

**FINAL ANSWER KEY**

Paper: 036 - General Knowledge Precis and Drafting- State Audit  
Date of Test 17-04-2023

Question1:-A "qualified" opinion should be given by the auditor when he \_\_\_\_\_ about one or more particular item in the financial statement

- A:-Disagrees with or uncertain
- B:-Agrees with or certain
- C:-Supports with facts
- D:-Rejects with reason

Correct Answer:- Option-A

Question2:-A professional activity which seeks to attest the result of accounting process can best be described as:

- A:-Independent Financial Audit
- B:-Independent performance audit
- C:-Internal audit
- D:-Environment Audit

Correct Answer:- Option-A

Question3:-The quality which is not related to an auditor is

- A:-Independence
- B:-Integrity
- C:-Communication
- D:-Ignorance

Correct Answer:- Option-D

Question4:-The only authority to issue surcharge certificate under the signature and seal of

- A:-Joint Director of KSAD
- B:-Senior Deputy Director of KSAD
- C:-Director of KSAD
- D:-Deputy Director of KSAD

Correct Answer:- Option-C

Question5:-The Local Fund Audit department started functioning from

- A:-14th May 1942
- B:-8th May 1942
- C:-14th Jan 1950
- D:-30th June 1946

Correct Answer:- Option-A

Question6:-Fundamental duties are incorporated in Article \_\_\_\_\_ of the constitution of India

- A:-50
- B:-51A
- C:-52
- D:-55

Correct Answer:- Option-B

Question7:-Within the meaning of section 21 of IPC an Auditor is deemed to be

- A:-Executive Authority
- B:-General Servant
- C:-Audit Authority
- D:-Public Servant

Correct Answer:- Option-D

Question8:-Audit conducts at the office of any institution in the schedule as per the approved programme of Auditors is a

- A:-Special Audit
- B:-Local Audit
- C:-Detailed Audit
- D:-Concurrent Audit

Correct Answer:- Option-B

Question9:-The allowance permitted to draw by an officer for the work relating to combination of appointments depending on the nature of combination is

- A:-Special day
- B:-Honorarium
- C:-Charge Allowance
- D:-Compensatory Allowance

Correct Answer:- Option-C

Question10:-'Preparation of Balance Sheet and Profit and Loss account is a part of the process of auditing'. This statement is

- A:-True
- B:-False
- C:-Partially True
- D:-Partially False

Correct Answer:- Option-B

Question11:-A 'Live file' means

- A:-Action is going on, until final disposal
- B:-A file just originated
- C:-Disposed file
- D:-Correspondence file

Correct Answer:- Option-A

Question12:-'New Case' means

- A:-A reply to a reference from the office
- B:-A paper received from government
- C:-Any paper received through post/mail
- D:-Paper which is not related to a pending file/case

Correct Answer:- Option-D

Question13:-Any communication addressed to the office head received in the office by post/mail/online through messenger is a

- A:-Current
- B:-Tappal
- C:-File
- D:-Letter

Correct Answer:- Option-B

Question14:-Personal Register to be maintained by the officer concerned has \_\_\_\_\_ columns

- A:-5
- B:-6
- C:-10
- D:-12

Correct Answer:- Option-C

Question15:-Note file should be \_\_\_\_\_ and current file \_\_\_\_\_

- A:-Below and on the top
- B:-Middle and below
- C:-At the bottom and top
- D:-On the top and below

Correct Answer:- Option-D

Question16:-\_\_\_\_\_ is the Finance controller of a Grama Panchayath

- A:-Secretary
- B:-Vice President
- C:-President
- D:-Accountant

Correct Answer:- Option-B

Question17:-Audit office issues \_\_\_\_\_ opinion if a local body keeps the accounts of receipts and payments and other transactions correctly

- A:-Disclaimer
- B:-Qualified
- C:-Unqualified
- D:-Adverse

Correct Answer:- Option-C

Question18:-The Log Book in vehicle mainly meant

- A:-to record the details of travel
- B:-to record the personal details
- C:-to record the main repairs
- D:-to record the details of insurance

Correct Answer:- Option-A

Question19:-Reconciliation of closing balance of the bank book shall be made with the closing balance of bank/Treasury

- A:-Daily
- B:-Quarterly
- C:-Yearly
- D:-Monthly

Correct Answer:- Option-D

Question20:-District Audit Monitoring Committee will be chaired by

- A:-Director of KSAD
- B:-Deputy Director of KSAD
- C:-District Collector
- D:-ADC (General)

