

所別：會計研究所碩士班 不分組(一般生) 科目：審計學 共 3 頁 第 1 頁

本科考試禁用計算器

*請在試卷答案卷(卡)內作答

I. MULTIPLE CHOICE - Choose the one alternative that best completes the statement or answers the question (2%*25=50%)

1. In a review service where the client has failed to follow GAAP, the accountant is: a.not required to determine the effect of a departure if management has not done so, but that fact must be disclosed in the report. b.required to determine the effect of a departure if management has not done so, and that fact must be disclosed in the report. c.not required to determine the effect of a departure if management has not done so, and that fact need not be disclosed in the report. d.required to determine the effect of a departure if management has not done so, and that fact need not be disclosed in the report.
2. Which of the following is **not** a likely source of information to assess fraud risks? a.Communications among audit team members. b.Inquiries of management. c.Analytical procedures. d.Consideration of fraud risks discovered during recent audits of other clients.
3. Which party has the primary responsibility to oversee an organization's financial reporting and internal control processes? a.The board of directors; b.The audit committee; c.Management of the company; d.The financial statement auditors.
4. When considering internal control, an auditor should be aware of the concept of reasonable assurance, which recognizes that the: a.segregation of incompatible functions is necessary to ascertain that internal control is effective. b.employment of competent personnel provides assurance that the objectives of internal control will be achieved. c.establishment and maintenance of internal control is an important responsibility of the management and not of the auditor. d.costs of internal control should not exceed the benefits expected to be derived from internal control.
5. When allocating materiality, most practitioners choose to allocate to: a.the income statement accounts because they are more important. b.the balance sheet accounts because there are fewer. c.both balance sheet and income statement accounts because there could be errors on either. d.all of the financial statements because there could be errors on other statements besides the income statement and balance sheet.
6. Which one of the following statements about the cycle approach to auditing is **not** correct? a:There are differences among cycles in the frequency and size of expected errors. b:There are differences among cycles in the effectiveness of internal controls. c:There are differences among cycles on the auditor's willingness that material errors exist after the auditing is complete. d.It is common for auditors to want an equally low likelihood of errors for each cycle after the auditor is finished.
7. Which of the following statements is **not** true? a.Inherent risk is inversely related to detection risk. b.Inherent risk is inversely related to evidence. c.Inherent risk is the susceptibility of the financial statements to material error, assuming no internal controls. d.Inherent risk is the auditor's assessment of the likelihood that errors exceeding a tolerable amount exist in a segment before considering the effectiveness of internal controls.
8. Which of the following statements is **not** correct? a.Analytical procedures used in the planning phase of the audit are primarily directed at understanding the client's business and directing the auditor's attention to areas that may contain possible misstatements. b.Analytical procedures used in the completion phase are primarily aimed at assessing going concern and secondarily aimed at directing the auditor's attention to areas that may contain possible misstatements. c.Analytical procedures must be used in the planning and completion phases of the audit, and are optional in the testing phase. d.Analytical procedures used in the completion phase are primarily aimed at directing the auditor's attention to areas that may contain possible misstatements and secondarily aimed at assessing going concern.
9. Which of the following would not likely be classified as a related-party transaction? a.An advance of one week's salary to an employee. b.Sales of merchandise between affiliated companies. c.Loans or credit sales to the principal owner of the client company. d.Exchanges of equipment between two companies owned by the same person.
10. The first standard of fieldwork requires, in part, that audit work be properly planned. Proper planning as intended by the first standard of fieldwork would occur when the auditor: a.physically observes the movement of securities already counted to guard against the substitution of such securities for others that are not actually on hand. b.uses negative accounts receivable confirmations instead of positive confirmations because the latter require mailing of second requests and review of subsequent cash collections. c.compares all cash as of a particular date to avoid

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performing time-consuming cash cutoff procedures. d.eliminates the possibility of counting inventory items more than once by arranging to make extensive test counts.

11. The auditor is concerned that a client is failing to bill customers for shipments. An audit procedure that would gather relevant evidence would be to: a.select a sample of duplicate sales invoices and trace each to related shipping documents. b.trace a sample of shipping documents to related duplicate sales invoices. c.trace a sample of Sales Journal entries to the Accounts Receivable subsidiary ledger. d.compare the total of the Schedule of Accounts Receivable with the balance of the Accounts Receivable account in the general ledger.

12. Which of the following statements is **not** true? a.A large sample of highly competent evidence is not persuasive unless it is relevant to the objective being tested. b.A large sample of evidence that is neither competent nor timely is not persuasive. c.A small sample of only one or two pieces of relevant, competent, and timely evidence lacks persuasiveness. d.The persuasiveness of evidence can be evaluated after considering its competence and its sufficiency.

13. Which of the following statements is correct regarding the costs involved in obtaining evidence? a.Cost of obtaining evidence is a valid reason for excluding that evidence from the audit. b.Physical examination is the most expensive type of audit evidence. c.The least expensive type of evidence is analytical procedures. d.Each of the above is correct.

14. Two analytical procedures available to the auditor are:

- Compare current year's balances with the preceding year.
- Compare details of a particular account's balance with the preceding year.

Shortcomings of these two procedures are that: a.the first ignores relationships of data to other data and the second fails to consider growth or decline in business activity. b.the first fails to consider growth or decline in business activity and the second ignores relationships of data to other data. c.both fail to consider growth or decline in business activity and ignore relationships of data. d.it is difficult, time consuming, and, therefore, costly to perform these procedures.

