



Free Questions for IIA-CIA-Part2 by actualtestdumps

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Question 1

Question Type: MultipleChoice

An internal audit team leader is having difficulties completing the planning phase of an assurance engagement because the business unit lacks a system of internal controls. Which of the following is the most appropriate course of action for the internal audit team leader?

Options:

- A- Defer the engagement until a system of internal control has been established
- B- Change the scheduled engagement from assurance to consulting to help correct the shortcomings
- C- Add a consulting component to the already scheduled assurance engagement
- D- Seek the involvement of the external auditor to assist with improving the internal controls

Answer:

C

Question 2

Question Type: MultipleChoice

In which of the following populations would the internal auditor most likely choose to use a stratified sampling approach?

Options:

- A- Inventory comprised of the same items stored in different warehouses
- B- Batches of materials that must be confirmed as meeting quality standards
- C- Revenue that is earned by an organization through cash receipts or as receivable.
- D- Tax reports submitted to meet the requirements of the local taxation authority

Answer:

C

Question 3

Question Type: MultipleChoice

An internal auditor accessed accounts payable records and extracted data related to fuel purchased for the organization's vehicles. As a first step, she sorted the data by vehicle and used spreadsheet functions to identify all instances of refueling on the same or sequential dates. She then performed other tests. Based on the auditor's actions, which of the following is most likely the objective of this engagement?

Options:

- A- To identify whether fuel was purchased for work-related purposes
- B- To estimate future fuel costs for the organization's fleet of vehicles
- C- To determine trends in average fuel consumption by vehicle
- D- To determine whether the organization is paying more than the industry average for fuel

Answer:

C

Question 4

Question Type: MultipleChoice

A chief audit executive (CAE) following up on action plans from previously completed audits identifies that management has determined that certain action plans are no longer necessary. If the CAE disagrees with management's decision, which of the following is the most appropriate next step for the CAE to take?

Options:

- A- The CAE must discuss the matter with senior management
- B- The CAE must discuss the matter with key shareholders
- C- The CAE must discuss the matter with legal counsel
- D- The CAE must discuss the matter with the board

Answer:

A

Question 5

Question Type: MultipleChoice

Which of the following internal audit procedures commonly involves sampling?

Options:

- A- Confirmation and financial statement analysis
- B- Reperformance and inspection

- C- Vouching and tracing
- D- Trend analysis and benchmarking

Answer:

C

Question 6

Question Type: MultipleChoice

While performing fieldwork for an assurance engagement, a member of the internal audit team identified a key control that was not identified during the planning phase of the engagement Which of the following actions by the internal auditor would be most appropriate?

Options:

- A- Promptly adjust the audit work program to include tests that address the newly identified control and notify the other audit team members of the change
- B- Proceed with the current audit work program because the engagement scope has already been finalized but plan to address the newly identified control as part of the follow up engagement

- C-** Adjust the audit work program to account for the new control, but only with approval from the engagement supervisor
- D-** Discuss the control with management of the area under review and seek their approval prior to including the control in the current audit engagement

Answer:

C

Question 7

Question Type: MultipleChoice

What type of audit engagement would be the most appropriate to determine how an organization could be more profitable in the long term?

Options:

- A-** Operational audit
- B-** Compliance and financial audit
- C-** Performance audit

D- Quality audit

Answer:

A

Question 8

Question Type: MultipleChoice

During follow-up, the chief audit executive (CAE) is having a discussion with management about the internal audit team's recommendations related to a significant issue. Management accepted the issue but took no remedial action. What is the next step for the CAE?

Options:

- A-** The CAE should reassess and validate the risk tolerance policy.
- B-** The CAE should escalate the issue to senior management.
- C-** The CAE should reiterate the internal audit team's recommendations to management.
- D-** The CAE should grant management more time to implement the recommendation and check the status of the issue during the next scheduled follow-up.

Answer:

B

Question 9

Question Type: MultipleChoice

An organization is expanding into a new line of business selling natural gas. The internal auditor is planning an engagement and wants to obtain a general understanding of the natural gas market the market share that the organization wants to win, and the competitive advantage that the organization may have. Which of the following would be the best source of such information?

Options:

- A- Interview responsible managers and read strategic documents
- B- Conduct internet searches on gas sales and analyze market players
- C- Review gas clients' portfolio and compile statistics on sales margins
- D- Analyze the organization's revenues and calculate the proportion of gas

Answer:

C

Question 10

Question Type: MultipleChoice

An internal auditor is preparing for an auditor of newly implemented software that is used by 3,000 employees in South America and Europe. What would be the best way for the auditor to gather relevant feedback?

Options:

- A- interview IT management in both regions
- B- Inspect regional user software training records
- C- Interview propel management and the vendor responsible for implementation
- D- Distribute surveys to software users in both regions

Answer:

D

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