Correct Answer:- Option-C

Question21:-A contract for the supply of an approximate quantity of stores at a specified price during a certain period is called \_\_\_\_\_ contract

- A:-Turnkey
- B:-Rate
- C:-Fixed
- D:-Running

Correct Answer:- Option-D

Question22:-TR7A \_\_\_\_\_ is a vital record to be maintained government offices

- A:-Log Book
- B:-Treasury Bill book
- C:-Cash Book
- D:-Receipt Book

Correct Answer:- Option-C

Question23:-Tappal is opened and stamped by Tappal clerk in the presence of

- A:-Office superintendent
- B:-Section clerk
- C:-Office attendant
- D:-Head of office

Correct Answer:- Option-D

Question24:-Authority of audit of TDB and CDB is entrusted to KSAD by

- A:-Accountant General, Kerala
- B:-Government of Kerala
- C:-Hon. High Court of Kerala
- D:-Supreme court of India

Correct Answer:- Option-C

Question25:-as per the provisions made in Kerala Municipality Act 1994 \_\_\_\_\_ is the Auditor of a municipality

- A:-CAG
- B:-Director of KSAD
- C:-Chartered Accountant
- D:-Joint Director of Municipal Administration

Correct Answer:- Option-B

Question26:-State Finance Commission is appointed by

- A:-Chief Secretary to state Government
- B:-President of India
- C:-Governor of the State
- D:-Chief Justice of High Court

Correct Answer:- Option-C

Question27:-The Audit report of Kerala State Audit on accounts of auditee institutions shall be submitted to

- A:-The Government of Kerala
- B:-The Governor of Kerala
- C:-The Hon. High Court of Kerala
- D:-The Director of Panchayaths

Correct Answer:- Option-A

Question28:-The Director of Kerala State Audit is the Treasurer of

- A:-Kerala State Audit
  - B:-State Finance Commission
  - C:-Charitable Endowments
  - D:-Grant-in-aid institutions
- Correct Answer:- Option-C

Question29:-Charge/Surcharge certificate shall be served in \_\_\_\_\_ with copy to the Executive authority concerned

- A:-Form X and XA
  - B:-Form I and IA
  - C:-Form IX and IXA
  - D:-Form VIII
- Correct Answer:- Option-A

Question30:-Consolidated Audit Report of accounts audited by the Director of Kerala State Audit shall be sent to Government before

- A:-30th September every year
  - B:-1st April every year
  - C:-2nd October every year
  - D:-30th July every year
- Correct Answer:- Option-A

Question31:-Section 20 of Kerala Local Fund Audit Act 1994 describes

- A:-The power of Local Fund Audit dispense with detailed audit
  - B:-Laying of Audit Report
  - C:-Protection of action taken in good Faith
  - D:-Act to override other enactments
- Correct Answer:- Option-A

Question32:-'R' disposal means

- A:-Not to be retained
  - B:-Retain for 20 years
  - C:-To be retained permanently
  - D:-Retain for 10 years
- Correct Answer:- Option-C

Question33:-'Stock file' is

- A:-The permanent file of important orders maintained by each subject clerk for reference
  - B:-Permanent records of the office
  - C:-General record file
  - D:-Monthly business statement
- Correct Answer:- Option-A

Question34:-'Accounts and Audit' of panchayath is described in

- A:-Section 198 of KPR Act
  - B:-Section 200 of KPR Act
  - C:-Section 199 of KPR Act
  - D:-Section 215 of KPR Act
- Correct Answer:- Option-D

Question35:-A 'case' consists of:

- A:-File consisting of papers received
  - B:-Current file, note file, and any previous papers and books put up for reference
  - C:-any communication which is proposed to be issued
  - D:-A communication or a statement
- Correct Answer:- Option-B

Question36:-A new personal register is opened in

- A:-Every Financial Year
  - B:-Every half Year
  - C:-Every Calendar Year
  - D:-Every three Year
- Correct Answer:- Option-C

Question37:-Act 14 of 1994 is known as

- A:-Kerala Panchayat Raj Act
  - B:-Kerala Municipality Act
  - C:-Kerala Essential Service Maintenance Act
  - D:-Kerala Local Fund Audit Act
- Correct Answer:- Option-D

Question38:-The Director of KSAD issued \_\_\_\_\_ on irregularity under expenditure incurred.

