

IIA

Exam IIA-CGAP

Certified Government Auditing Professional

Version: 6.0

[Total Questions: 327]

Question No : 1

_____ Help define the role and responsibilities of auditors to internal and external entities. Whereas _____ establish the basic principles and guidance to assist auditors in the performance of their duties?

- A. Technical standards, Standards
- B. Standards, Defense standards
- C. Audit standards, Standards
- D. Standards, Open standards

Answer: C

Question No : 2

Audit standards were developed and are followed for all of the following reasons EXCEPT:

- A. To provide uniform guidance to auditors and to establish a basis for conducting internal and external reviews of quality audits.
- B. To build credibility and confidence in the auditing profession.
- C. To inform customers (the public, public officials, management, stockholders, etc.) about the role of auditing.
- D. Audit staff qualifications and Quality control

Answer: D

Question No : 3

All of the following groups benefit from the existence of audit standards in a variety of ways EXCEPT:

- A. Elected officials and the public receive increased assurance that public funds are being effectively used and monitored
- B. Government organization
- C. Management receives increased assurance that fraud or other organizational deficiencies will be detected and corrected.
- D. External parties and reviewers are provided with usable measurement guidelines.

Answer: B

Question No : 4

Governmental auditing is distinctive and encompasses different requirements from auditing commercial or not-for-profit enterprises. The standards that apply specifically to government audits are all of the following EXCEPT:

- A. International Auditing and Assurance Standards Board (IAASB).
- B. International Standards for the Professional Practice of Internal Auditing (ISPPIA).
- C. International Standards on Auditing (ISA).
- D. International Organization of Supreme Audit Institutions (INTOSAI) Standards.

Answer: A

Question No : 5

The _____ promulgates standards for government organizations. INTOSAI standards are a model for government audit standards, established and endorsed by the INTOSAI organization, but which must be adopted and/or modified by the _____ of any specific country in order to be used?

- A. Supreme Audit Institution (SAI), International Organization of Supreme Audit Institutions (INTOSAI)
- B. International Organization of Supreme Audit Institutions (INTOSAI), International Standards for the Professional Practice of Internal Auditing (ISPPIA)
- C. International Organization of Supreme Audit Institutions (INTOSAI), Supreme Audit Institution (SAI)
- D. International Standards for the Professional Practice of Internal Auditing (ISPPIA), Supreme Audit Institution (SAI)

Answer: C

Question No : 6

The purpose of the external quality control review is to determine whether the organization's internal quality control system is in place and operating effectively to provide reasonable assurance that established policies and procedures and applicable auditing

standards are being followed.

- A. Quality control, Quantity control
- B. Internal quality control system, External quality control
- C. External quality control, Internal quality control system
- D. Quantity control, Quantity control

Answer: C

Question No : 7

One mechanism to help ensure the proper application of audit standards is through _____. The purpose of _____ is to provide feedback to management on the effectiveness of the quality control policies and procedures of an organization:

- A. An external quality review process
- B. An internal quality review process
- C. Organizational review process
- D. Audit review process

Answer: B

Question No : 8

A _____ letter is usually developed with either a qualified or unqualified opinion. Obviously a qualified opinion will warrant significant remedial action by the audit organization:

- A. Opinion letter
- B. Offer letter
- C. Informal opinion letter
- D. Formal opinion letter

Answer: D

Question No : 9

The application of the appropriate audit standards is dependent on all of the following issues EXCEPT:

- A. Laws and policies of the audit organization.
- B. Regulations
- C. Audit requirements
- D. External control requirement

Answer: D

Question No : 10

The application of appropriate standards depends on all of the following EXCEPT:

- A. The objective of the engagement
- B. Availability of information.
- C. Legally binding agreement
- D. Other mandates or local requirements relevant to the audit organization and the engagement itself.

Answer: C

Question No : 11

Many _____ are conducted in accordance with established Standards, INTOSAI, or IFAC standards. The International Organization of Supreme Audit Institutions _____ promulgates standards for government organizations where as the International Federation of Accountants _____ provides additional guidance and standards:

- A. Government audits, (IFAC), (INTOSAI)
- B. Government audits, (INTOSAI), (IFAC)
- C. (IFAC), (INTOSAI), Government audits
- D. (IFAC), Government audits, (INTOSAI)

Answer: B

Question No : 12

IIA IIA-CGAP : Practice Test

Section _____ will detail some specific audit planning steps that are often utilized to ensure that the appropriate legal and audit standards are applied in _____:

- A. Audit proposals, Audit engagements
- B. Audit engagements, II.C.2 (Planning)
- C. II.C.2 (Planning), Audit engagements
- D. Audit engagements, Audit proposals

