Appendix A: Select Relevant Table for Chapter 5

Table A1: Result of Kolmogorov−Smirnov Test.

	Category	Kolmogorov−Smirnov			Decision Rule	Decision
		Statistic	DF	p Value		
Proper designing of quality control policies	CA	0.395	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.292	146	0.000	$H_0 < 0.05$	Rejected
Integrity of all the partners in an accounting firm	CA	0.329	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.381	146	0.000	$H_0 < 0.05$	Rejected
Education and training of new members in a firm	CA	0.390	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.210	146	0.000	$H_0 < 0.05$	Rejected
Stringent policies on punishment on breach of quality	CA	0.302	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.262	146	0.000	$H_0 < 0.05$	Rejected
Insufficiency in information provided by engagement partner to firm on audit client	CA	0.311	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.302	146	0.000	$H_0 < 0.05$	Rejected
Long association with audit client	CA	0.266	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.259	146	0.000	$H_0 < 0.05$	Rejected
Mandatory checking of credibility of the client	CA	0.392	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.276	146	0.000	$H_0 < 0.05$	Rejected

Reduction of maximum period of association from 7 to 3 years	CA	0.286	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.205	146	0.000	$H_0 < 0.05$	Rejected
Formal training to each member of an audit team	CA	0.372	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.256	146	0.000	$H_0 < 0.05$	Rejected
Involvement of another senior partner to review the audit strategy of an engagement team	CA	0.370	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.263	146	0.000	$H_0 < 0.05$	Rejected
Competence and integrity of the auditor's expert	CA	0.373	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.253	146	0.000	$H_0 < 0.05$	Rejected
Constant monitoring of the internal quality control policies and their compliance by a professional institute	CA	0.349	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.250	146	0.000	$H_0 < 0.05$	Rejected
Lacuna in monitoring competence and ethical requirements of engagement team members	CA	0.348	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.318	146	0.000	$H_0 < 0.05$	Rejected
Lesser appointments of the engagement quality control reviewer (EQCR) by Indian firms	CA	0.407	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.207	146	0.000	$H_0 < 0.05$	Rejected
Independence of the EQCR	CA	0.409	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.343	146	0.000	$H_0 < 0.05$	Rejected
System within the firm for resolving differences of opinion between EQCR and engagement partner	CA	0.391	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.211	146	0.000	$H_0 < 0.05$	Rejected

Table A1: (*Continued*)

	Category	Kolmogorov−Smirnov			Decision Rule	Decision
		Statistic	DF	p Value		
Documentation of engagement quality control review findings	CA	0.383	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.262	146	0.000	$H_0 < 0.05$	Rejected
Retention of engagement documentation for a sufficient period	CA	0.363	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.277	146	0.000	$H_0 < 0.05$	Rejected
Resolving noncompliance by firm members within the quality control framework	CA	0.448	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.331	146	0.000	$H_0 < 0.05$	Rejected
Sufficient professional skepticism by statutory auditors	CA	0.406	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.382	146	0.000	$H_0 < 0.05$	Rejected
Failure to exercise sufficient professional skepticism in recent accounting frauds	CA	0.370	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.317	146	0.000	$H_0 < 0.05$	Rejected
Noncompliance with auditing standard	CA	0.345	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.302	146	0.000	$H_0 < 0.05$	Rejected
Sufficiency of auditing standards	CA	0.398	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.277	146	0.000	$H_0 < 0.05$	Rejected
Inadequacy in time allotted for conducting substantive audit	CA	0.352	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.292	146	0.000	$H_0 < 0.05$	Rejected

Inadequacy in cost incurred for conducting substantive audit	CA	0.394	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.269	146	0.000	$H_0 < 0.05$	Rejected
Revision of fee structure for statutory auditors	CA	0.310	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.285	146	0.000	$H_0 < 0.05$	Rejected
Reducing maximum audit per period for each statutory auditor	CA	0.233	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.241	146	0.000	$H_0 < 0.05$	Rejected
Detailed verification for select companies	CA	0.392	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.297	146	0.000	$H_0 < 0.05$	Rejected
Periodic audit as a measure to reduce audit burden	CA	0.351	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.277	146	0.000	$H_0 < 0.05$	Rejected
Restricted access to client's information	CA	0.337	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.336	146	0.000	$H_0 < 0.05$	Rejected
Acceptance of engagement subject to fulfilment of preconditions	CA	0.383	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.319	146	0.000	$H_0 < 0.05$	Rejected
Clarification on difference in the form of the audit report	CA	0.412	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.300	146	0.000	$H_0 < 0.05$	Rejected
Mandatory checking of the internal control system by statutory auditors	CA	0.455	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.260	146	0.000	$H_0 < 0.05$	Rejected
Statutory auditors' dependence on the internal auditor	CA	0.393	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.267	146	0.000	$H_0 < 0.05$	Rejected

