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Proposed Statement on Auditing Standards: Consideration of fraud in a Financial Statement Audit (Redrafted)

American Institute of Certified Public Accountants. Auditing Standards Board

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April 25, 2009

Ms. Sherry Hazel
Audit and Attest Standards
American Institute of Certified Public Accountants
1211 Avenue of the Americas
New York, New York 10036-8775

Re: Exposure Draft –Proposed Statement on Auditing Standards *Consideration of Fraud in a Financial Statement Audit* (Redrafted)

Dear Ms. Hazel:

The Accounting Principles and Auditing Standards Committee of the Florida Institute of Certified Public Accountants (the “Committee”) has reviewed and discussed the above Proposed Statement on Auditing Standards (the “Draft”). We appreciate this opportunity to respond to the above noted Draft. Our comments are discussed below and follow the questions outlined in the *Guide for Respondents* section of the Draft.

1: Are the objectives to be achieved by the auditor, stated in the proposed SAS, appropriate?

Overall objectives to be achieved by the auditor are appropriate.

2: Are the revisions from the existing standards to converge with ISA 240 (Redrafted) appropriate?

The revisions from existing U.S. auditing standards to converge with ISA 240 (Redrafted) appear appropriate.

3: Are the differences between the proposed SAS and ISA 240 (Redrafted) identified in the exhibit, and other language changes, appropriate?

We are in agreement with the proposed language changes and differences between this standard and ISA 240 (Redrafted).

4: Have considerations for audits of smaller, less complex entities and governmental entities been dealt with appropriately?

The Draft appropriately addresses considerations for audits of less complex entities and governmental entities.

Additional Comments

The Committee believes that the definition of “engagement partner” in paragraph 11 of the Draft needs to be further clarified. It is our belief that in many CPA firms the person responsible for signing the audit report may not be directly responsible for the audit engagement and its performance.

The Committee appreciates this opportunity to share its views and comments on the Draft. Members of the Committee are available to discuss any questions you may have regarding this communication.

Sincerely,

John F. Young, CPA, Chair
FICPA Accounting Principles and Auditing Standards Committee

Committee Members Coordinating this Response:

Steve Bierbrunner, CPA
John Young, CPA