|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **22) Which control question relates to the existence and occurrence objective in purchasing and accounts payable?**

|  | A. Does the chart of accounts and accounting manual provide instructions for classifying debit entries?  |
| --- | --- |
|  | B. Are the purchase order forms prenumbered and is the numerical sequence checked for missing documents? |
|  | C. Are receiving reports prepared for each item received? |
|  | D. Does the accounting department check invoices for mathematical accuracy? |
|  |  |

 |
| **23) Which is NOT a step in the search for unrecorded liabilities?**

|  | A. Examine the unmatched receiving reports.  |
| --- | --- |
|  | B. Examine the open purchase order file. |
|  | C. All of these are steps in the search. |
|  | D. Examine disbursements for the period immediately before the end of the period. |
|  |  |

 |
| **24) Auditors usually focus on which assertion when auditing current liabilities?**

|  | A. Rights and obligations  |
| --- | --- |
|  | B. Existence and occurrence |
|  | C. Valuation or allocation |
|  | D. Completeness |

 |