**CERTIFIED INTERNAL AUDIT PROFESSIONAL**

**MULTIPLE CHOICE QUESTIONS (30x1= 30 Marks)**

Question 1

CPA stands for:

1. Certified Private Accountant
2. Certified Public Accountant
3. Chartered Public Accountant

Question 2

Which of the below do Internal Audits evaluate?

1. Corporate Governance
2. Accounting Profits
3. None of above

Question 3

The main purpose of internal audits is to obtain:

1. Financing efficiency
2. Management efficiency
3. Operational efficiency

Question 4

The Sarbanes Oxley Act in USA became effective in:

1. 2002
2. 2003
3. 2001

Question 5

A company’s top management dying in a plane crash is an example of:

1. Market risk
2. Systematic risk
3. Unsystematic risk

Question 6

Internal Audits ideally should be performed on:

1. Need based.
2. Monthly basis
3. Annual basis

Question 7

Which is the odd one out on the type of Internal Audit?

1. Compliance Audit
2. Internal Financial report
3. External Financial report

Question 8

What is the name given for an audit when key personnel leave or a new management takes over an entity?

1. Special Investigation
2. Operational Audit
3. Environmental Audit

Question 9

Monitoring is the:

1. 1st step of the audit process
2. 2nd last step of the audit process
3. Last step of the audit process

Question 10

In the Internal Audit reports, there are:

1. 6C’s
2. 5C’s
3. 4C’s

Question 11

An audit is an examination of:

1. Board of Directors Statements
2. Financial Statements
3. Stakeholders Statements

Question 12

The Sarbanes Oxley act holds the below responsible to certify the accuracy of the statements:

1. Managers
2. Admin Staff
3. Sales Team

Question 13

How a company sources raw materials is part of:

1. Compliance Audit
2. Environmental Audit
3. Both of above

Question 14

A Performance Audit pays more attention to the:

1. End result
2. Processes
3. Neither of the above

Question 15

The selection of an Audit team is more challenging for:

1. Internal Audit
2. External Audit
3. Both of the above

Question 16

The Kickoff meeting is held in the:

1. Auditing stage
2. Monitoring stage
3. Planning Stage

Question 17

In the Monitoring stage, the management is expected to implement the changes within a period of:

1. 4 weeks
2. 6 weeks
3. 8 weeks

Question 18

Which of the below is not good Internal Audit practice?

1. Ignoring Risk at the front & center of the audit
2. Collaborate with the 2nd line of defense.
3. Provide advice more on foresight.

Question 19

Additional skills required by an auditor include:

 a) Enterprise Risk Management

 b) Regulatory compliance

 c) Both of the above

Question 20

One of the top internal audit practices is to:

1. Communicate
2. Delegate
3. Motivate

Question 21

Which is the third most important element in an internal audit process after data and information?

 a) Risk

 b) Regulations

 c) Knowledge

Question 22

Having a questioning mind amounts to:

1. Professional Skepticism
2. Professional Diligence
3. Professional Ethics

Question 23

A knowledge audit looks into the:

 a) Overview of what exists and what does not

 b) Neither of ‘a’ or ‘c’.

 c) Strengths and weakness of the information

Question 24

Which of the below is an element of professional skepticism?

1. Mindset
2. Mindful
3. Mindless

Question 25

The military is famous to have a:

1. Centralized structure
2. Decentralized structure
3. Combination of ‘a’ and ‘b’

Question 26

A company with multiple product lines and businesses is said to have a:

 a) Functional structure

 b) Flat structure

 c) Divisional structure

Question 27

An employee working and reporting to more than one boss is considered to have a:

 a) Circular structure

 b) Network structure

 c) Matrix structure

Question 28

Startup companies are known to have a:

1. Flat structure
2. Functional structure
3. Team based structure.

Question 29

Which is the odd one in terms of types of knowledge?

1. Non procedural
2. Implicit
3. Tacit

Question 30

The process of Knowledge management is made up of how many subprocesses?

 a) 2

 b) 3

 c) 4

**SHORT ANSWER QUESTIONS (4x5 = 20 marks)**

Q1. Discuss the different types of Cs for an Internal Audit report.

Q2. Explain the significance of Internal Audits.

Q3. List down four main differences between Internal and External Audit.

Q4. How is Organizational structure defined and what are its benefits?