Appendix

Interview Schedule

Instructions

This interview schedule is meant for evaluating the audit system in government companies in Kerala. Your views and opinions based on professional experience count much. The researcher is interested only in your honest and frank opinions. You are requested to answer by writing your views and / or placing a tick mark (✓) in the appropriate column. The data collected through this interview schedule will be kept strictly confidential and put to use only for this research work. Your kind cooperation is greatly appreciated.

Research Supervisor

Dr. Thomas Joseph
Centre for Taxation Studies
Thiruvananthapuram

Researcher

Kurian K.S.
Lecturer Selection Grade
St. Dominic's College,
Kanjirapally
Interview Schedule

No.

1. Name ..................................................................................
   Organization .................................................................

2. Years of experience in auditing
   PSU □ NON-PSU □

3. The remuneration of PSU auditing when compared to non-PSU auditing is
   Very Good □ Good □ Same □ Poor □ Very Poor □

4. Rank the reasons for accepting PSU auditing (1 - 5)
   Prestige □ Experience □ Remuneration □
   Professional reasons □ Other compulsions □

5. Please rate the audit system in PSU and Non-PSU (in 10 point scale)
   PSU □ Points Non-PSU □ points

6. In PSU audit more emphasis is given to procedures rather than performance
   Strongly Agree □ Agree □ Can’t Say □ Disagree □ Strongly Disagree □

7. The existing system of audit in PSUs leads to considerable waste of time and effort of management.
   Strongly Agree □ Agree □ Can’t Say □ Disagree □ Strongly Disagree □

8. What is your opinion regarding the empanelment of auditors by C & AG.
   Strongly Agree □ Agree □ Can’t Say □ Disagree □ Strongly Disagree □

9. What is the rate of success of modern trends and techniques of accounting and auditing in PSU’s
   Excellent □ V.Good □ Good □ Poor □ Very Poor □

10. Financial results reflected in the financial statements in terms of the existing requirements are
    Excellent □ Good □ Average □ Poor □ Very Poor □

11. How do you deal with the last years Audit Queries?
    Try get explanation □ They are rectified □ Will insist on compliance □
    They are ignored □ It will be noted in the audit report □
    Try to persuade the management to rectify □

12. The tendency of executive not take action on Audit Paras till the COPU (Committee On Public Undertakings) taken up examination substantially erodes the utility of PSU auditing.
    Strongly Agree □ Agree □ Can’t Say □ Disagree □ Strongly Disagree □

13. Do you agree that Expectation Gap in auditing is getting wide in modern days?
    Strongly Agree □ Agree □ Can’t Say □ Disagree □ Strongly Disagree □
14. Please rate the working of internal control department of PSU and Non-PSU (in 10 point scale)
   PSU □ Points     Non-PSU □ points

15. The internal control of PSU’s are inadequate in view of the size of PSU
   Strongly Agree □ Agree □ Can’t Say □ Disagree □ Strongly Disagree □

16. Compliance Test can reveal the state of affairs of the internal control department of the organization.
   Strongly Agree □ Agree □ Can’t Say □ Disagree □ Strongly Disagree □

17. The absence of internal control manual in most of the PSU’s seriously affects the working and utility of internal control departments of PSU’s.
   Strongly Agree □ Agree □ Can’t Say □ Disagree □ Strongly Disagree □

18. How do you rate the motivational level of PSU accounting and auditing staff?
   Very Good □ Good □ Same □ Poor □ Very Poor □

19. Rank (1-8) the reasons for expectation gap in audit work.
   Delay in getting information □ Professional compulsions □
   Lack of co-operation □ Lack of standardized financial rules □
   Work load of auditors □ Professional compulsions □
   Purposeful delay made by □ Lack of proper books of accounts □
      the officials □ and records

20. Registrar of companies is more lenient towards PSU’s than non-PSU’s regarding the compliance of Companies Act and other procedures. Do you agree?
   Strongly Agree □ Agree □ Can’t Say □ Disagree □ Strongly Disagree □

21. Rank (1-8) the reasons that negatively influence the audit work of PSU’s
   Lack of professionalism □ Internal and external interference □
   Lack of commitment □ Lack of accountability □
   Inadequate staff strength □ Government apathy □
   Lack of clear cut procedure □ Not aware of latest changes/ technologies

22. Constitution of ‘Audit Committee’ can enhance the quality of audit performance
   Strongly Agree □ Agree □ Can’t Say □ Disagree □ Strongly Disagree □

23. ‘Risk based auditing’ can improve the audit efficiency.
   Strongly Agree □ Agree □ Can’t Say □ Disagree □ Strongly Disagree □

24. ‘Corporate Governance’ as a system of corporate management can bring more transparency and accountability in PSU’s
   Strongly Agree □ Agree □ Can’t Say □ Disagree □ Strongly Disagree □

25. ‘Mandatory Peer reviews’ can act as a deterrent against any kind of collaboration and compromise on the part of auditors.
   Strongly Agree □ Agree □ Can’t Say □ Disagree □ Strongly Disagree □

