

**ESCUELA SUPERIOR POLITÉCNICA DEL LITORAL
FACULTAD DE CIENCIAS SOCIALES Y HUMANÍSTICAS**

AÑO: 2021 - 2022	PERÍODO ACADÉMICO:	Ordinario 1
MATERIA: Auditoría Financiera I	PROFESOR:	C.P.A. Yessenia González
EVALUACIÓN: Primera	FECHA:	Julio 8 del 2021
ALUMNO:		

Se elabora banco de 18 preguntas de opción múltiple, y se programa para que el sistema sidweb seleccione 12 preguntas por alumno, mezcle aleatoriamente las respuestas, no permita múltiples intentos, muestre una pregunta a la vez y bloquee las preguntas después de responderlas.

QUIZ - OBJECTIVES AND PROCEDURES IN THE AUDIT OF CASH AND FINANCIAL INVESTMENTS. SELECT THE CORRECT OR BEST ANSWER FOR EACH OF THE FOLLOWING ITEMS.

True / False Question

- a. Verification of cash and other liquid assets be verified on the same date may prevent substitution of one form of asset for another.

- 1 TRUE
- 2 FALSO

- b. Your client left the cash receipts journal open after year-end for an extra day and included January 1, 20X2 cash receipts in the 12/31/X1 totals. All of those cash receipts were due to *cash sales*. Assuming the client uses a periodic inventory system with a 12/31/X1 count of the physical inventory, which of the following is most likely to be true relating to the year X1 financial statements?

- 1 Sales are understated.
- 2 Accounts receivable are understated.
- 3 Inventory is overstated.
- 4 Net income is overstated.

- c.** Which procedure is an auditor most likely to use to detect a check outstanding at year-end that was *not* recorded as outstanding on the year-end bank reconciliation?
- 1 Prepare a bank transfer schedule using the client's cash receipts and cash disbursements journal.
 - 2 Receive a cutoff statement directly from the client's bank.
 - 3 Prepare a four column bank reconciliation using the year-end bank statement.
 - 4 Confirm the year end balance using the standard form to confirm account balance information with financial institutions.
- d.** Tracing recorded sales transactions in the sales journal to the shipping documents (bills of lading) provides evidence about the:
- 1 Completeness of recording of sales transactions.
 - 2 Occurrence of sales transactions.
 - 3 Billing of all sales transactions.
 - 4 Presentation of payables.
- e.** Jones embezzled \$10,000 from his company's account in Bank A. At year-end he hid the shortage by making a deposit on December 31 in Bank A, drawn on Bank B. He has *not* recorded the transaction on the books. This is an example of:
- 1 Lapping.
 - 2 Kiting.
 - 2 Effective cash management.
 - 4 Related party transactions.
- f.** Which of the following is the best audit procedure for the detection of lapping?
- 1 Comparison of postings of cash receipts to accounts with the details of cash deposits.
 - 2 Confirmation of the cash balance.
 - 2 Reconciliation of the cash account balances.
 - 4 Preparing a proof of cash.
- g.** The auditors' count of the client's cash should be coordinated to coincide with the:
- 1 Consideration of the internal controls with respect to cash.
 - 2 Close of business on the balance sheet date.
 - 2 Count of investment securities.
 - 4 Count of inventories.

- h.** The auditors compare information on canceled checks with information contained in the cash disbursement journal. The objective of this test is to determine that:
- 1 Recorded cash disbursement transactions are properly authorized.
 - 2 Proper cash purchase discounts have been recorded.
 - 2 Cash disbursements are for goods and services actually received.
 - 4 No discrepancies exist between the data on the checks and the data in the journal.
- i.** Which of the following is one of the better auditing techniques that might be used by an auditor to detect kiting?
- 1 Review composition of authenticated deposit slips.
 - 2 Review subsequent bank statements and canceled checks received directly from the banks.
 - 2 Prepare a schedule of bank transfers.
 - 4 Prepare year-end bank reconciliations.
- j.** To gather evidence regarding the balance per bank in a bank reconciliation, an auditor could examine all of the following *except*
- 1 Cutoff bank statement.
 - 2 Year-end bank statement.
 - 2 Bank confirmation.
 - 4 General ledger.
- k.** A company's decision to use the fair value option for valuation of marketable securities is most likely to affect which of the following assertions the most?
- 1 Completeness.
 - 2 Existence.
 - 2 Rights and obligations.
 - 4 Valuation, Presentation and Disclosure
- l.** The Audit procedure of review the drafts of the Financial Statements is more closely related to the following assertion of the Financial Statements:
- 1 Completeness.
 - 2 Existence.
 - 3 Presentation and disclosure.
 - 4 Rights and obligations.
 - 5 Valuation.