

# SA 260 COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

## 1- The Role of Communication

- ✚ Understanding matters related to the audit in context, and in developing a constructive working relationship, while maintaining the auditor’s independence and objectivity.
- ✚ Obtain Relevant Information from TCWG to understand the Entity
- ✚ Understand the TCWG responsibility relating to Financial reporting to reduce the ROMM.

## 2- Auditor does not relieve from his responsibility if management communicated the same information to TCWG.

OBJECTIVE OF COMMUNICATION	MATTERS TO BE COMMUNICATED
<ul style="list-style-type: none"> <li>✚ Auditor Responsibility</li> <li>✚ Planning, Scope and Timing</li> <li>✚ Obtain Relevant Information</li> <li>✚ Provide Observation on Timely Basis</li> <li>✚ Effective Communication between Auditor and TCWG</li> </ul>	<ol style="list-style-type: none"> <li>1- The Auditor’s Responsibilities in Relation to the Financial Statement Audit – SA 200 linking</li> <li>2- Planned Scope and Timing of the Audit</li> <li>3- Significant Findings from the Audit</li> <li>4- Auditor Independence</li> <li>5- Significant difficulties, if any, encountered during the audit</li> </ol>

## 3- Significant difficulties encountered during the audit may include such matters as:

- a. Significant delays by management, the unavailability of entity personnel, or unwillingness by management to provide information necessary for the auditor to perform the auditor’s procedures.
- b. An unreasonably brief time within which to complete the audit.
- c. Extensive unexpected effort required to obtain sufficient appropriate audit evidence.
- d. The unavailability of expected information.
- e. Restrictions imposed on the auditor by management.
- f. Management’s unwillingness to make or extend its assessment of the entity’s ability to continue as a going concern when requested

## 4- The Communication Process

- Form, Timing and Content
- In Written
- If Communication Process is not Effective – Effect on FS and appropriate action
- Documentation