15. With respect to the detection of illegal acts, auditing standards state that the auditor provides: a.no assurance that they will be detected. b.the same reasonable assurance provided for other items. c.assurance that they will be detected, if material. d.assurance that they will be detected, if highly material.

16. An auditor should recognize that the application of auditing procedures may produce evidence indicating the possibility of errors or fraud and therefore should: a.plan and perform the engagement with an attitude of professional skepticism. b.not rely on internal controls that are designed to prevent or detect errors or fraud. c.design audit tests to detect unrecorded transactions. d.extend the work to audit most recorded transactions and records of an entity.

17. The Securities and Exchange Commission has authority to: a.prescribe specific auditing procedures to detect fraud concerning inventories and accounts receivable of companies engaged in interstate commerce. b.deny lack of privity as a defense in third-party actions for gross negligence against the auditors of public companies. c.determine accounting principles for the purpose of financial reporting by companies offering securities to the public. d.require a change of auditors of governmental entities after a given period of years as a means of ensuring auditor independence.

18. The King Surety Company wrote a general fidelity bond covering thefts of assets by the employees of Wilson, Inc. Thereafter, Cooney, an employee of Wilson, embezzled \$17,200 of company funds. When the activities were discovered, King paid Wilson the full amount in accordance with the terms of the fidelity bond, and then sought recovery against Wilson's auditors, Lynch & Merritt, CPAs. Which of the following would be Lynch & Merritt's best defense? a.King is not in privity of contract. b.The shortages were the result of clever forgeries and collusive fraud which would not be detected by an examination made in accordance with generally accepted auditing standards. c.Lynch & Merritt were not guilty either of gross negligence or fraud. d.Lynch & Merritt were not aware of the King-Wilson surety relationship.

19. In connection with a public offering of first mortgage bonds by Henson Corp., the bond underwriter has asked Henson's CPA to furnish him with a comfort letter giving as much assurance as possible relative to Henson's unaudited financial statements for the three months ended March 31, 2007.

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The CPA had expressed an unqualified opinion on Henson's financial statements for the year ended December 31, 2006 and he has performed a limited review of Henson's financial statements for the three months ended March 31, 2007. Nothing has come to his attention that would indicate that the March 31, 2007 statements are not properly presented. Under these circumstances, the CPA's response to the underwriter's request should be to: a.furnish to the underwriters an opinion that the March 31, 2007 statements are fairly presented subject to year-end audit adjustments. b.give negative assurance as to the March 31, 2007 financial statements but disclaim an opinion on these statements. c.inform the underwriters that no comfort letter is possible without an audit of the financial statements for the three months ended March 31, 2007. d.Furnish to the underwriters an adverse opinion covering financial statements for the three months ended March 31, 2007.

20. It is not a violation of the AICPA's *Code of Professional Conduct* for a CPA to: a.charge fees as an expert witness determined by the amount awarded to the plaintiff, even though the CPA also performs a compilation for client use. b.base consulting fees on a percentage of a bond issue, even though the CPA performs a review of the client's financial statements. c.base fees for a tax service on the amount of the refund that the client will receive. d.base consulting fees on a percentage of a bond issue, even though CPA performs an audit of the client's financial statements.

21. Three of the paragraphs of the audit report modified for uncertainties are the same as the standard unqualified report. The explanatory paragraph that describes the uncertainty is added as the: a.first paragraph. b.fourth and last paragraph. c.third paragraph with the opinion paragraph last. d.second paragraph with the opinion paragraph last.

22. Which of the following statements is true? a.The auditor is required to issue a disclaimer of opinion in the event of a material uncertainty. b.The auditor is required to issue a disclaimer of opinion in the event of a going concern problem. c.The auditor is required to issue a disclaimer of opinion for a material uncertainty and for a going concern problem. d.The auditor has the option, but is not required, to issue a disclaimer of opinion for a material uncertainty or for a going concern problem.

23. The most common case in which conditions beyond the client's and auditor's control cause a scope restriction is an engagement: a.agreed upon after the client's balance sheet date. b.where the client won't allow the auditor to confirm receivables for fear of offending its customers. c.where the auditor doesn't have enough staff to satisfactorily audit all of the client's foreign subsidiaries. d.where the client is going through Chapter 11 bankruptcy.

24. When the client fails to make adequate disclosure in the body of the statements or in the related footnotes, it is the responsibility of the auditor to: a.inform the reader that disclosure is not adequate, and to issue an adverse opinion. b.inform the reader that disclosure is not adequate, and to issue a qualified opinion. c.present the information in the audit report and issue an unqualified or qualified opinion. d.present the information in the audit report and to issue a qualified or an adverse opinion.

25. Generally Accepted Auditing Standards (GAAS) and Statements on Auditing Standards (SAS) should be looked upon by practitioners as: a.ideals to work towards, but which are not achievable. b.maximum standards that denote excellent work. c.minimum standards of performance that must be achieved on each audit engagement. d.benchmarks to be used on all audits, reviews, and compilations.

II. International financial Reporting Standards (IFRS) will be adopted in Taiwan in the near future and external auditors are expected to face challenges. Please discuss the possible challenges external auditors would have when IFRS begin to take effect and what are your suggestions for external auditors to cope with these problems. (25%)

III. Three types of sampling methods-nonstatistical sampling, monetary unit sampling and variable sampling-are mainly used for calculating dollar misstatements in account balances. Please discuss the major differences and similarities among them. (25%)

