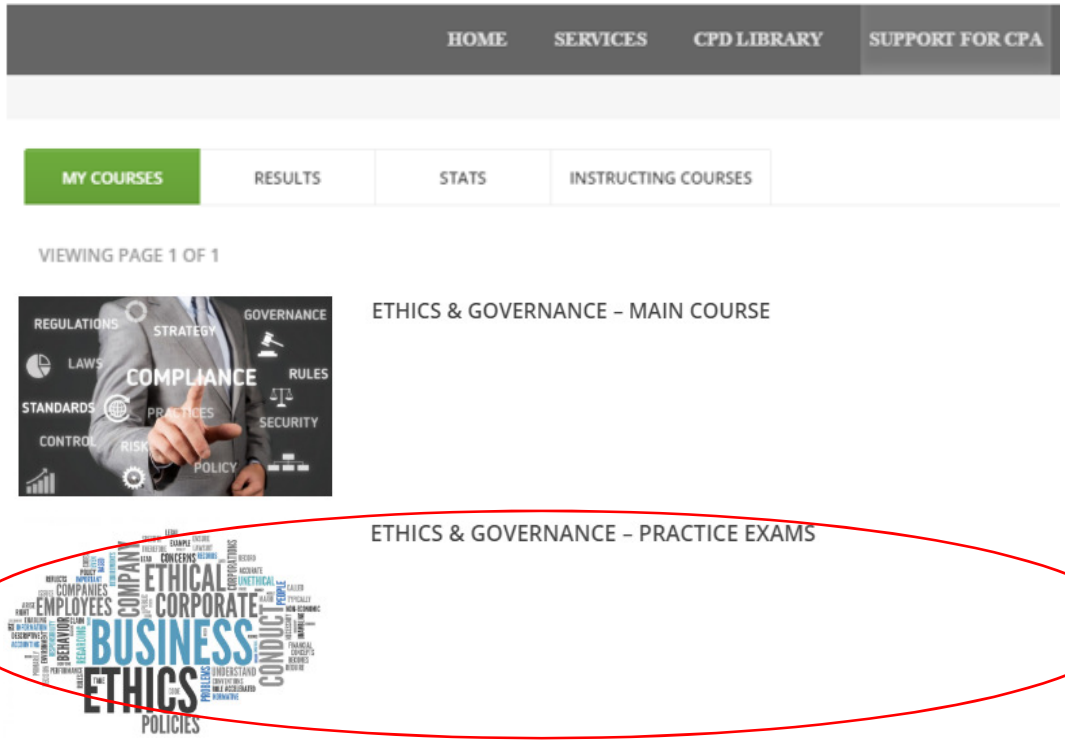
Multiple Choice Questions – All CPA subjects

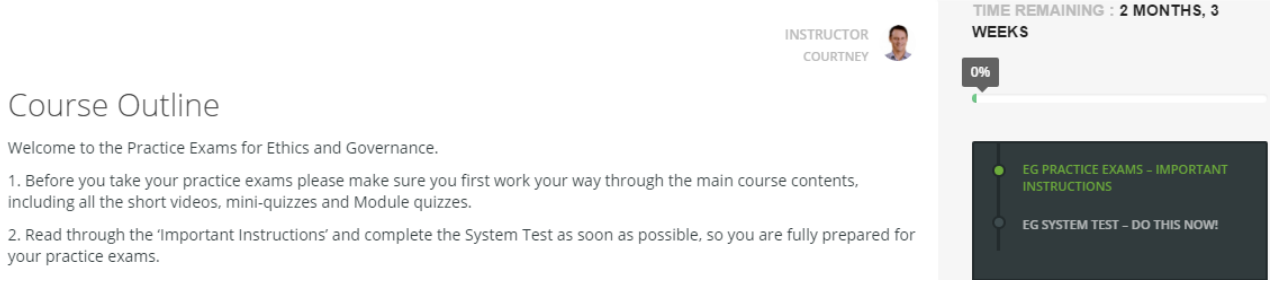
Important: Before you attempt your practice exam remember, you only have ONE attempt.
The exam is timed for 3 hours and 15 minutes.
You must complete it in one go!

Here's how to navigate the MCQ practice exams in a few easy steps.

1. Login to the KnowledgEquity Online Learning System and navigate to the left hand menu "COURSES"
    a. A list of "MY COURSES" will be displayed.
    b. Select your subject Practice Exam course (example below).



2. The course structure is displayed. Select the "Start Course" or "Continue Course" green button to access the practice exams.
3. The course outline and black navigation menu is displayed.
    a. Read the course outline introductory text
    b. Proceed to the first unit, which provides important instructions.
    c. Proceed to the System Test to make sure your system settings are working correctly.

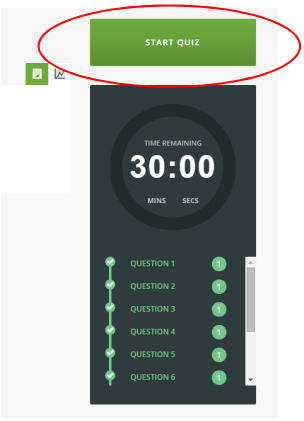


Note: The Practice Exams will be available in Week 7 and 8.

4. **Important: Before you attempt your practice exam remember, you have only ONE attempt. The exam is timed so you have 3 hours and 15 minutes to complete it.**

When you are ready to start the practice exam, proceed to Practice Exam 1, read all relevant instructions and click on Start Quiz.

Once the exam starts, a countdown clock will appear showing you how much time you have left.



5. To answer each question, select your response and click “next question” to move forwards or “previous question” to go back.

6. When you finish all the questions, click on “Submit Quiz”

Read on for how to get your exam results and feedback...

