

# Auditing, attestation, and assurance services paper essay

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This paper will provide examples for each type of service, which is auditing, assurance and attestation.

These are very important services when it comes to the auditing process. There are certain individuals and organizations that may request these services. Also, the standards that apply to each service and who establishes those standards will be further discussed. These services are important to ensure profitability and future success for the business.

Examples Auditing, attestation, and assurance services all play an important role in the auditing process. There are many companies that use these services and there are many examples of each of the three services. The first service is the auditing service and the most common type of this service is the Internal Revenue Service (IRS). The IRS will determine if a person's tax return and financial records contain any fraudulent information. If they determine that there is incorrect information the IRS will send an auditor to start an investigation on past returns. According to Direct M Articles, an audit is performed on " 1 out of every 200 taxpayers and corporations in the United States" (Audit Services, para.

7). The second service is attestation services and an example of this is internal controls. A company may request attestation services on certain areas of the company if they have concerns regarding different divisions' internal controls in certain areas, such as the accounting for inventory. The final service is assurance services and an example of this service is customer satisfaction surveys. According to Wikipedia (2011), " unlike audit and attestation services that are often highly structured, assurance services tend

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to be customized and implemented when performed for a smaller group of decision makers within the firm” (Assurance Services. Para. 2).

A customer satisfaction survey can give the company an insight in where they may need to make changes and the information for decision maker to decrease business risk and increase satisfaction. There are many different types of services as well as different type of businesses or organizations that may request these services. Requestors Auditing, attestation, and assurance services provide the users of an organization’s financial statements and reports with an unbiased, objective opinion on the accuracy, reliability, and quality of the statements and reports.

Some of the various individuals and organizations request these services. Auditing services are often requested to ensure that the financial information provided by an organization is accurate. The IRS often requests this type of service when there is incorrect information in the financial records or when there are inconsistencies in the financial statements provided by the firm. The organization itself may also request an audit or have regularly scheduled audits to ensure that the information presented in the financial statements and to the IRS are accurate prior to submission of the financial information.

Attestation Attestation services offer written conclusions about the reliability of assertions provided (Boynton & Johnson, 2006, p. 13). Requestors of attestation services typically include internal management of an organization. These users will review the conclusions provided and make decisions based on those conclusions that will improve the internal control

procedures used as well as the reliability and relevance of the information presented. For example, procedures used to account for inventory are considered internal controls. If the use of this procedure results in inaccurate inventory levels or results in the inclusion of irrelevant, management will need to make changes to these internal controls to ensure that the information used to generate financial reports is accurate, reliable, and relevant.

Assurance Requestors of assurance services are looking for unbiased, objective opinions about the organization being reviewed. The requestors of such services include investors as well as members of the organization's internal management staff. Assurance services such as customer satisfaction surveys are requested by individuals who need to evaluate the level of service provided to an organization's customers. For investors, evaluating the level of customer satisfaction can assist in determining the risk involved with investing in the company. Members of an organization's management staff may also request this type of service to determine if, when, or where changes need to occur. For example, if customers are unsatisfied with the quality of the products sold by an organization, the company may need to look at changing suppliers or the way the product is manufactured. The evaluation will help management to make decisions that can improve the firm's level of service to its customers.

**Establishing Standards** The standards of auditing come from many different areas and different agencies. The areas that help to establish the standards are the public and private sectors. The government agencies will set the

standards for the agencies and the people who work for them. The early years with the large companies using poor accounting procedures and internal auditing caused the enactment of the Sarbanes-Oxley Act of 2002.

The enactment of this started a new way for the accounting of public traded companies. This act helps to protect the investors and workers of the company. IRS auditing is held at the highest in standards because individuals and companies are required to deal with this agency. The standards set for IRS auditing are the same standards set for all. The agency responsible for setting the standards is the Public Companies Accounting Oversight Board (PCAOB). These standards are required to be followed regardless of the type of audit being performed. The American Institute for Certified Public Accountants (AICPA) is the main agency responsible for setting the standards for the auditors and CPAs to follow.

Conclusion Auditing, assurance and attestation services have many examples. The individuals and organizations that request these services are searching for unbiased, but objective opinions. To assure that the opinions are accurate, unbiased, and objective there are certain standards to which companies must adhere. For example, the General Acceptance Auditing Standard establishes standards for auditing. Auditing, assurance, and attestation play major roles in the auditing process. References Boynton, W. C. , & Johnson, R.

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