Table A1: (*Continued*)

	Category	Kolmogorov−Smirnov			Decision Rule	Decision
		Statistic	DF	p Value		
Excessive reliance placed on internal auditors' work	CA	0.393	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.313	146	0.000	$H_0 < 0.05$	Rejected
Testing the competence and integrity of the internal auditor	CA	0.317	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.323	146	0.000	$H_0 < 0.05$	Rejected
Strengthening the audit committee	CA	0.378	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.303	146	0.000	$H_0 < 0.05$	Rejected
Thorough checking of internal auditors' report on risk of material misstatement	CA	0.356	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.308	146	0.000	$H_0 < 0.05$	Rejected
Lack of enforceability of standards governing internal audit operations	CA	0.282	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.235	146	0.000	$H_0 < 0.05$	Rejected
Involvement of all members of the engagement team in the planning process	CA	0.405	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.301	146	0.000	$H_0 < 0.05$	Rejected
Possession of necessary competence and independence for formulating an effective plan	CA	0.452	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.347	146	0.000	$H_0 < 0.05$	Rejected

Investigation into client's ethical orientation for updating of plan	CA	0.399	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.402	146	0.000	$H_0 < 0.05$	Rejected
Allotment of more resources in high-risk areas	CA	0.390	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.294	146	0.000	$H_0 < 0.05$	Rejected
Assessment of nature, time and scope of audit before formulating plans	CA	0.476	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.294	146	0.000	$H_0 < 0.05$	Rejected
Maintaining documentation of audit strategy, audit programme, and audit completion	CA	0.448	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.310	146	0.000	$H_0 < 0.05$	Rejected
Involvement of another partner of the firm to review audit strategy	CA	0.401	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.280	146	0.000	$H_0 < 0.05$	Rejected
Limitations of persuasive audit evidence	CA	0.444	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.312	146	0.000	$H_0 < 0.05$	Rejected
Proper design of the audit procedure for collecting sufficient appropriate audit evidence	CA	0.488	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.303	146	0.000	$H_0 < 0.05$	Rejected
Verification of assets as a basis of their existence	CA	0.426	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.287	146	0.000	$H_0 < 0.05$	Rejected
Verification of the internal control system through direct observation of control	CA	0.425	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.327	146	0.000	$H_0 < 0.05$	Rejected

Table A1: (*Continued*)

	Category	Kolmogorov−Smirnov			Decision Rule	Decision
		Statistic	DF	p Value		
Reliability of formal written enquiries	CA	0.374	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.331	146	0.000	$H_0 < 0.05$	Rejected
Nonreliability of confirmation received from external parties	CA	0.303	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.347	146	0.000	$H_0 < 0.05$	Rejected
Excessive reliance on the management's expert	CA	0.424	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.373	146	0.000	$H_0 < 0.05$	Rejected
Inclusion of an expert in the engagement team to evaluate the reports of the management expert	CA	0.391	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.350	146	0.000	$H_0 < 0.05$	Rejected
Collection of evidence on the competence and integrity of the management expert	CA	0.441	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.296	146	0.000	$H_0 < 0.05$	Rejected
Reliance on management's system of physical verification	CA	0.358	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.300	146	0.000	$H_0 < 0.05$	Rejected
Physical inspection of stock and asset positions	CA	0.459	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.318	146	0.000	$H_0 < 0.05$	Rejected
Surprise inspection into stock and asset position	CA	0.403	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.265	146	0.000	$H_0 < 0.05$	Rejected

Application of more a stringent procedure to receive confirmation from a third party, when the client and third party have conflicts of interest	CA	0.410	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.270	146	0.000	$H_0 < 0.05$	Rejected
Sampling in the audit procedure	CA	0.336	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.279	146	0.000	$H_0 < 0.05$	Rejected
Constant change in the nature, timing and scope of the audit procedure to gather reliable samples	CA	0.429	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.320	146	0.000	$H_0 < 0.05$	Rejected
Acquiring adequate knowledge in statistical application to design appropriate sample	CA	0.451	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.333	146	0.000	$H_0 < 0.05$	Rejected
Selection of large audit sample subject to risk tolerance of statutory auditors	CA	0.446	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.343	146	0.000	$H_0 < 0.05$	Rejected
Scientific designing of confirmation requests	CA	0.454	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.281	146	0.000	$H_0 < 0.05$	Rejected
Applying an alternative method for obtaining confirmation if the parties are in legal dispute	CA	0.438	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.342	146	0.000	$H_0 < 0.05$	Rejected
Necessity of confirmation for accounts receivable and accounts payable balance only	CA	0.433	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.302	146	0.000	$H_0 < 0.05$	Rejected