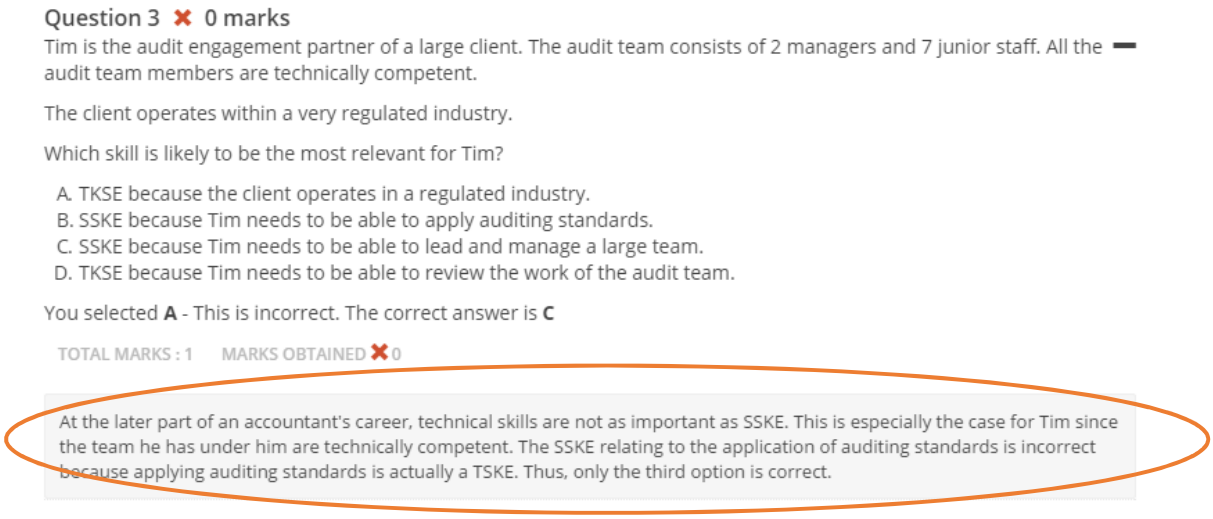
Practice Exam Results

1. To see your practice exam results (MCQ only) click on 'Check Quiz Results' button.

2. Results screen opens – You will see the,
   - questions
   - answer options
   - what answer you selected and if it is correct or incorrect
   - feedback on what the correct answer is and why.

Note that you can click on the 'Expand All' or 'Collapse All' icons to expand or collapse the quiz results.

The screen shot below is an example of an incorrect answer including the feedback (circled) on why the response selected was incorrect.



Question 3 ✖ 0 marks

Tim is the audit engagement partner of a large client. The audit team consists of 2 managers and 7 junior staff. All the audit team members are technically competent.

The client operates within a very regulated industry.

Which skill is likely to be the most relevant for Tim?

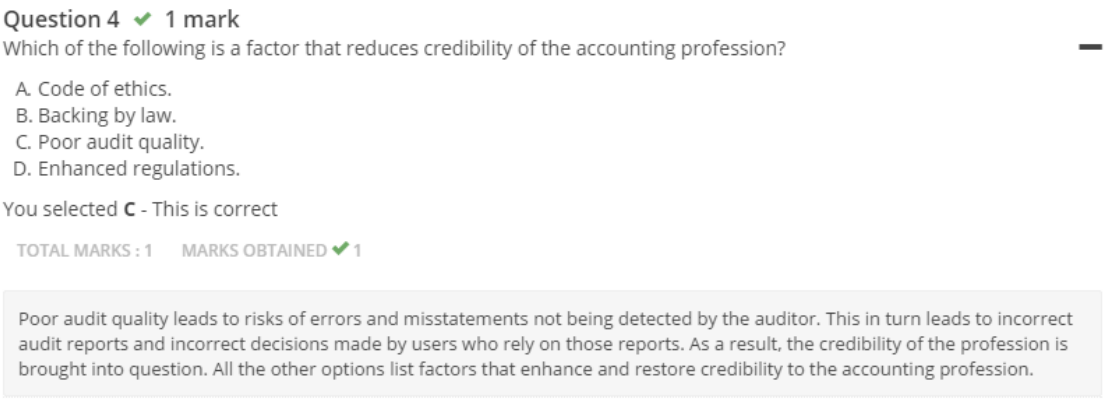
A. TKSE because the client operates in a regulated industry.
B. SSKE because Tim needs to be able to apply auditing standards.
C. SSKE because Tim needs to be able to lead and manage a large team.
D. TKSE because Tim needs to be able to review the work of the audit team.

You selected **A** - This is incorrect. The correct answer is **C**

TOTAL MARKS : 1 MARKS OBTAINED ✖ 0

At the later part of an accountant's career, technical skills are not as important as SSKE. This is especially the case for Tim since the team he has under him are technically competent. The SSKE relating to the application of auditing standards is incorrect because applying auditing standards is actually a TSKE. Thus, only the third option is correct.

The screen shot below is an example of a correct answer, including the feedback on why the response selected was incorrect.



Question 4 ✔ 1 mark

Which of the following is a factor that reduces credibility of the accounting profession?

A. Code of ethics.
B. Backing by law.
C. Poor audit quality.
D. Enhanced regulations.

You selected **C** - This is correct

TOTAL MARKS : 1 MARKS OBTAINED ✔ 1

Poor audit quality leads to risks of errors and misstatements not being detected by the auditor. This in turn leads to incorrect audit reports and incorrect decisions made by users who rely on those reports. As a result, the credibility of the profession is brought into question. All the other options list factors that enhance and restore credibility to the accounting profession.