
- c. Bank confirmation.
- d. General ledger.

13. Which of the following is one of the better auditing techniques to detect kiting?

- a. Review composition of authenticated deposit slips.

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- b. Review subsequent bank statements and cancelled checks received directly from the banks.
  - c. Prepare a schedule of bank transfers from the client's books.
  - d. Prepare year-end bank reconciliations.
14. Proper authorization of write-offs of uncollectible accounts should be approved in which of the following departments?
- a. Accounts receivable.
  - b. Credit.
  - c. Accounts payables.
  - d. Treasurer.
15. Tracing shipping documents to prenumbered sales invoices provides evidence that
- a. No duplicate shipments or billings occurred.
  - b. Shipments to customers were properly invoiced.
  - c. All goods ordered by customers were shipped.
  - d. All prenumbered sales invoices were accounted for.
16. Attestation standards allow a CPA to perform all but which of the following services for a forecast or projection?
- a. Compilation.
  - b. Review.
  - c. Examination.
  - d. Agreed-upon procedures.
17. One example of a "special report," as defined by Statements on Auditing Standards, is a report issued in connection with:
- a. a feasibility study.
  - b. price-level basis financial statements.
  - c. a limited review of interim financial information.
  - d. compliance with a contractual agreement not related to the financial statements.
18. An audit designed to evaluate the efficiency and effectiveness of an organization or some part would not be called a(n):
- a. performance audit.
  - b. management audit.

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- c. operational audit.  
d. compliance audit.
19. Which of the following is not a reason why the auditor requests that the client provide a letter of representation?
- Professional auditing standards require the auditor to obtain a letter of representation.
  - It impresses upon management its responsibility for the accuracy of the information in the financial statements.
  - It provides written documentation of the oral responses already received to inquiries of management.
  - It provides written documentation, which is a higher quality of evidence than management's oral responses to inquiries.
20. Which of the following determines the sufficiency of evidence?
- Generally Accepted Auditing Standards.
  - Securities and Exchange Commission regulations.
  - Auditor judgment.
  - Adherence to the audit program.
21. The most important balance-related audit objectives in the audit of cash include all but which of the following?
- Existence
  - Accuracy
  - Completeness
  - Occurrence
22. During the course of an audit, a CPA observes that the recorded interest expense seems to be excessive in relation to the balance in the long-term debt account. This observation could lead the auditor to suspect that:
- long-term debt is understated.
  - discount on bonds payable is overstated.
  - long-term debt is overstated.
  - premium on bonds payable is understated
23. Tests of controls for the acquisition and payment cycle are usually divided into:
- tests of acquisitions and classification.

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- b. tests of authorization and acquisition.
- c. tests of authorization and disbursement.
- d. tests of acquisitions and disbursements.

24. A CPA is subject to criminal liability if the CPA:

- a. refuses to turn over requested audit documentation to a client.
- b. performs an audit in a negligent manner.
- c. willfully omits a material fact from a set of financial statements.
- d. willfully breaches a contract with a client.

25. Auditors may identify conditions during fieldwork that change or support a judgment about the initial assessment of fraud risks. Which of the following conditions should alert an auditor about the initial assessment?

- a. Missing or conflicting evidence.
- b. Discrepancies in the accounting records.
- c. Unusual relationships between the auditor and management.
- d. All of the above.

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Part II: Problems

1. For each statement, identify the transaction-related audit objective that was met. (10%)

Statement	BALANCE-RELATED AUDIT OBJECTIVES						
	<i>Detail tie-in</i>	<i>Existence</i>	<i>Completeness</i>	<i>Accuracy</i>	<i>Classification</i>	<i>Cutoff</i>	<i>Obligations</i>
1. Obtain list of accounts payable. Foot the list and agree to general ledger.							
2. Trace all items on the list over \$10,000 to vendor's invoice and supporting documents.							
3. Obtain vendor's statements for 20 vendors with greatest volume of purchases, plus 10 others, by confirmation. Reconcile statements to accounts payable list.							
4. Examine all subsequent period disbursements and payments in process of amounts over \$5,000 to determine if they were recorded in the proper period.							
5. Review the list of accounts payable for proper classification of accounts due to related parties, debit balances, or items with unusual terms.							

2. Identify factors that affect the risk of material misstatement in the December 31, 2007 financial statement of Henderson Energy. Indicate whether the factor increases or decreases the risk of material misstatement. Also, identify which audit risk model component is affected by the factor. (22%)

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FACTOR	EFFECT ON THE RISK OF MATERIAL MISSTATEMENT	AUDIT RISK MODEL COMPONENT
1. Henderson is a new client.		
2. Henderson operates in a regulated industry, which increases regulatory oversight and need for compliance with regulations.		
3. The company's stock is publicly traded.		
4. The company is more profitable than competitors, but recent growth has strained operations.		
5. The company has expanded its use of derivatives and hedging transactions.		
6. Henderson has added competent accounting staff and has an internal audit function with direct reporting to the audit committee.		
7. The financial statements contain several accounting estimates that are based on management assumptions.		
8. The company has struggled in tracking property, plant & equipment.		
9. Henderson acquired a regional electric company.		
10. The audit engagement staffs have experience in auditing energy and public companies.		
11. Partner review of key accounts will be extensive.		

3. Items 1 through 6 are questions typically found in a standard internal control questionnaire used by auditors to obtain an understanding of internal control for notes payable. In using the questionnaire for a client, a "yes" response indicates a possible internal control, whereas a "no" indicates a potential deficiency.

(1) Are paid notes cancelled and retained in the company files?

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- (2) Is a periodic reconciliation made of the notes payable master file with the actual notes outstanding by an individual who does not maintain the master file?
- (3) Are liabilities for notes payable incurred only after written authorization by a proper company official?
- (4) Is a notes payable master file maintained?
- (5) Are interest expense and accrued interest recomputed periodically by an individual who does not record interest transactions?
- (6) Is the individual who maintains the notes payable master file someone other than the person who approves the issue of new notes or handles cash?

Required: (18%)

- a. For each of the preceding questions, state the purpose of the control.
- b. For each of the preceding questions, identify the type of financial statement misstatement that can occur if the control were not in effect.
- c. For each of the potential misstatements in part b, list an audit procedure that can be used to determine whether a material misstatement exists.

Please use the format below:

a. Purpose of control	b. Potential financial statement misstatement	c. Audit procedure to determine existence of material misstatement
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