Table A1: (*Continued*)

	Category	Kolmogorov−Smirnov			Decision Rule	Decision
		Statistic	DF	p Value		
Statutory auditor's responsibility even if he is relying on the work of the auditor's expert	CA	0.456	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.352	146	0.000	$H_0 < 0.05$	Rejected
Evaluation of the competence and independence of auditor's expert	CA	0.433	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.308	146	0.000	$H_0 < 0.05$	Rejected
Problem of accounting estimates in drawing conclusive evidence about the financial statement	CA	0.319	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.285	146	0.000	$H_0 < 0.05$	Rejected
Difficulty in identifying management bias using accounting estimates	CA	0.440	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.350	146	0.000	$H_0 < 0.05$	Rejected
Enquiry into management's justification behind using certain accounting estimates	CA	0.480	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.326	146	0.000	$H_0 < 0.05$	Rejected
Nonreliance on the expert's certificate on accounting estimates	CA	0.382	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.314	146	0.000	$H_0 < 0.05$	Rejected
Necessity of audit documents to address further queries	CA	0.458	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.346	146	0.000	$H_0 < 0.05$	Rejected

Proper documentation of the regulatory requirements of the audit procedure	CA	0.497	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.274	146	0.000	$H_0 < 0.05$	Rejected
Documentation of professional skepticism by statutory auditors	CA	0.419	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.312	146	0.000	$H_0 < 0.05$	Rejected
Documentation of the basis for the auditor's conclusions	CA	0.382	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.310	146	0.000	$H_0 < 0.05$	Rejected
Documentation of additional procedures undertaken by statutory auditors	CA	0.405	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.306	146	0.000	$H_0 < 0.05$	Rejected
Incorporating compliance with appropriate SA in the audit report	CA	0.379	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.358	146	0.000	$H_0 < 0.05$	Rejected
Disclosure of noncompliance with a particular SA in the audit report	CA	0.404	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.312	146	0.000	$H_0 < 0.05$	Rejected
Incorporating the future viability of the company operation in the audit report	CA	0.253	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.259	146	0.000	$H_0 < 0.05$	Rejected
Inability of the auditor to check compliance with all regulations in financial statements	CA	0.397	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.348	146	0.000	$H_0 < 0.05$	Rejected
Management's influence in the appointment of statutory auditors	CA	0.343	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.304	146	0.000	$H_0 < 0.05$	Rejected

Table A1:   (*Continued*)

	Category	Kolmogorov−Smirnov			Decision Rule	Decision
		Statistic	DF	p Value		
Appointment by an independent regulatory authority	CA	0.332	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.299	146	0.000	$H_0 < 0.05$	Rejected
Necessity of whistle blowers for identifying red flags	CA	0.423	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.262	146	0.000	$H_0 < 0.05$	Rejected
Proper enforcement of Whistle Blower Policy in Clause 49 of the listing agreement mandated by the SEBI	CA	0.401	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.238	146	0.000	$H_0 < 0.05$	Rejected
Effectiveness of continuous learning programmes (CLPs) of ICAI	CA	0.371	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.269	146	0.000	$H_0 < 0.05$	Rejected
Periodical evaluation of outcome of CLPs	CA	0.404	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.313	146	0.000	$H_0 < 0.05$	Rejected
Failure of the current auditing system to detect systematically designed accounting frauds	CA	0.353	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.302	146	0.000	$H_0 < 0.05$	Rejected
Impact of the consulting service on audit quality	CA	0.246	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.270	146	0.000	$H_0 < 0.05$	Rejected
Complete diversification of accounting firms providing audit and consultancy services	CA	0.282	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.289	146	0.000	$H_0 < 0.05$	Rejected

Consideration of propriety of the transaction under the purview of financial audit	CA	0.404	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.333	146	0.000	$H_0 < 0.05$	Rejected
Effectiveness of peer review of audit work	CA	0.275	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.237	146	0.000	$H_0 < 0.05$	Rejected
Cut-throat competition in the accounting profession	CA	0.331	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.258	146	0.000	$H_0 < 0.05$	Rejected
Reward for excellent quality control policies	CA	0.315	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.363	146	0.000	$H_0 < 0.05$	Rejected
Satisfactory quality control of a statutory audit	CA	0.280	226	0.000	$H_0 < 0.05$	Rejected
	Student	0.241	146	0.000	$H_0 < 0.05$	Rejected

Source: Compilation of Field Survey Data using SPSS 20.