- A:-Charge Certificate
  - B:-Surcharge Certificate
  - C:-Showcase Notice
  - D:-Audit Enquiry
- Correct Answer:- Option-B

Question39:-Audit procedure for local self Government institutions described in KSAD Manual

- A:-Part 1
  - B:-Part 2 Volume 2
  - C:-Part 2 Volume 3
  - D:-Part 2 Volume 4
- Correct Answer:- Option-D

Question40:-The Auditor shall have the authority to audit of accounts of stock and stores and verification of cash balance as per \_\_\_\_\_ of Kerala Local Fund Audit Act

- A:-Section 9
  - B:-Section 7
  - C:-Section 6
  - D:-Section 10
- Correct Answer:- Option-C

Question41:-According to CAG's auditing standards 4.9, the term 'Audit' includes

- A:-Financial and Regularity Audit
- B:-Financial, regularity and performance Audit
- C:-Regularity and Performance Audit
- D:-Concurrent and Detailed Audit

Correct Answer:- Option-B

Question42:-Which one is not correct regarding the basic principles of Audit?

- A:-Complexity
- B:-Integrity
- C:-Objectivity
- D:-Confidentiality

Correct Answer:- Option-A

Question43:-Which of the following is correct regarding the writing of drafts?

- A:-It should be written in half margin
- B:-It should be complete and brief
- C:-It should be written in separate sheets
- D:-All the above

Correct Answer:- Option-D

Question44:-One of the following is not a component of COSO framework

- A:-Control Environment
- B:-Documentation
- C:-Risk Assessment
- D:-Monitoring

Correct Answer:- Option-B

Question45:-Show cause notice shall be issued by an Officer not below the rank of

- A:-Joint Director of KSAD
- B:-Audit Officer of KSAD
- C:-Deputy Director of KSAD
- D:-Assistant Audit Officer of KSAD

Correct Answer:- Option-C

Question46:-Notice of commencement of audit shall be given in \_\_\_\_\_ in case of concurrent audit

- A:-Form I
- B:-Form IV
- C:-Form V
- D:-Form IA

Correct Answer:- Option-D

Question47:-Summons for production of documents for purpose of audit or personal appearance shall be made by the auditor in

- A:-Form II
- B:-Form III
- C:-Form IV
- D:-Form I

Correct Answer:- Option-B

Question48:-The methods of recruitment, seniority and promotions of employees in Kerala Government are described in

- A:-KSR Part I, II and III
- B:-Kerala Government Servant's Conduct Rules
- C:-KS & SS Rules Part I, II and III
- D:-Kerala Services Rules

Correct Answer:- Option-C

Question49:-Three parties in public sector audit are

- A:-The Auditor, The responsible party, The intended users
- B:-The institution, The Auditor, The users
- C:-The Auditor, The responsible party, The institution
- D:-The intended users, The Auditor, The institution

Correct Answer:- Option-A

Question50:-ISSAI 200-299 defines

- A:-Financial Audit Principles
- B:-Performance Audit Principles
- C:-Compliance Audit Principles
- D:-Financial Audit Standards

Correct Answer:- Option-A

Question51:-Which of the following is not a field audit standard issued by CAG?

- A:-Audit Supervision
- B:-Audit Enquiry
- C:-Audit Planning
- D:-Audit Evidence

Correct Answer:- Option-B

Question52:-Two years is the time limit for issue of Surcharge Certificate after receipt of Surcharge Notice

- A:-False
- B:-True
- C:-No time limit
- D:-All the above

Correct Answer:- Option-B

Question53:-Funds manager of Kerala Agriculture University is

- A:-The Director of KSAD
- B:-Finance Officer
- C:-The Comptroller
- D:-The Registrar

Correct Answer:- Option-C

Question54:-As per Article 267 of Indian Constitution \_\_\_\_\_ is at disposal of the President of India.

- A:-Consolidated Fund
- B:-Contingency Fund
- C:-State Fund
- D:-Central Fund

Correct Answer:- Option-B

Question55:-The newly introduced integrated application software for Grama Panchayaths in Kerala

- A:-ILGMS
- B:-BIMS
- C:-AIMS
- D:-PRICE

Correct Answer:- Option-A

Question56:-The liability fixed by KSAD through Surcharge Certificate has to be recovered under the provisions of the

- A:-Kerala Local Fund Audit Act
- B:-Kerala Panchayat Raj Act
- C:-Kerala land reforms Act
- D:-Kerala Revenue Recovery Act

Correct Answer:- Option-D

Question57:-All Government departments issue \_\_\_\_\_ receipt against the collection of cash or documents from the public

- A:-TR6
- B:-TR7A
- C:-TR5
- D:-TR7

Correct Answer:- Option-C

Question58:-Drafting means

- A:-Dictation of notes
- B:-Preparation of communication for issue
- C:-Tagging of files
- D:-Rewriting of notes

