1. When testing cash, what management assertion is the auditor most interested in?

2. When testing available for sale securities, what management assertion is the auditor most interested in?

3. When testing accounts receivable, what management assertion is the auditor most interested in?

4. State and briefly describe a substantive audit procedure to be performed in the audit of cash.

5. State and briefly describe a substantive audit procedure to be performed in the audit of accounts receivable.

6. Why are controls over cash so important to a company and to their auditors? (be as brief as possible, can answer in about 8 words)

7. Which of the following two circumstances would the auditor be compelled to perform a greater degree of substantive audit procedures to:
   - Inherent risk is high and control risk is moderate;
   - Inherent risk and control risks are both low.

8. The two most important controls over cash include?

9. The auditor is concerned about the duplication of recorded cash because the client has numerous bank accounts and routinely transfers cash between those accounts. Briefly describe a substantive audit procedure which the auditors might perform to detect such duplications.

10. State the income statement (and/or stockholder’s equity) accounts which are being tested when each of the following balance sheet accounts are audited:
   - Cash
   - Investments (at fair value)
   - Accounts receivable