

# Auditing



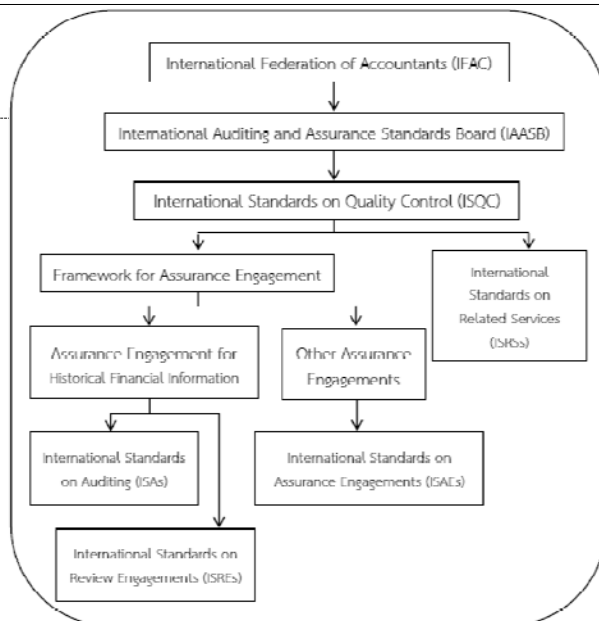
- ❖ **INTERNATIONAL STANDARDS ON AUDITING (ISA)**
- ❖ **THAI STANDARDS ON AUDITING (TSA)**

## International Standards on Auditing (ISA)

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- Under International Federation of Accountants (IFAC)
- Issued by International Audit and Assurance Standards Board (IAASB)
- Issued documents consisting of
  - International Framework for Assurance Engagements (1)
  - International Standards on Auditing (ISA) (36)
  - International Standard on Quality Control (ISQC) (1)
  - International Standards on Review Engagements (ISRE) (2)
  - International Standards on Assurance Engagements (ISAE) (4)
  - International Standards on Related Services Engagements (ISRS) (2)

Relationship among auditing standards



## International Standards on Auditing (ISA)

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- Issued document called “ISA” consisting of 8 sections
  - Section 200 General principles and responsibilities (8)
  - Section 300 Risk assessment &
  - Section 400 Response to assessed risks
  - Section 500 Audit evidences
  - Section 600 Using work of other experts
  - Section 700 Audit conclusions and reporting
  - Section 800 Specialized areas

## Independent Auditor's report

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- Main components of Auditor's report (New version)
  - Auditor's opinion
  - Basis for Auditor's opinion  
(in accordance with GAAP, Law & Ethics)
  - Management's responsibilities
  - Auditor's responsibilities
  - Key Audit Matters (KAM)
  - Auditor's name

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## Auditor's opinion

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- Types of Auditor's opinion

- Unqualified (clean) opinion
- Qualified opinion
- Adverse opinion
- Disclaimer of opinion

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## Auditor's opinion

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- Types of Auditor's opinion

- Unqualified (clean) opinion
  - ✦ auditor reports an unqualified opinion if the financial statements are presumed to be free from material misstatements.
- Qualified opinion
  - ✦ given when a company's financial records have not been presented in accordance with GAAP (Material Misstatement or Material Limitation in Scope)
  - ✦ auditor provides an additional paragraph to point out why the auditor report is not unqualified.

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## Auditor's opinion

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- Types of Auditor's opinion

- Adverse opinion
  - ✦ the most unfavorable opinion a business may receive
  - ✦ indicates that financial records are not in accordance to GAAP and are grossly misstated (Pervasive Misstatement)
  - ✦ an indicator of fraud, and public entities that receive an adverse opinion are forced to correct their financial statements and have the financial statements re-audited.

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# Auditor's opinion

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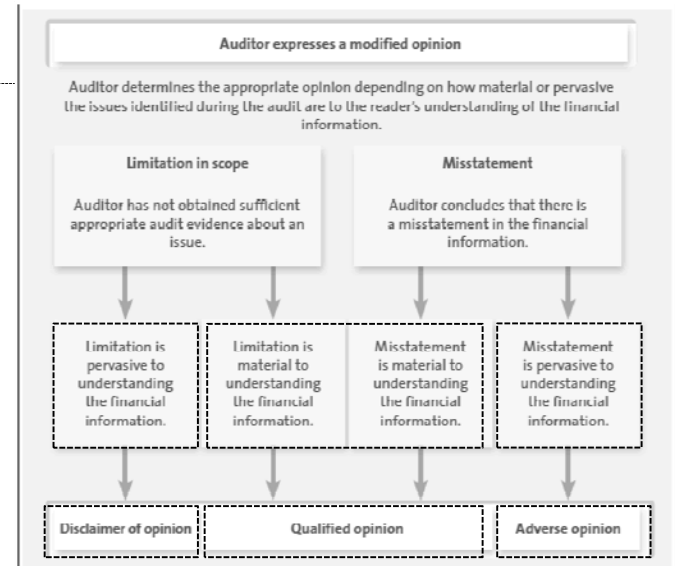
## • Types of Auditor's opinion

### ○ Disclaimer of opinion

- used in the event that auditor is unable to complete the audit report due to absence of financial records or insufficient cooperation from management (Pervasive Limitation in Scope)
- an indication that no opinion over the financial statements was able to be determined

