



# Professional Skepticism

*The views expressed in this presentation are the views of the author/s and do not necessarily reflect the views or policies of the Asian Development Bank, or its Board of Governors, or the governments they represent. ADB does not guarantee the accuracy of the data included in this presentation and accepts no responsibility for any consequence of their use. The countries listed in this presentation do not imply any view on ADB's part as to sovereignty or independent status or necessarily conform to ADB's terminology.*

**iACT** to fight corruption!



# Professional Skepticism

## Maintaining a level of Professional Skepticism

*“The auditor plans and performs an audit with an attitude of professional skepticism recognizing that circumstances may exist that cause the financial statements to be **materially misstated**.”*



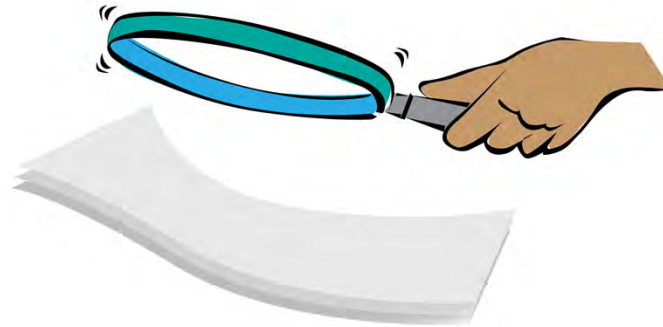
*“Professional skepticism is an attitude that includes a **questioning mind** and a **critical assessment** of audit evidence”*

**iACT** to fight corruption!

# Professional Skepticism

## Maintaining a level of Professional Skepticism

*“In God we trust, the rest we verify”*



*“...attitude that includes a questioning mind  
and a critical assessment of evidence”*

# Professional Skepticism



**Assumes Fraud** – Proves it is not, but build on I/C or Audit approach on that assumption



**Missing Documents** – Assumes that the documents were removed from the files to hide something



**Invoice that lacks support** – Question why it was not returned to the vendor



**Does not assume accuracy** – Verifies supporting documents and control totals against other sources



**Listen to the answers** – Verifies the answers with other sources