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| **25) Information risk refers to the risk that**   |  | A. the client may not be able to remain in business. | | --- | --- | |  | B. errors and frauds are not detected by the auditor's procedures. | |  | C. the client's financial statements may be materially false and misleading. | |  | D. the auditor may express an unqualified opinion on financial statements that are materially misstated. | |  |  | |
| **26) Professional skepticism dictates that when management makes a statement to the auditors, the auditors must**   |  | A. require that the statement be put in writing. | | --- | --- | |  | B. believe the statement to maintain the professional client-auditor relationship. | |  | C. disregard the statement because it ranks low on the evidence quality scale. | |  | D. corroborate the evidence with other supporting documentation whenever possible. | |  |  | |
| **27) Which audit objective is related to the assertion that all transactions and accounts must be included in the financial statements?**   |  | A. Completeness | | --- | --- | |  | B. Presentation and disclosure | |  | C. Existence or occurrence | |  | D. Rights and obligations | |