

ACCA : History Exam Question Analysis(五)09年ACCA\_CAT考试 PDF转换可能丢失图片或格式 , 建议阅读原文

[https://www.100test.com/kao\\_ti2020/645/2021\\_2022\\_ACCA\\_EF\\_B\\_C\\_9AHis\\_c52\\_645212.htm](https://www.100test.com/kao_ti2020/645/2021_2022_ACCA_EF_B_C_9AHis_c52_645212.htm)

Viswa a company that provides call centre services for a variety of organisations. It operates in a medium sized city and your firm is the largest audit firm in the city. Viswa is owned and run by two entrepreneurs with experience in this sector and has been in existence for five years. It is expanding rapidly in terms of its client base, the number of staff it employs and its profits. It is now 15 June 2004. Your firm has not audited this company before. Viswa has had three different firms of auditors since its incorporation. Viswa ' s directors have indicated to you informally that the reason they wish to change auditors is because of a disagreement about certain disclosures in the financial statements in the previous year. The directors consider that the disagreements is a trivial matter and have indicated that the company accountant will be able to provide you with the details once the audit has commenced. Your firm has explained that before accepting the appointment, there are various matters to be considered within the firm and other procedures to be undertaken, some of which will require the co-operation of the directors. Your firm has other clients that operate call centres. The directors have asked your firm to commence the audit immediately because audited accounts are needed by the bank by 30 July 2004. Your firm is very busy at this time of year. Requirement: 1 . ( a ) Describe the matters to consider within your firm and the other procedures that must be

undertaken before accepting the appointment as auditor to Viswa.

( 10 marks ) ( b ) Explain why it would be inappropriate to commence the audit before consideration of matters and the procedures referred to in ( a ) above have been completed. ( 5 marks ) ( c ) Explain the purpose of an engagement letter and list its contents. ( 5 marks ) ( 20 marks ) 2 . ( a ) Internal matters and other procedures before appointment The firm needs to consider a variety of commercial issues and ethical matters ( under ACCA ' s Rules of Professional Conduct ) . Internal matters. Before accepting appointment the firm should ensure that: ( ) it has the necessary staff with appropriate competencies to complete the audit ( this seems likely given that the firm has other clients in this sector ) . ( ) the staff are available at what is a busy time of year for the firm ( if may be possible that all of the staff with the necessary competencies are otherwise occupied ) . ( ) the firm is independent of Viswa. It is unlikely that there will be any issues concerning shareholdings in the client ( because it is owned and run by two entrepreneurs ) , however, there may be staff or partners who are related to the client or are otherwise connected with it. ( ) there are no conflicts of interest that cannot be properly managed. Conflicts of interest may exist because the firm has other clients in this sector. Other firm should: ( v ) seek the directors ' permission to communicate with the company accountant about the nature of the ' disagreement ' and the directors should authoris the accountant to co-operate with the firm. ( ) seek the directors ' permission to communicate with the incumbent auditors. If

permission is refused, the appointment should not be accepted. ( ) ask the client to write to the incumbent auditors notifying them of the change and giving the permission to communicate with the firm ( if Viswa refuses to give permission to the incumbent auditors the appointment should not be accepted ) . ( ) communicate with the incumbent auditors ( preferably in writing ) requesting all the information which ought to be made available to enable the firm to decide whether or not to accept the appointment ( if there are no such matters, the incumbent auditors should inform the firm of this ) . ( ) seek appropriate transfer information ( such as a copy of the last set of accounts and a detailed trial balance reconciled to the accounts ) . ( ) indicate a likely fee ( or the basis on which fees are calculated ) to Viswa, ensure that is acceptable and that the client is able to pay ( by some form of credit check ) . ( xi ) ensure that the incumbent auditor has properly resigned, been dismissed or has not sought re-appointment in accordance with legal requirements. ( b ) Starting the audit It is inappropriate to start the audit before the procedures referred to above have been completed because: ( i ) without the staff with appropriate competencies the firm will be in breach of Rules ( and may be found negligent if things were to go wrong ) . ( ) without complying with the requirements relating to independence and conflicts of interest, the firm will not only be in breach of the Rules, but will lack objectivity and may find that the client ( or other party ) objects to the appointment to another client in the same sector. ( ) without performing appropriate procedures the firm will be unable to form an opinion on the

integrity of the client it may find itself associated with an entity engaging in doubtful or even illegal activities ( taking account of the disagreement over disclosures ) . ( ) without agreeing a fee it is almost inevitable that misunderstandings or disagreements will arise.

( ) without communicating with the accountant and the incumbent auditor, it is quite possible that disagreements over disclosures will arise, similar to those that have arisen in the past. ( ) without ensuring that the incumbent auditor is no longer in place, it will be inappropriate for the firm to seek appointment. ( c

) Engagement letter The engagement letter is of benefit to both the client and auditor and helps prevent misunderstandings. It: (

) confirms the auditor ' s acceptance of appointment and constitutes a contract between the auditor and the client. (

) summarises the respective responsibilities of directors and auditors. ( ) contains details on: 1.the responsibilities of the directors ( for accounting records, the financial statements and the accounting policies on which they are based ) . 2.the responsibilities of auditors and the scope of the audit ( their duty to conduct an audit in accordance with auditing standards, to review accounting policies and disclosures, to perform tests and to form an opinion on the financial statement ) . 3.the form of report to be issued. 4.other services to be provided. 5.the basis of calculation of fees. 6.applicable legislation. 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](http://www.100test.com)