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## Auditor's opinion: Modified opinion



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## Example of Independent Auditor's report

### Key Audit Matters (KAM) Auditor's opinion

### Management's responsibilities

### Basis for Auditor's opinion (in accordance with GAAP, Law & Ethics)

<p><b>Independent auditor's report</b></p> <p>To: The General Meeting of Grontmij N.V.</p> <p>Report on the Audit of the Financial Statements 2014</p> <p>Our Opinion</p> <p>We have audited the accompanying financial statements 2014 of Grontmij N.V. ("the Company"), based on the IFRS - the financial statements include the consolidated financial statements and the company financial statements.</p> <p>In our opinion:</p> <ul style="list-style-type: none"> <li>• The consolidated financial statements give a true and fair view of the financial position of Grontmij N.V. as at 31 December 2014 and of its result and its cash flows for the year 2014 in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS-EU") and with Part 9 of Book 2 of the Dutch Civil Code.</li> <li>• The company financial statements give a true and fair view of the financial position of Grontmij N.V. as at 31 December 2014 and of its result for the year 2014 in accordance with Part 9 of Book 2 of the Dutch Civil Code.</li> </ul>	<p>relevant independence regulations in the Netherlands. I furthermore we have complied with the "verordening ophang ophangprestatie accountants" (VGA)</p> <p>We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.</p> <p>Our Key Audit Matters</p> <p>Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements. We have communicated the key audit matters to the supervisory board. The key audit matters are not a comprehensive reflection of all matters discussed. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.</p> <p>Responsibilities of the Executive Board and the Supervisory Board for the Financial Statements</p> <p>The Executive Board is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS-EU and Part 9 of Book 2 of the Dutch Civil Code, and for the preparation of the Report of the Executive Board in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control, as management determines necessary, to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.</p>
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## Example of Independent Auditor's report

### Auditor's responsibilities

### Auditor's name

<p><b>Our Responsibilities for the Audit of the Financial Statements</b></p> <p>Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.</p> <p>Our audit has been performed with a high, but not absolute, level of assurance, which means we may not have detected all errors and fraud.</p> <p>Report on other legal and regulatory requirements</p> <p>Report on the Report of the Executive Board and other information Pursuant to the legal requirements of Part 9 of Book 2 of the Dutch Civil Code (concerning our obligation to report about the Report of the Executive Board and other information), we declare that:</p> <ul style="list-style-type: none"> <li>• We have no deficiencies to report as a result of our examination whether the Report of the Executive Board, to the extent we can assess, has been prepared in accordance with Part 9 of Book 2 of the Dutch Civil Code, and whether the information as required by Part 9 of Book 2 of the Dutch Civil Code has been annexed.</li> </ul>	<ul style="list-style-type: none"> <li>• We report that the Report of the Executive Board, to the extent we can assess, is consistent with the financial statements.</li> </ul> <p><b>Engagement</b></p> <p>In accordance with the decision made by the Supervisory Board, which was confirmed by the General Meeting of Grontmij N.V. at its meeting of 13 May 2014, we were engaged as auditor of Grontmij N.V. for the financial year ending 31 December 2014. We have operated as statutory auditor since 2011.</p> <p>Amsterdam, 24 February 2015</p> <p>Deloitte Accountants B.V.</p> <p>M.R. van den Berg</p>
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## Vocabularies

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Adverse opinion	แสดงความเห็นว่าการเงินไม่ถูกต้อง
Auditor's opinion	ความเห็นของผู้สอบบัญชี
Auditor's Responsibilities for the Audit of the Consolidated Financial Statements	ความรับผิดชอบของผู้สอบบัญชีต่อการตรวจสอบงบการเงิน
Basis for opinion	เกณฑ์ในการแสดงความเห็น
Disclaimer of opinion	ไม่แสดงความเห็น
Engagement Partner	ผู้สอบบัญชีที่รับผิดชอบงานสอบบัญชีและการนำเสนอรายงาน
Generally Accepted Auditing Standards (GAAS)	มาตรฐานการสอบบัญชีที่รับรองทั่วไป
Independent Auditor's Report	รายงานผู้สอบบัญชีรับอนุญาต
International Standards on Assurance Engagements (ISAEs)	มาตรฐานงานที่ให้ความเชื่อมั่น
International Standards on Auditing (ISAs)	มาตรฐานการสอบบัญชีระหว่างประเทศ
International Standards on Quality Control (ISQCs)	มาตรฐานการควบคุมคุณภาพ

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## Vocabularies

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International Standards on Related Services (ISRSs)	มาตรฐานงานบริการเกี่ยวเนื่อง
International Standards on Review Engagements (ISREs)	มาตรฐานการสอบทาน
Key Audit Matters (KAMs)	เรื่องสำคัญในการตรวจสอบ
Qualified opinion	แสดงความเห็นอย่างมีเงื่อนไข
Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements	ความรับผิดชอบของผู้บริหารและผู้มีหน้าที่ในการกำกับดูแลกิจการการเงิน
Unqualified opinion	แสดงความเห็นอย่างไม่มีเงื่อนไข

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## Just for fun

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