

CAT – PAPER T8 – IMPLEMENTING AUDIT PROCEDURES

By Ms. Dang Thi Thieu Hoa

Paper T8 is the auditing paper of CAT qualification which aims to develop knowledge and understanding of the audit process from the planning stage through to the reporting stage and the techniques used in the conduct of internal and external audits.

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This is the first time where the examination paper is divided into two sections:

- Section A contained 10 multiple choice questions, each worth 2 marks, on topical areas from across the examination syllabus.
- Section B contained 4 compulsory questions, two of which were worth 25 marks each and the other two were worth 15 marks each.

The questions in Section A covered a wide range of the syllabus. So it is important for the candidates to have sound knowledge of all areas in the syllabus.

Section B covered:

- (1) internal controls relating to a sales and trade receivables system where the candidates were required to be able to identify control objectives, control weaknesses and give recommendations to improve the controls in the case study;
- (2) knowledge on audit risk - an integral consideration in the audit planning process. It required students to well understand about the audit risk model as well as each component of audit risk;
- (3) audit evidence with specific questions on confirmations procedures and auditor's review of subsequent events;
- (4) knowledge on "going concern"; and
- (5) audit working papers.

For the coming December 2009 exam candidates can expect to see similar type of questions as above and therefore candidates should equip the fundamental knowledge of the key topic areas of the syllabus which are (1) internal controls including computer-based controls; (2) audit planning; (3) practical application of audit techniques including computer-based techniques; and (4) preparing draft reports.

The lectures cover the above key areas with questions to practice after acquiring knowledge. You also find it easier for rote learning using *mnemonics* and *mind maps*. Then you are expected to practice questions as many as possible in class to improve your exam techniques as well as your ability to fully understand the objectives of specific internal controls and audit tasks in different case-studies.