

ACCA : History Exam Question Analysis(三)09年ACCA_CAT考试 PDF转换可能丢失图片或格式，建议阅读原文

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1. The purpose of an external audit and its role are not well understood. You have been asked to write some material for inclusion in your firm ' s training materials dealing with these issues in the audit of large companies. Required: (a) Draft an explanation dealing with the purpose of an external audit and its role in the audit of large companies, for inclusion in your firm ' s training materials. (10 marks) (b) The external audit process for the audit of large entities generally involves two recognisable stages. The first stage involves planning, testing of controls and a limited amount of substantive procedures. This stage is sometimes known as the interim audit. The second stage involves further tests of controls and substantive procedures and audit finalisation procedures. This stage is sometimes known as the final audit. Describe and explain the main audit procedures and processes that take place during the interim and final audit of a large entity. (10 marks) (20 marks) 2. (a) Training material: purpose of external audit and its role (i) The external audit has a long history that derives largely from the separation of the ownership and management of assets. Those who own assets wish to ensure that those to whom they have entrusted control are using those assets wisely. This is known as the ' stewardship ' function. (ii) The requirement for an independent audit helps to ensure that financial statements are free of bias and manipulation for the benefit of users of financial

information. (iii) Companies are owned by shareholders but they are managed by directors (in very small companies, owners and managers are the same, but many such companies are not subject to statutory audit requirements) . (iv) The requirement for a statutory audit is a public interest issue: the public is invited to invest in enterprises, it is in the interests of the capital markets (and society as a whole) that those investing do so in the knowledge that they will be provided with ‘ true and fair ’ information about the enterprise. This should result in the efficient allocation of capital as investors are able to make rational decisions on the basis of transparent financial information. (v) The requirement for an audit can help prevent investors from being defrauded, although there is no guarantee of this because the external audit has inherent limitations. Reducing the possibility of false information being provided by managers to owners is achieved by the requirement for external auditors to be independent of the managers upon whose financial statements they are reporting. (vi) The purpose of the external audit under Statements of Auditing Standards (SASs) is for the auditor to obtain sufficient appropriate audit evidence on which to base the audit opinion. This opinion is to the effect that the financial statements give a ‘ true and fair view ’ of the position, performance (and cash flows) of the entity. This opinion is prepared for the benefit of shareholders. (b) Main audit procedures and processes: interim and final audit (i) The interim audit generally involves the performance of preliminary planning procedures. These include risk assessment, preliminary analytical

procedures, the determination of materiality and tolerable error, and the testing of internal controls. Many of these procedures are often performed concurrently. (ii) The purpose of tests of controls is to obtain audit comfort that systems are operating as prescribed during the period under review. This audit comfort enables the auditor to reduce the level of substantive testing required at the final audit. (iii) The final audit generally involves an update of the interim tests of controls to cover the period between the interim and final audits, and substantive testing of transactions and balances in the financial statements reported on. (iv) Final audit procedures also involve a review of the financial statements as a whole to ensure that they are internally consistent, and in accordance with the relevant financial reporting framework and the auditors ' knowledge of the business. (v) Substantive procedures, which include analytical procedures, are designed to provide evidence that the figures and disclosures in the financial statements are complete, relevant, and accurate. Arriving at the final conclusions often involves the performance of further analytical procedures on the financial statements as a whole. (vi) It is common for auditors to provide management with lists of control weaknesses (both structural and operational) together with recommendations for improvement both after the interim and final audits. NB: Mention could also be made of management representations, third party confirmations, the review of working papers, and a number of other matters. 100Test 下载频道开通 , 各类考试题目直接下载。 详细请访问 www.100test.com