Answer: C

Question No : 13

Standards must be reviewed and applied appropriately during the conduct of an audit. Following are some illustrations of situations that may arise during the course of an audit EXCEPT:

- A. Qualification
- B. Independence
- C. Communication
- D. Coordination

Answer: D

Question No : 14

Although not a generally accepted practice by most audit organizations, some may not comply with audit standards and call the final product reviews or studies. The entire following are some specific examples where standards may not be used EXCEPT:

- A. An "assignment" may have an extremely short deadline, making it virtually impossible to comply with all appropriate audit standards.
- B. The organization doesn't follow the audit standards.
- C. Assignments that are strictly tied to compliance with contract terms, regulations, or grant requirements.
- D. The requesting body (legislature, for example) may not want standards to be applied to the assignment.

Answer: B

Question No : 15

The IIA has developed the Professional Practices Framework (PPF). In general, a framework provides a structural blueprint of how a body of knowledge and guidance fits together. As a coherent system, it facilitates all of the following to a discipline or profession EXCEPT:

- A. Communication skills
- B. Application of concepts
- C. Consistent development
- D. Interpretation and methodologies

Answer: A

Question No : 16

The purpose of the _____ is to organize the full range of internal audit guidance in a manner that is readily accessible on a timely basis. By encompassing current internal audit practice as well as allowing for future expansion, the _____ is intended to assist practitioners throughout the world in being responsive to the expanding market for high quality internal audit services.

- A. IIA, PPF
- B. PPF, IIA
- C. PPF, PPF
- D. IIA, IIA

Answer: C

Question No : 17

_____ is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

- A. Both C and D
- B. Compliance audit
- C. External auditing

D. Internal auditing**Answer: D****Question No : 18**

The purpose of _____ is to promote an ethical culture in the profession of internal auditing. A _____ is necessary and appropriate for the profession of internal auditing, founded as it is on the trust placed in its objective assurance about risk management, control, and governance:

- A. Code of ethics, The IIA's Code of Ethics
- B. The IIA's Code of Ethics, Code of ethics
- C. Code of ethics, PPF Code of Ethics
- D. PPF Code of Ethics, Code of ethics

Answer: B**Question No : 19**

Within the new framework, the Guidance Task Force called for the development of three sets of standards please mark the correct answer:

- A. Attribute, Performance, and Implementation Standards.
- B. Attribute, Quality, and Implementation Standards.
- C. Attribute, Control, and Implementation Standards.
- D. Attribute, Planning, and Implementation Standards.

Answer: A**Question No : 20**

The _____ address the attributes of organizations and individuals performing internal audit services. The _____ describe the nature of internal audit services and provide quality criteria against which the performance of these services can be measured:

- A. Performance Standards, Control standards

- B. Control standards, Performance standards
- C. Performance standards, Attribute standards
- D. Attribute Standards, Performance Standards

Answer: D

Question No : 21

The _____ expand upon the Attribute and Performance Standards, providing guidance applicable in specific types of engagements. These standards ultimately may deal with industryspecific, regional, or specialty types of audit services:

- A. Control Standards
- B. Communication Standards
- C. Implementation Standards
- D. Quality Standards

Answer: C

Question No : 22

Many are _____ applicable to all internal auditors, while others may be developed to meet the needs of internal auditors in a specific industry, audit specialty, or geographic area.

- A. Hurricane Advisories
- B. Products & services security Advisories
- C. Practice Advisories
- D. Security Advisories

Answer: C

Question No : 23

All Practice Advisories are submitted to a formal review process by the _____ or other group designated by the Guidance Planning Committee.

- A. PPF's Professional Issues Committee
- B. IIA's Professional Issues Committee
- C. INTOSAI's Professional Committee
- D. IFAC's Professional Committee

Answer: B

Question No : 24

The third category of guidance _____ includes a variety of materials that are developed and/or endorsed by The IIA, This category includes research studies, books, seminars, conferences, and other products and services related to the professional practice of internal auditing that do not meet the criteria for inclusion in mandatory guidance or Practice Advisories:

- A. Products & services security Advisories
- B. Practice Advisories
- C. Security Advisories
- D. Development and Practice Aids

Answer: D

Question No : 25

Which category of Professional Practices Framework can help to implement the guidance offered in the Code of Ethics, Standards, and Practice Advisories and also provide internal audit practitioners with the views of various experts on techniques and processes related to the professional practice of internal auditing?

- A. Mandatory Guidance
- B. Development and practice aids
- C. Practice Advisories
- D. Mandatory Guidance, Practice Advisories

Answer: B

Question No : 26