

Case Questions

1. Grant Thornton re-staffed the Winstar engagement team with a partner and senior manager before the 1999 audit but neither professional had ever audited a company in the telecommunication industry before. Do you think that the auditors were adequately prepared for this engagement (use AICPA Attestation Standards and prior year documentation requirements to support your answers)? Is it problematic that the auditors weren't experts in the telecommunication industry? Is it inappropriate for auditors to be reassigned? What are the requirements under SOX (Sarbanes-Oxley Act of 2002) to reassign auditors? Support your answer. (LO1, LO4)