1. List the five components of internal control.

2. List at least three factors which may indicate increased financial reporting risk.

3. An auditor is REQUIRED to obtain a sufficient understanding of internal control to plan the engagement, under GAAS.  
   (TRUE / FALSE)

4. An auditor may reduce the amount of substantive audit procedures by reliance on internal controls.  
   (TRUE / FALSE)

5. What is a technique an auditor may apply to detect “management override” of the designated internal controls?

6. Audits of “public” companies (SEC Registrants) require the auditor to issue a report on the internal controls of the company.  
   (TRUE / FALSE)

7. The form and extent of internal controls procedures and documentation in an audit is explicit in GAAS  
   (TRUE / FALSE)