



Audit and Assurance

FRIDAY 2 FEBRUARY, SESSSION NOTES

If there is a conflict between the IFAC code of ethics and the FRC revised ethical standard, which one prevails?

The FRC revised ethical standard will prevail.

Will the Open Book move to an e-book?

There are no immediate plans to do this.

With respect to analytical procedures, are candidates given credit for calculations that do not appear in the mark plan?

Sometimes, for clarity, the published mark plan omits the alternative calculations that were included in the detailed mark plan used during live marking. Candidates are given credit for all relevant calculations.

Can candidates use emojis in their answers?

Candidates should not include emojis in their answers.

In 2018 exams, how important will it be, on the planning questions, to match procedures to the relevant risks?

Credit will continue to be given where candidates do not match the procedure to the relevant risk. However, the examiners encourage candidates to use the justification of the risks they have identified to assist them in also providing relevant audit procedures in their answers.

Have all risks/procedures questions in the question bank been formatted to reflect the updated wording?

Yes, the risks/procedures questions have been updated to reflect the revised March wording but not the June wording. Using trade receivables and inventory as an example, in the March 2018 exam, the requirement will read:

'Justify why the items listed by the engagement partner as (1) to (2) have been identified as key areas of audit risk and, for each item, describe the procedures that should be included in the audit plan to address those risks.

You should present your answer using the following subheadings:

- *Trade receivables*
- *Inventory*

From the June 2018 exam onwards, the requirement format will be amended further:

'Justify why trade receivables and inventory have been identified as key areas of audit risk and, for each key area, describe the procedures that should be included in the audit plan to address those risks.'

Present your answer using the following subheadings:

- *Trade receivables*
- *Inventory'*

Have all learning resources available to candidates been properly formatted with regard to the changes to the risks/procedures questions and the answer sheets? For example, electronic question bank, mock exams and the sample papers.

There are two questions in the EQB that require updating: Gardenco (question only) and Comfy (both Q&A). The required updates have been passed to the authors and will be made in due course.

The March 2018 mock exam has been updated to reflect the changes.

The sample paper on the ICAEW website (From September 2016) has not yet been updated but ICAEW have been notified as such.

The model CBE answer on the ICAEW website does not reflect the type of answer presentation that the examiners have requested. Can this be amended?

The sample answers on the website are currently being reviewed and updated. The examiners will ensure that any new examples reflect the answer format required.

Why are the pre-formatted answer areas being removed from the AA exam from March 2018?

The pre-formatted answer areas are being removed to ensure that all exams at Professional Level are treated consistently.