

# AAT

# Q2022

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## Audit and Assurance

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# EXAM KIT

This Exam Kit supports study for the following AAT qualifications:

AAT Level 4 Diploma in Professional Accounting

AAT Diploma in Professional Accounting at SCQF Level 8

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## **Features in this exam kit**

In addition to providing a wide ranging bank of real exam style questions, we have also included in this kit:

- unit-specific information and advice on exam technique
- our recommended approach to make your revision for this particular unit as effective as possible.

You will find a wealth of other resources to help you with your studies on the AAT website:

[www.aat.org.uk/](http://www.aat.org.uk/)

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# UNIT-SPECIFIC INFORMATION

## THE EXAM

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### FORMAT OF THE ASSESSMENT

The assessment for this unit consists of six compulsory, independent tasks. Included in the assessment are a number of extended writing requirements. Students will be assessed by computer-based assessment.

In any one assessment, students may not be assessed on all content, or on the full depth or breadth of a piece of content. The content assessed may change over time to ensure validity of assessment, but all assessment criteria will be tested over time.

The learning outcomes for this unit are as follows:

	Learning outcome	Weighting
1	Demonstrate an understanding of the audit and assurance framework	10%
2	Demonstrate the importance of professional ethics	15%
3	Evaluate the planning process for audit and assurance	25%
4	Evaluate procedures for obtaining sufficient and appropriate evidence	35%
5	Review and report findings	15%
	Total	100%

### Time allowed

2 hours and 30 minutes

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### PASS MARK

The pass mark for all AAT CBAs is 70%.



**Always keep your eye on the clock and make sure you attempt all questions!**

### DETAILED SYLLABUS

The detailed syllabus and study guide written by the AAT can be found at:

[www.aat.org.uk/](http://www.aat.org.uk/)

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# Section 1

## PRACTICE QUESTIONS

### PRINCIPLES AND RESPONSIBILITIES

- 1 Complete the statement below on the overall objectives of the external auditor in conducting an audit of financial statements.

The overall objectives of the external auditor are to obtain \_\_\_\_Gap 1\_\_\_\_ assurance about whether the financial statements are free from \_\_\_\_Gap 2\_\_\_\_ misstatement, whether due to fraud or error, thereby enabling the auditor to \_\_\_\_Gap 3\_\_\_\_ on whether the financial statements are prepared in all material respects in accordance with \_\_\_\_Gap 4\_\_\_\_.

<b>Gap 1</b>	✓
reasonable	
absolute	

<b>Gap 2</b>	✓
material	
all	

<b>Gap 3</b>	✓
express an opinion	
provide a guarantee	

<b>Gap 4</b>	✓
an applicable financial reporting framework	
International Standards on Auditing	

- 2 Identify whether the following statements about audits are true or false.

Statement	True	False
	✓	✓
Auditors aim to give absolute assurance over the accuracy of the financial statements.		
A statutory audit gives reasonable assurance that the financial statements give a true and fair view.		

- 3 Identify the level of assurance provided by the following extract from an auditor's report.

In our opinion, the financial statements give a true and fair view of the financial position of the company as at 31 December 20X4.

<b>Level of assurance</b>	✓
Reasonable assurance	
Limited assurance	

**4 Identify whether the following statements about professional scepticism are true or false.**

Statement	True	False
	✓	✓
The auditor must maintain professional scepticism throughout the duration of the audit.		
The client must maintain their professional scepticism throughout the duration of the audit.		

**5 Identify whether the following statements about professional scepticism are true or false.**

Statement	True	False
	✓	✓
Professional scepticism refers to the auditor not believing anything the client says to them.		
Professional scepticism refers to the questioning mind the auditor should maintain.		

**6 Complete the following statement on the respective responsibilities of the external auditor and management in conducting an audit of financial statements.**

It is the responsibility of the \_\_\_\_ Gap 1 \_\_\_\_ to prepare the annual financial statements for the company and it is the responsibility of the \_\_\_\_ Gap 2 \_\_\_\_ to report to \_\_\_\_ Gap 3 \_\_\_\_ whether in their opinion the financial statements show a \_\_\_\_ Gap 4 \_\_\_\_.

Gap 1	✓
directors	
internal auditor	

Gap 2	✓
finance director	
external auditors	

Gap 3	✓
internal auditor	
shareholders	

Gap 4	✓
correct set of accounts	
true and fair view	



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