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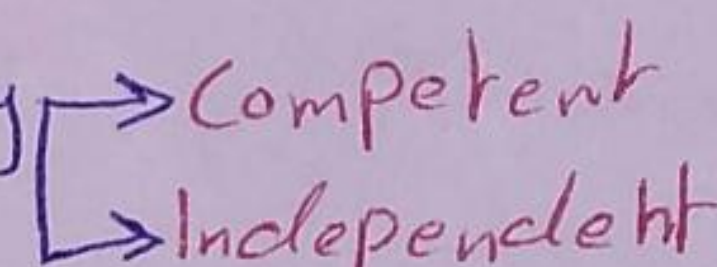
①

The Demand For Audit and Other Assurance Services

Nature of Auditing

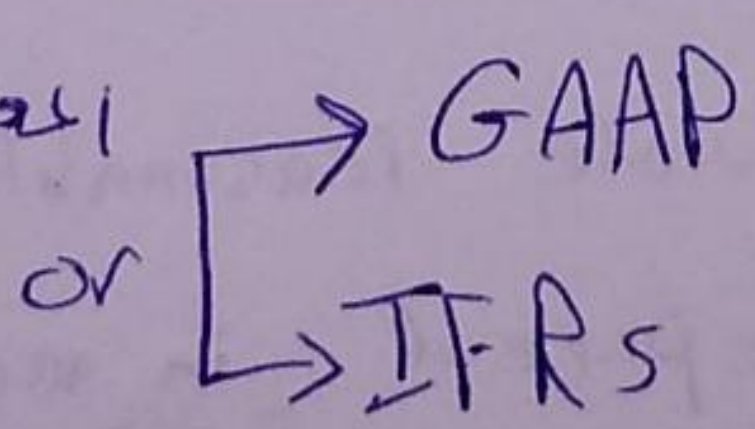
Auditing: the accumulation and evaluation of evidence about information and report on the degree of correspondence between information and established criteria.

التدقيق: هو تجميع وتقييم الأدلة حول المعلومات للتخبر والإبلاغ عن درجة المطابقة بين المعلومات والمعايير الأخوذة بها.

Auditing should be done by  Competent ^{مختصة} person
Independent ^{مستقل}

Information and established criteria

← يجب أن تكون المعلومات بشكل على التحقق منه

Criteria →  GAAP
or
IFRS

Accumulating and evaluating Evidence

لجميع أي معلومات تابعة المدقق في كيديته إذا كانت المعلومات معمولة وفقاً للمعايير الأخوذة بها.

(2)

Evidence type:

① Electronic and documentary data about Transaction

② written and electronic communication with outsiders.

③ Observation by the Auditor

④ Oral testimony of the Auditee (Client)

إفادة شفوية

Competent, Independent

↳ Qualified

↳ ثقة بغيره
↳ Confidence

Reporting

↳ Final stage in the Auditing process

Distinction Between Auditing and Accounting

Accounting → prepare F.S

Auditing → Provide reasonable assurance that the F.S
is prepared in accordance with established
criteria.

Economic Demand For Auditing:

Information Risks: the Risk that the information upon which a business decision is made is inaccurate.

خطأ عدم دقة المعلومات التي يتم اتخاذ القرارات بناءً عليها

Causes of Information Risks:

- ① Remoteness of Information. بعد المعلومات
- ② Biases and Motives of provider. تحيزات وروافع مقدم المعلومات
- ③ Voluminous of Data كثافة البيانات
- ④ Complex exchange transaction معاملات معقدة

Reducing Information Risk

- ① Users verify Information. التحقق من المعلومات من قبل المستخدم
- ② Users shares Information Risk with Management
- ③ Audited Financial Statement are provided. توفير بيانات مالية مدققة

Assurance Services: خدمات الضمان

لها خدمة مستقلة متخصصة تقوم بتحديد جودة المعلومات لها نفس القرار

(4)

Sarbanes-Oxley act → The CPA Firms provide assurance on Internal Control over Financial Reporting for public companies

Attestation Services → type of assurance services

Include

- Audit of historical F.S
- Audit of Internal Control over Financial Reporting
- Review of historical F.S
- Other attestation services.

Nonassurance Services provided by CPA:

① Accounting and Book-keeping services

② Tax Services.

③ Management Consulting Services

« خدمات استشارية إدارية »

Type of Audit

① Operational Audit

② Compliance Audit

③ Financial Statement (F.S) Audit

⑤

Type of Auditors

- ① Certified Public Accounting Firm (CPA) مدقق خارجي معتمد
- ② Government Accountability Office Auditors (GAO) مدقق حسابات معتمد
السلطة الحكومية
- ③ Internal Revenue Agents → وكيل الإيرادات الداخلية
للمرائب
Responsible for enforcing the federal tax laws
←
- ④ Internal Auditors مدقق داخلي
لأقل استقلالية من الخارج