Correct Answer:- Option-B

Question59:-As per the provisions under code of Civil Procedure \_\_\_\_\_ appoints official Receiver

- A:-Civil Court
- B:-Hon. High Court
- C:-District Court
- D:-Criminal Court

Correct Answer:- Option-A

Question60:-Ombudsman for LSGIs is a person who held the post of judge in

- A:-District Court
- B:-Lokayukta
- C:-Supreme Court
- D:-Hon. High Court

Correct Answer:- Option-D

Question61:-The level of assurance given by the Auditors should always

- A:-True and correct
- B:-Appropriate
- C:-Reasonable
- D:-Logical

Correct Answer:- Option-C

Question62:-Audit materiality can be based on

- A:-Nature, Context, Accounts
- B:-Value, Nature, Context
- C:-Risk, Materials, Assets
- D:-Audit, Monitoring, Planning

Correct Answer:- Option-B

Question63:-The chief aim of Lima Declaration is to call for

- A:-Independent Government Auditing
- B:-Independent Private Auditing
- C:-Transparency and Responsibility
- D:-Internal and External Audit

Correct Answer:- Option-A

Question64:-Level 1 of ISSAI contains the founding principles of

- A:-CAG
- B:-COSO
- C:-SAI
- D:-INTOSAI

Correct Answer:- Option-D

Question65:-The two important elements of good governance are \_\_\_\_\_ and \_\_\_\_\_

- A:-Accountability, Transparency
- B:-Accountability, Responsibility
- C:-Responsibility, Transparency
- D:-Responsibility, Ethics

Correct Answer:- Option-A

Question66:-As per ISSAI 1000-2999 there are \_\_\_\_\_ General guidelines for financial Audit

- A:-9
- B:-6
- C:-3
- D:-39

Correct Answer:- Option-D

Question67:-Audit materiality is oppositely related to

- A:-Audit observations
- B:-Audit Risk
- C:-Audit Evidence
- D:-Audit Objections

Correct Answer:- Option-B

Question68:-It is the duty and responsibility of the \_\_\_\_\_ to establish Internal Control system

- A:-Management
- B:-Auditor
- C:-Public
- D:-Employees

Correct Answer:- Option-A

Question69:-The COSO framework has \_\_\_\_\_ components and \_\_\_\_\_ principles of internal controls

- A:-17, 5
- B:-8, 10
- C:-5, 17
- D:-10, 8

Correct Answer:- Option-C

Question70:-The purpose of \_\_\_\_\_ to examine the Economy, Efficiency and Effectiveness of the schemes or programmes of auditee entity

- A:-Compliance Audit
- B:-Financial Audit
- C:-Detailed Audit
- D:-Performance Audit

Correct Answer:- Option-D

Question71:-Spot the odd one:

- A:-Internal Audit
- B:-Financial Audit
- C:-Performance Audit
- D:-Compliance Audit

Correct Answer:- Option-A

Question72:-As per the guidelines of CAG, what should be the reasonable assurance?

- A:-5%
- B:-90%
- C:-95%
- D:-100%

Correct Answer:- Option-C

Question73:-The Auditor should obtain \_\_\_\_\_ and \_\_\_\_\_ audit evidence

- A:-Appropriate, competent
- B:-Sufficient, Appropriate
- C:-Clear, Sufficient
- D:-Competent, Clear

Correct Answer:- Option-B

Question74:-One of the following is not a procedure to collect audit evidence

- A:-Survey
- B:-Questionnaires
- C:-Observation
- D:-Valuation

Correct Answer:- Option-D

Question75:-The Audit team should conclude field audits with \_\_\_\_\_ with auditee entity

- A:-Entry conference
- B:-Exit conference
- C:-Audit Enquiry
- D:-Audit Evidence

Correct Answer:- Option-B

Question76:-Section 14 of Kerala Local Fund Audit act reads about

- A:-Scope of Audit Report
- B:-Manner of Audit Report
- C:-Contents of Audit report
- D:-Submission of Audit Report

Correct Answer:- Option-C

Question77:-The record of audit procedure performed, relevant audit evidence obtained and the conclusions the Auditor reached is called

- A:-Audit implementation
- B:-Audit communication
- C:-Audit Reporting
- D:-Audit Documentation

Correct Answer:- Option-D

Question78:-Expansion of ISSAI

- A:-International Standards of Supreme Audit Institutions
- B:-International Seminar of Supreme Audit Institutions
- C:-International System of Supreme Audit Institutions
- D:-International Strategy of Supreme Audit Institutions

Correct Answer:- Option-A

Question79:-A \_\_\_\_\_ test traces the transaction step by step through the accounting system from its inception to the final disposition.

