

The Use of Specialists on Audit Engagements

Liverpool, 25.02.2022

AUTHORS

Dr Ahmed Eltweri

Assistant professor in Accounting- Liverpool John Moores University

Dr Alessio Faccia

Assistant professor in Finance- University of Birmingham

ABSTRACT

Regulators and academics paying attention towards the use of specialist from other professions than the audit profession, to be involved on audit engagements. The multidisciplinary team may contain specialists such as information technology (IT), tax, use of valuation, and forensic.

International Standard on Auditing (UK) 620 (Revised June 2016) using the work of an auditor's expert concluded that in some cases, law or regulation may require a reference to the work of an auditor's expert, for example, for the purposes of transparency in the public sector. On the same vien, Public Company Accounting Oversight Board (US) AS 1210: using the work of an auditor-engaged specialist: the objective of the auditor is to determine whether the work of the auditor-engaged specialist is suitable for the auditor's purposes and supports the auditor's conclusion regarding the relevant assertion.

Since specialists are not officially audit personnel but included in the audit team, the auditor assumes responsibility for the specialist's work in supporting the audit opinion, and using specialists does not always translate to higher audit quality (Boritz, KochetovaKozloski, & Robinson, 2015). Therefore, the importance of specialists on audits and the increased interest in specialists' involvement motivate this review.

KEYWORDS

International Standard on Auditing (UK) 620, Public Company Accounting Oversight Board (US) 1210, audit engagement, Expert, audit quality

REFERENCES

- ABBAS, K. 2021. 2021. Total Quality Management (TQM). Available at www.alexander.it.
- ABBAS, K. and ELTWERI, A. 2021. The Impact of Leadership Styles on Employee Motivation. Available at www.alexander.it
- ABBAS, K., 2018. Knowledge-sharing behaviour intentions of academics and their determinants. Liverpool John Moores University (United Kingdom).
- ABBAS, K., 2018. Knowledge-sharing behaviour intentions of academics and their determinants. Liverpool John Moores University (United Kingdom).
- BORITZ, J.E., KOCHETOVA, N.V., ROBINSON, L.A. and WONG, C., 2020. Auditors' and specialists' views about the use of specialists during an audit. *Behavioral Research in Accounting*, 32(2), pp.15-40.
- EILIFSEN, A., KINSERDAL, F., MESSIER JR, W.F. and MCKEE, T.E., 2020. An exploratory study into the use of audit data analytics on audit engagements. *Accounting Horizons*, 34(4), pp.75-103.
- Eltweri, A. (2020). Social and Environmental Responsibility Effect on a Company's Financial Performance. www.alexander.it
- ELTWERI, A. 2020. Fintech in Africa. Available at www.alexander.it
- ELTWERI, A. 2020. Social and Environmental Responsibility Effect on a Company's Financial Performance. Available at www.alexander.it
- ELTWERI, A. 2020. The cultural aspects of accounting development in the MENA Region. Available at www.alexander.it
- ELTWERI, A. 2020. The forthcoming chapter of accountancy using Blockchain. Available at www.alexander.it
- ELTWERI, A. 2021. Diversity of Audit Committee Members and their Influence on Audit Fees. Available at www.alexander.it
- ELTWERI, A. 2021. The Artificial Intelligence Ethical Implications in Auditing Public Sector. Available at www.alexander.it
- ELTWERI, A. 2021. The Blockchain Impact on the Current Auditing Standards. Available at www.alexander.it
- ELTWERI, A. 2021. The Corporate Governance Effects on the Audit Committees Performance. Available at www.alexander.it
- ELTWERI, A. 2021. The Effects of Digitalization on Auditing Fees. Available at www.alexander.it
- ELTWERI, A. 2021. The Impact of Cyber-Security on Audit Quality. Available at www.alexander.it
- ELTWERI, A. and ABBAS, K. 2021. The Challenges Faces Businesses in Using Big Data. Available at www.alexander.it
- ELTWERI, A. and CAVALIERE, M.L.P.L. 2020a. Impact of E-Accounting Practices upon the Performance of Business. *PROCEEDINGS E-BOOK*, 240.
- ELTWERI, A. and CAVALIERE, M.L.P.L. 2020b. Lessons in Corporate Governance to Learn from more Developed Countries. *PROCEEDINGS E-BOOK*, 57.
- ELTWERI, A. and FACCIA, A. 2022. Remote Auditing Implication on Audit Quality Owing to Covid-19. Available at www.alexander.it
- ELTWERI, A. FACCIA, A. and KHASSAWNEH, O. 2021. Applications of Big Data within Finance: Fraud Detection and Risk Management within the Real Estate Industry. In 2021 3rd International Conference on E-Business and E-commerce Engineering (EBEE 2021), December 17–19, 2021, Sanya, China. ACM, New York, NY, USA, 7 pages. <https://doi.org/10.1145/3510249.3510262>
- ELTWERI, A., ALTARAWNAH, M., AL-HAJAYA K., & AL-KARAKI, W. 2018. Auditing profession regulation: Lesson learned from code and common law countries regulatory approaches. *Risk Governance and Control: Financial Markets & Institutions*, 8(3), 80-101.
- ELTWERI, A., FACCIA, A. and CAVALIERE, L.P.L., 2020. The role of culture on the adoption of International Standards on Auditing in the developing countries: An institutional perspective. *Journal of Governance and Regulation*, Vol. 9 No. 4. pp162-171
- ELTWERI, A., FACCIA, A., ROXANA MOȘTEANU, N., SAWAN, N. and PIO LEONARDO CAVALIERE, L. 2020. The Role of Risk Management in Auditing E-Business. 2020 The 4th International Conference on Software and e-Business of Conference.
- ELTWERI, A., SAWAN, N. and TAHAR, A.R. (2018) The Harmonising of Auditing Standards in Emerging Economies from The Stakeholders' Perspectives. *Corporate Ownership and Control*, 15, 201-212.

