

IIA

Exam IIA-CFSA

Certified Financial Services Auditor

Verson: Demo

[Total Questions: 10]

Topic break down

Topic	No. of Questions
Topic 1: Volume A	2
Topic 2: Volume B	2
Topic 3: Volume C	3
Topic 4: Volume D	3

Topic 1, Volume A

Question No : 1 - (Topic 1)

“Ongoing monitoring activities are conducted to periodically reassess risk and the effectiveness of control risk,” is an objective of:

- A. Risk Identification
- B. Risk Measurement
- C. Risk Management Process
- D. Risk Prioritization

Answer: C

Question No : 2 - (Topic 1)

Internal auditors are expected to uphold the following principles:

- A. Integrity, objectivity, competency
- B. Integrity, objectivity, confidentiality, and competency
- C. Integrity, objectivity, awareness and competency
- D. Integrity, objectivity, entirety

Answer: B

Topic 2, Volume B

Question No : 3 - (Topic 2)

Non-deposit investment product includes:

- A. Fixed annuities
- B. Variable annuities
- C. Mixed annuities
- D. Both A&B

Answer: D

Question No : 4 - (Topic 2)

A statement of cash flows in a financial report that shows incoming and outgoing money during a particular period (often monthly or quarterly). It does not include _____ items such as depreciation. The statement is a useful tool for determining the short-term viability of a company, particularly its ability to pay bills.

- A. Non-cash
- B. Depreciation related
- C. Depletion related
- D. Lon-term debt

Answer: A

Topic 3, Volume C

Question No : 5 - (Topic 3)

Insurance policies are good for insurance needs, however, as a main investment vehicles, they have considerable downsides.

- A. A majority of a premium payments is “part of commission” a small percent of your moneygoes towards the investment avenue.
- B. The guaranteed cash value, or accumulation value of your investment is normally such a low percentage, typically one to three percent.
- C. You would be much better off using a traditional investment vehicle than an insurance policy as an investment
- D. Only A & B

Answer: D

Question No : 6 - (Topic 3)

Recent turmoil in the financial markets illustrate the volatility of the secondary market for subprime loans and the significant liquidity risk incurred when originating a large volume of loans intended for:

- A. IPO
- B. Securitization and sale

- C. Loans
- D. All of these

Answer: B

Question No : 7 - (Topic 3)

Back-office operations are _____ as offshore operations which establish business entities in tax-free export zones or offshore centers.

- A. Almost same
- B. Same
- C. Not the same
- D. None of these

Answer: C

Topic 4, Volume D

Question No : 8 - (Topic 4)

Banks often make loans to officers, directors, employees, and principal shareholders. Disclosure of these related-party transactions is required:

- A. If they are material to the loan portfolio
- B. In relation to total stockholder's equity
- C. If they are presented as other liabilities
- D. Either A or B

Answer: D

Question No : 9 - (Topic 4)

The primary component of the McCarran-Ferguson Act is/are:

- A. To allow states to retain the right to regulate the insurance industry
- B. To allow the federal government to assume regulation of the insurance industry if

Congress feels that the state regulation is inadequate or does not serve the public interest

- C. Both of these
- D. None of these

Answer: C

Question No : 10 - (Topic 4)

Variable life insurance is:

- A. Permanent life insurance
- B. Temporary life insurance
- C. Flexible life insurance
- D. None of these

Answer: A