- A:-Internal Control
- B:-Walk Through
- C:-Risk Assessment
- D:-Balance

Correct Answer:- Option-B

Question80:-CAG is \_\_\_\_\_

- A:-Controller and Auditor General
- B:-Comptroller and Accountant General
- C:-Comptroller and Auditor General
- D:-Controller and Accountant General

Correct Answer:- Option-C

Question81:-The 14th CAG of India is

- A:-Vinod Rai
- B:-Shashi Kanth Sharma
- C:-Rajiv Mehrishi
- D:-Girish Chandra Murmu

Correct Answer:- Option-D

Question82:-'Hesitate between two decisions' replace it with a phrase

- A:-Smell a rat
- B:-Out of the way
- C:-Throw out of gear
- D:-Sitting on the fence

Correct Answer:- Option-D

Question83:-One of the officers deputed for security duty \_\_\_\_\_ suspended

- A:-were
- B:-was
- C:-are
- D:-has

Correct Answer:- Option-B

Question84:-You have never come late \_\_\_\_\_

- A:-Don't you?
- B:-Haven't you?
- C:-Have you?
- D:-are you?

Correct Answer:- Option-C

Question85:-The process of attaching to the top of papers put up for reference in a case, slips with alphabetical letters is called

- A:-Flagging
- B:-Referencing
- C:-Linking
- D:-Drafting

Correct Answer:- Option-A

Question86:-Which of the following are the forms of correspondence?

- A:-Proceedings form
- B:-Memorandum form
- C:-Endorsement form
- D:-All the above

Correct Answer:- Option-D

Question87:-Cases which are ordered by head office to be kept in abeyance for a definite period is

- A:-Stock file
- B:-Call Book
- C:-Circular
- D:-Lie Over cases

Correct Answer:- Option-D

Question88:-Audit Training Centre of KSAD is at

- A:-GIFT, Thiruvananthapuram
- B:-IMG, Thiruvananthapuram
- C:-ILM, Thiruvananthapuram
- D:-IKM, Thiruvananthapuram

Correct Answer:- Option-A

Question89:-University Audit Offices of KSAD are headed by

- A:-Senior Deputy Director of KSAD
- B:-Deputy Director of KSAD
- C:-Joint Director of KSAD
- D:-Director of KSAD

Correct Answer:- Option-C

Question90:-AIMS in KSAD stands for

- A:-Accounts Information Managing System
- B:-Audit Information Management System
- C:-Audit Integrating Monitoring System
- D:-Audit Interchanging Management Scheme

Correct Answer:- Option-B

Question91:-At present there are \_\_\_\_\_ Grama Panchayaths in Kerala

- A:-1022
- B:-940
- C:-950
- D:-941

Correct Answer:- Option-D

Question92:-Executive Head of the state

- A:-Governor
- B:-Chief Minister
- C:-Speaker
- D:-Chief Justice

Correct Answer:- Option-A

Question93:-There is a section named O & M in the Directorate of KSAD. O & M means

- A:-Offices and Maintenance
- B:-Operations and Methods
- C:-Officials and Managers
- D:-Operations and Maintenance

Correct Answer:- Option-B

Question94:-Maximum number of divisions in a Municipal Corporation at present

- A:-100
- B:-75
- C:-50
- D:-55

Correct Answer:- Option-A

Question95:-KSAD is under the Administrative control of \_\_\_\_\_

- A:-Legislature
- B:-General Administration Department
- C:-Finance department
- D:-Law department

Correct Answer:- Option-C

Question96:-The margin in the notes should be

- A:-1/2
- B:-1/3
- C:-1/4
- D:-1/5

Correct Answer:- Option-B

Question97:-An officer personally correspond with another officer or non official without official formalities for personal attention through

- A:-U O Notes
- B:-D O Letter
- C:-Circular
- D:-Letter

Correct Answer:- Option-B

Question98:-Kerala Local Fund Audit Act 1994 contains \_\_\_\_\_ Sections

A:-30

B:-23

C:-20

D:-25

Correct Answer:- Option-A

Question99:-The Director of KSAD is appointed by

A:-Governor

B:-Chief Minister

C:-The Government

D:-The Legislature

Correct Answer:- Option-C

Question100:-Which of the following is not a constitutional body?

A:-Attorney general of India

B:-Finance Commission

C:-Advocate General of State

D:-University Grants Commission

Correct Answer:- Option-D