- ELTWERI, E., & ELTWERI, A. (2019). Does CSR encourage customer loyalty: A case study – Libyan telecom sector? *Journal of Governance & Regulation*, 8(4), 64-81. <https://doi.org/10.22495/jgrv8i4art6>
- Faccia A. (2020). New Technologies in Forensic Accounting and Auditing. www.alexander.it
- Faccia, A. (2019, August). Data and Information Flows: Assessing Threats and Opportunities to Ensure Privacy and Investment Returns. In *Proceedings of the 2019 3rd International Conference on Cloud and Big Data Computing* (pp. 54-59).
- Faccia, A. 2020. Blockchain Financial Statement validation and submission. The very first case in 2020: Blockchain Italia S.r.l. www.alexander.it
- Faccia, A. 2020. X-Accounting ® - Towards a new Accounting System. *Blockchain applied accounting. How robots will overcome humans in accounting Recording.* www.alexander.it
- FACCIA, A. SAWAN, N. ELTWERI, A. and BEEBEEJAUN. Z. 2021. Financial Big Data Security and Privacy in X-Accounting. A Step Further to Implement the Triple-Entry Accounting. In *2021 the 6th International Conference on Information Systems Engineering (ICISE 2021)*, November 12–14, 2021, Shanghai, China. ACM, New York, NY, USA, 6 pages. <https://doi.org/10.1145/3503928.3503932>
- Faccia, A., & Mosteanu, N. R. (2019). Tax evasion - information system and Blockchain. *Journal of Information Systems & Operations Management*, 13(1), 65-74.
- FACCIA, A., DE LUCIA, C., ELTWERI, A., SAWAN, N. AND PIO LEONARDO CAVALIERE, L., 2020. Extended Audit Report: Enhancing Trust and Reputation in IT Processes and across E-business Industries. In *2020 2nd International Conference on E-Business and E-commerce Engineering* (pp. 23-27).
- Faccia, A., Moşteanu, N. R. (2019). Tax evasion - information system and Blockchain. *Journal of Information Systems & Operations Management*, 13(1), 65-74.
- Faccia, A., Moşteanu, N. R., & Leonardo, L. P. (2020, September). Blockchain Hash, the Missing Axis of the Accounts to Settle the Triple Entry Bookkeeping System. In *Proceedings of the 2020 12th International Conference on Information Management and Engineering* (pp. 18-23).
- Faccia, A., Moşteanu, N. R., Cavaliere, L. P. L., & Mataruna-Dos-Santos, L. J. (2020, September). Electronic money laundering, the dark side of fintech: An overview of the most recent cases. In *Proceedings of the 2020 12th International Conference on Information Management and Engineering* (pp. 29-34).
- Faccia, A., Moşteanu, N. R., Cavaliere, L. P., L. & De Santis, G. (2020). The rise of online banks in Italy “WIDIBA Bank” Case Study. *Financial Markets, Institutions and Risks*, 4(2).
- Faccia, A., Moşteanu, N. R., Fahed, M. & Capitanio, F. (2019). Accounting Information Systems and ERP in the UAE. In *Proceedings of 3rd International Conference on Cloud and Big Data Computing*.
- Faccia, A., Mosteanu, N. R., Fahed, M., & Capitanio, F. (2019, August). Accounting Information Systems and ERP in the UAE: An Assessment of the Current and Future Challenges to Handle Big Data. In *Proceedings of the 2019 3rd International Conference on Cloud and Big Data Computing* (pp. 90-94).
- GRIFFITH, E.E., 2020. Auditors, specialists, and professional jurisdiction in audits of fair values. *Contemporary Accounting Research*, 37(1), pp.245-276.
- HUX, C.T., 2017. Use of specialists on audit engagements: A research synthesis and directions for future research. *Journal of Accounting Literature*, 39, pp. 23-51.
- KHASHARMEH, H. A. and DESOKY, A. M. (2018). Does the Provision of Non-Audit Services Affect Auditor Independence and Audit Quality? Evidence from Bahrain, *Asian Academy of Management Journal of Accounting and Finance*, Vol. 14, No. 1, pp. 25-55. (DOI: <https://doi.org/10.21315/aamjaf2018.14.1.2>)
