

SA 720(Revised) - The Auditor's Responsibilities Relating to Other Information

Select True or False:

1. An entity's annual report may be a single document or a combination of documents that serve the same purpose.
 - a) True
 - b) False
2. The auditor's opinion on the financial statements covers the other information.
 - a) True
 - b) False
3. This SA does not require auditor to obtain audit evidence beyond that required to form an opinion on the financial statements.
 - a) True
 - b) False
4. This SA requires auditor to reconcile other information with financial statements.
 - a) True
 - b) False
5. This SA applies to securities offering documents including prospectuses.
 - a) True
 - b) False
6. This SA does not require auditor to obtain assurance about other information.
 - a) True
 - b) False
7. Other information includes the disclosures given in financial statements.
 - a) True
 - b) False
8. Auditor's responsibilities relating to other information (including applicable reporting responsibilities) apply regardless of whether other information is obtained by auditor prior to or after the date of auditor's report.
 - a) True
 - b) False

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9. Reporting requirements of this SA are different for listed entities and unlisted corporate entities.
 - a) True
 - b) False
10. Reporting requirements of this SA are applicable to unlisted non-corporate entities.
 - a) True
 - b) False
11. In case of audits of unlisted corporate entities, other information section is required in auditor's report, when at the date of the auditor's report, the auditor expects to obtain the other information.
 - a) True
 - b) False
12. Annual report may also be prepared for a period less than or more than a year.
 - a) True
 - b) False
13. In case of audits of listed entities, other information section in the auditor's report will include identification of other information expected to be obtained after the date of auditor's report.
 - a) True
 - b) False
14. When other information is obtained after the date of auditor's report, auditor is required to update the procedures performance in accordance with paragraphs 6 & 7 of SA 560.
 - a) True
 - b) False
15. Other information section cannot be given in auditor's report in case of adverse opinion.
 - a) True
 - b) False
16. A report prepared to comply with a specific regulatory reporting objective is not annual report.
 - a) True
 - b) False
17. In case of audits of unlisted corporate entities, other information section in the auditor's report will include identification of other information expected to be obtained after the date of auditor's report.
 - a) True
 - b) False

Fill in the Blanks:

18. _____ may impose additional obligations on auditor in relation to other information that are beyond the scope of this SA.
 - a) Management
 - b) Law or Regulation
19. This SA may also _____ the auditor in complying with relevant ethical requirements that require the auditor to avoid being associated with information that the auditor believes contains a materially false or misleading statement, statements or information furnished negligently, or omits or obscures any information required to be included where such omission or obscurity would be misleading.
 - a) Help
 - b) Assist
20. Auditor shall make _____ arrangements with management to obtain in a timely manner and, if possible, prior to the date of the auditor's report, the final version of the document(s) comprising the annual report.
 - a) Necessary
 - b) Appropriate
21. Auditor is required to document final version of the other information on which he has performed the _____ required under this SA.
 - a) Procedures
 - b) Work
22. While reading the other information in accordance with requirements of this SA, auditor shall remain alert for _____ that the other information not related to the financial statements or the auditor's knowledge obtained in the audit appears to be materially misstated.
 - a) Indications
 - b) Possibility
23. If, as a result of performing the procedures required by this SA, the auditor concludes that a material misstatement in the financial statements exists or the auditor's understanding of the entity and its environment needs to be updated, the auditor shall respond appropriately in accordance with _____.
 - a) SA 705(Revised)
 - b) Other Standards on Auditing
24. A document may meet the definition of annual report irrespective of the _____ in which it is made available to users.
 - a) Form
 - b) Manner

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25. If auditor concludes that a material misstatement of other information exists, auditor shall request _____ to correct other Information.
- a) Management
 - b) Those Charged with Governance
26. The auditor is not _____ from dating or issuing the auditor's report if the auditor has not obtained some or all of the other information.
- a) Prohibited
 - b) Precluded

Choose the correct option from the following:

27. The auditor is required to consider whether there is:
- a) Material inconsistency between other information and financial statements
 - b) Material inconsistency between other information and auditor's knowledge obtained in the audit
 - c) Only (a)
 - d) Both (a) and (b)
28. In case of audits of listed entities, other information section is required in auditor's report when at the date of auditor's report:
- a) Auditor has obtained some or all of the other information
 - b) Auditor has obtained all of the other information
 - c) Auditor has obtained or expects to obtain the other information
 - d) Auditor has obtained some of the other information
29. In case of audits of unlisted corporate entities, other information section is required in auditor's report when at the date of auditor's report:
- a) Auditor has obtained some or all of the other information
 - b) Auditor has obtained all of the other information
 - c) Auditor has obtained or expects to obtain the other information
 - d) Auditor has obtained some of the other information
30. Other information section is not permitted in auditor's report in case of:
- a) Qualified or adverse opinion
 - b) Qualified or disclaimer of opinion
 - c) Disclaimer of opinion
 - d) Adverse or disclaimer of opinion