26. The concept of ‘System Auditing’ is overall rewarding to the work of auditing.
   Strongly Agree □ Agree □ Can’t Say □ Disagree □ Strongly Disagree □
<p>| | | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>27.</td>
<td>Assigning <strong>Quality standards</strong> like ISO 9000 or rating auditors as A of A+ etc., can bring quality, consciousness and competitions among auditors.</td>
<td>Strongly Agree [ ] Agree [ ] Can’t Say [ ] Disagree [ ] Strongly Disagree [ ]</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>28.</td>
<td>The new <strong>Accounting standards</strong> advocated by SAAP will confuse and complicate the auditing procedure.</td>
<td>Strongly Agree [ ] Agree [ ] Can’t Say [ ] Disagree [ ] Strongly Disagree [ ]</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>29.</td>
<td>The establishment <strong>Serious Fraud Investigation Agencies</strong> (SFI) is better equipped to deal with white collar crimes which may otherwise cannot be detected by auditors.</td>
<td>Strongly Agree [ ] Agree [ ] Can’t Say [ ] Disagree [ ] Strongly Disagree [ ]</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>30.</td>
<td>Rotation of audit work among audit firms can perpetuate unhealthy practices among audit firms.</td>
<td>Strongly Agree [ ] Agree [ ] Can’t Say [ ] Disagree [ ] Strongly Disagree [ ]</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>31.</td>
<td>By rendering or engaging in <strong>other services</strong> to the clients the auditors are compromising or their professional independence.</td>
<td>Strongly Agree [ ] Agree [ ] Can’t Say [ ] Disagree [ ] Strongly Disagree [ ]</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>32.</td>
<td>If the auditors are given more responsibility/authority like certifying future projections like ‘Offer Documents’ it will improve the quality of audit work.</td>
<td>Strongly Agree [ ] Agree [ ] Can’t Say [ ] Disagree [ ] Strongly Disagree [ ]</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>33.</td>
<td>What is your opinion regarding the establishment of ‘<strong>Quality Review Board</strong>’ (QRB)?</td>
<td>Strongly Agree [ ] Agree [ ] Can’t Say [ ] Disagree [ ] Strongly Disagree [ ]</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>34.</td>
<td><strong>Consultation with board</strong> before starting auditing will improve the quality of auditing.</td>
<td>Strongly Agree [ ] Agree [ ] Can’t Say [ ] Disagree [ ] Strongly Disagree [ ]</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>35.</td>
<td><strong>Revising the audit plan</strong> every year will boost the quality the audit process.</td>
<td>Strongly Agree [ ] Agree [ ] Can’t Say [ ] Disagree [ ] Strongly Disagree [ ]</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>36.</td>
<td><strong>Environmental factors</strong> (like industry, finance) should be considered in formatting the audit plan.</td>
<td>Strongly Agree [ ] Agree [ ] Can’t Say [ ] Disagree [ ] Strongly Disagree [ ]</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>37.</td>
<td><strong>Review and comparison of industry figures</strong> with financial data will bring more reliability to the financial statement.</td>
<td>Strongly Agree [ ] Agree [ ] Can’t Say [ ] Disagree [ ] Strongly Disagree [ ]</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>38.</td>
<td><strong>Multidisciplinary approach</strong> in audit team can enhance the quality of audit work.</td>
<td>Strongly Agree [ ] Agree [ ] Can’t Say [ ] Disagree [ ] Strongly Disagree [ ]</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>39.</td>
<td>Giving C&amp;AG executive authority to take <strong>actions against executive</strong> can substantially improve the performance of PSU.</td>
<td>Strongly Agree [ ] Agree [ ] Can’t Say [ ] Disagree [ ] Strongly Disagree [ ]</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
40. **A comprehensive audit by the Audit Board** can substantially improve the effective method of assessing the performance of PSU
Strongly Agree □ Agree □ Can’t Say □ Disagree □ Strongly Disagree □

41. **Loss of audit trial hinders proper auditing in an EDP environment.**
Strongly Agree □ Agree □ Can’t Say □ Disagree □ Strongly Disagree □

42. **How do you rate the motivational level of PSU accounting and auditing staff?**
Very good □ Good □ Same □ Poor □ Very poor □

43. **The too detailed & continuous multiple auditing in PSU’s affects the moral and inhibits the decision making of PSU managers.**
Strongly Agree □ Agree □ Can’t Say □ Disagree □ Strongly Disagree □

44. **Government auditors especially lower level staffs who makes initial audit do not have necessary expertise to appraise the commercial nature of PSU’s**
Strongly Agree □ Agree □ Can’t Say □ Disagree □ Strongly Disagree □

45. **Only C&AG audit can give a true and fair picture of Balance sheet of Govt. companies.**
Strongly Agree □ Agree □ Can’t Say □ Disagree □ Strongly Disagree □

46. **Please rate the remuneration in PSU and Non PSU (in 10 point scale)**
PSU □ Points □ Non-PSU □ points

47. **Please rate the motivation level in PSU and Non PSU (in 10 point scale)**
PSU □ Points □ Non-PSU □ points

48. **Absence of standardized financial rules and auditing manuals in PSU undermines the utility of auditing.**
Strongly Agree □ Agree □ Can’t Say □ Disagree □ Strongly Disagree □

49. **The various parliamentary/ legislative committees who are entrusted with review of PSU working are not able to do the function effectively. (Only able to review 50% of audit paras)**
Strongly Agree □ Agree □ Can’t Say □ Disagree □ Strongly Disagree □

50. **Most of the Audit Paras by C&AG is over looked by executives, the utility and effectiveness of audit reports are affected substantially.**
Strongly Agree □ Agree □ Can’t Say □ Disagree □ Strongly Disagree □

51. **Legal audit can provide vital information which is otherwise over looked in traditional auditing can improve the decision making process of PSU.**
Strongly Agree □ Agree □ Can’t Say □ Disagree □ Strongly Disagree □

Thank you very much for your valuable comments and co-operation.

**K.S. Kurian M.Com, M. Phil**
Research and Post Graduate Department of Commerce,
St. Dominic’s College, Kanjirapally.
Ph : 04828 – 202823.