- Moşteanu, N. R. (2019). New Approach of Regional Development: Innovation through Green Economy and Artificial Intelligence. *Vision 2025: Education Excellence and Management of Innovations through Sustainable Economic Competitive Advantage*, p.188-204.
- Moşteanu, N. R. (2019). Principles of International Finance, Banking and Taxation. Editura Universitară, Bucureşti.
- Moşteanu, N. R. (2019). Regional development and Economic Growth approach in Europe and GCC. *EcoForum*, 8(2), p. 583-595.
- Mosteanu, N. R., & Faccia, A. (2020). Digital Systems and New Challenges of Financial Management-FinTech, XBRL, Blockchain and Cryptocurrencies. *Quality-Access to Success*, 21(174).
- Mosteanu, N. R., & Faccia, A. (2021). Fintech frontiers in quantum computing, fractals, and blockchain distributed ledger: Paradigm shifts and open Innovation. *Journal of Open Innovation: Technology, Market, and Complexity*, 7(1), 19.
- Moşteanu, N. R., Faccia, A. & Cavaliere, L. P. L. (2020). Digitalisation and green economy - changes of business perspectives. In *Proceedings of 4th International Conference on Cloud and Big Data Computing (ICCBDC)*, Liverpool, UK, August 26-28, 2020. p.118-122
- Moşteanu, N. R., Faccia, A. & Cavaliere, L. P. L. (2020). Disaster Management - Digitalization and Financial Resources - important factors to keep the organisation ongoing. In *Proceedings of 4th International Conference on Cloud and Big Data Computing (ICCBDC)*, Liverpool, UK, August 26-28, 2020. p.108-112
- Moşteanu, N. R., Faccia, A. (2021). Fintech Frontiers in Quantum Computing, Fractals, and Blockchain Distributed Ledger: Paradigm Shifts and Open Innovation. *Journal of open Innovation: Technology, Market, and Complexity*. 7(1), 1-19
- Mosteanu, N. R., Faccia, A., Torrebruno, G., Torrebruno, F. (2019). The newest intelligent financial decisions tool: fractals. A smart approach to assess the risk. *The Business & Management Review*, 10(2), 89-97.
- Moşteanu, N. R., Faccia, A., Torrebruno, G., Torrebruno, F. (2019). Fractals- A Smart Financial Tool to Assess Business Management Decisions. *Journal of Information Systems & Operations Management*, 13(1), 45-56.
- Moşteanu, N.R. (2018). Zakat versus Income tax – the real beneficiaries, *International Journal of Scientific & Engineering Research*, 9(6), p. 200-204.
- Moşteanu, N.R., Faccia, A., Cavaliere, L. P. L., & Bhatia, S. (2020). Digital Technologies' Implementation within Financial and Banking System during Socio Distancing Restrictions—Back to the Future. *International Journal of Advanced Research in Engineering and Technology*, 11(6), p. 307-315.
- NAWAISEH, K.H.A., ABD-ALKAREEM AI SHIBLY, M.H., ALAWAMLEH, H.A., ABBAS, K.M. and ORABI, T.G.A., 2021. Dimensions of corporate governance and organisational learning: an empirical study.
- Petratos, P., & Faccia, A. (2019, August). Accounting Information Systems and System of Systems: Assessing Security with Attack Surface Methodology. In *Proceedings of the 2019 3rd International Conference on Cloud and Big Data Computing* (pp. 100-105).
- SAWAN, N., ELTWERI, A., DE LUCIA, C., PIO LEONARDO CAVALIERE, L., FACCIA, A. and ROXANA MOŞTEANU, N. 2020. Mixed and Augmented Reality Applications in the Sport Industry. *2020 2nd International Conference on E-Business and E-commerce Engineering of Conference*.
- TAHA, A.A., RAMO, W. and ALKHAFFAF, H.H.K., 2021. Impact of external auditor—cloud specialist engagement on cloud auditing challenges. *Journal of Accounting & Organizational Change*, 17(3), pp.309-331.