

Endnotes

¹ Jones, M., 2011, *Creative Accounting, Fraud and International Accounting*, University of Bristol, 2011

Paper given at the University of South Australia. Based on the book below.

Available at:

[https://www.unisa.edu.au/Global/business/centres/cags/docs/seminars/creative%20accounting%20and%20fraud\(au\).pdf](https://www.unisa.edu.au/Global/business/centres/cags/docs/seminars/creative%20accounting%20and%20fraud(au).pdf)

Accessed July 2018.

See also

Jones, M., J., 2010, *Creative Accounting, Fraud and International Accounting Scandals*, John Wiley & Sons, 2010.

Available at:

<https://www.wiley.com/en-gb/Creative+Accounting%2C+Fraud+and+International+Accounting+Scandals-p-9780470057650>

Accessed July 2018.

² Porter, B., 1993, 'An empirical study of the audit expectation-performance gap', *Accounting and Business Research*, Volume 24, 1993, pp. 49-68

Available at (published online in 2012):

<https://www.tandfonline.com/doi/abs/10.1080/00014788.1993.9729463>

Accessed July 2018.

³ A cash flow statement is a statement showing the inflows and outflows of cash and cash equivalents over a period. Not to be confused with a flow of funds statement which measures the changes in the financial position of the entity in different accounting years.

⁴ Even under current UK GAAP and full IFRS. Also applies to US GAAP.

⁵ Based on the stated assumptions, which can provide much leeway.

⁶ Wikipedia, Materiality (auditing)

Available at:

[https://en.wikipedia.org/wiki/Materiality_\(auditing\)](https://en.wikipedia.org/wiki/Materiality_(auditing))

Accessed July 2018.

⁷ See:

KPMG, 2016, *Room for improvement: The KPMG Survey of Business Reporting*, second edition, 28 April 2016.

Can be downloaded from (where there is also a link to KPMG's Dynamic Risk Assessment system:

<https://home.kpmg.com/xx/en/home/insights/2016/04/kpmg-survey-business-reporting-second-edition.html>

Available at:

<https://home.kpmg.com/xx/en/home/insights/2016/04/kpmg-survey-business-reporting-second-edition.html>

Accessed July 2018.

This may be published every year. The 2017 edition concerns corporate responsibility reporting:

The Road Ahead: KPMG Survey of Corporate Responsibility Reporting 2017, KPMG,

This report can be downloaded from:

<https://home.kpmg.com/xx/en/home/campaigns/2017/10/survey-of-corporate-responsibility-reporting-2017.html>

Available at:

https://home.kpmg.com/content/dam/kpmg/campaigns/csr/pdf/CSR_Reporting_2017.pdf

Accessed July 2018.

⁸ Financial Reporting Council, News, 'A UK Corporate Governance Code that is fit for the future', *Financial Reporting Council*, 16 July 2018.

Available at:

<https://www.frc.org.uk/news/july-2018/a-uk-corporate-governance-code-that-is-fit-for-the>

Accessed July 2018.

This page leads to a number of relevant documents:

'The UK Corporate Governance Code, July 2018'

Available at:

<https://www.frc.org.uk/getattachment/88bd8c45-50ea-4841-95b0-d2f4f48069a2/2018-UK-Corporate-Governance-Code-FINAL.pdf>

'Revised UK Corporate Governance Code 2018 highlights'

Available at:

<https://www.frc.org.uk/getattachment/524d4f4b-62df-4c76-926a-66e223ca0893/2018-UK-Corporate-Governance-Code-highlights.pdf>

'Guidance On Board Effectiveness, July 2018'

Available at:

<https://www.frc.org.uk/document-library/corporate-governance/2018/guidance-on-board-effectiveness>

This link does not open a page but just downloads this report.

⁹ See the consultation document: 'The Wates Corporate Governance Principles for Large Private Companies', *Financial Reporting Council*, 13 June 2018

Available at:

<https://www.frc.org.uk/consultation-list/2018/consultation-the-wates-corporate-governance-princ>

To download this report:

<https://www.frc.org.uk/getattachment/48653f86-92c3-4cd6-8465-da4b7cac0034/;.aspx>

Accessed July 2018.

¹⁰ For example

Financial Reporting Council, 2017, 'Audit Quality Thematic Review: Materiality', *Financial Reporting Council*, December 2017

Available at:

[https://www.frc.org.uk/getattachment/4713123b-919c-4ed6-a7a4-869aa9a668f4/Audit-Quality-Thematic-Review-Materiality-\(December-2017\).pdf](https://www.frc.org.uk/getattachment/4713123b-919c-4ed6-a7a4-869aa9a668f4/Audit-Quality-Thematic-Review-Materiality-(December-2017).pdf)

Accessed April 2018.

and

Financial Reporting Council, 2018, 'Audit Culture Thematic Review: Firms' Activities To Establish, Promote And Embed A Culture That Is Committed To Delivering Consistently High Quality Audits', *Financial Reporting Council*, May 2018.

Available at:

<https://www.frc.org.uk/getattachment/2f8d6070-e41b-4576-9905-4aeb7df8dd7e/Audit-Culture-Thematic-Review.pdf>

Accessed July 2018.

¹¹ Jones, H., 2017, 'UK watchdog says was too slow to probe HBOS audit', Reuters, 30 November 2017.

Available at:

<https://www.reuters.com/article/us-lloyds-accounts-hbos/uk-watchdog-says-was-too-slow-to-probe-hbos-audit-idUSKBN1DU10Z>

Accessed December 2017.

¹² House of Commons. Business, Energy and Industrial Strategy and Work and Pensions Committees.

Carillion. Second Joint report from the Business, Energy and Industrial Strategy and Work and Pensions Committees of Session 2017–19. HC 769. Published on 16 May 2018. by authority of the House of Common

Relevant paragraphs or page numbers in the main report are noted in text.

Available at:

<https://publications.parliament.uk/pa/cm201719/cmselect/cmworpen/769/769.pdf>

Accessed in July 2018.

¹³ Barclays Bank was found innocent. However, the suspicion might have been that Qatar invested equity in the bank in exchange for roughly an equivalent amount in loans so the net transaction was zero. But this would have helped the Barclays equity ratio thereby avoiding being taken over by the state.

¹⁴ Facebook may be fined £500,000 by the privacy regulator after the social-network giant failed to prevent key user data falling into the hands of a political consultancy that helped get President Donald Trump elected. The UK's Information Commissioner's Office is threatening the company with the maximum penalty allowed. The tech giant is accused of not properly protecting user data and not sharing how people's data was harvested by others. £500,000 to Facebook is something less than a pin prick. Now £500m might have been a pin prick.

Available at:

See also:

Bodoni, S., 2018, 'Facebook Faces U.K. Fine Over Cambridge Analytica Inquiry', *Bloomberg*, 10 July 2018.

Available at:

<https://www.bloomberg.com/news/articles/2018-07-10/facebook-faces-u-k-privacy-fine-over-cambridge-analytica-probe>

Accessed July 2018.

¹⁵ Kingman Review, 2018, 'Independent Review of the Financial Reporting Council', *Review Secretariat which is hosted by the Department for Business, Energy, and Industrial Strategy*, 6 June

Available at:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/717492/Independent_Review_of_the_FRC_-_Call_for_Evidence_-_FINAL.pdf

Accessed July 2018.

¹⁶ In April 2018, the government launched an independent review of the FRC, the regulator for auditors, accountants and actuaries. The review will be led by Sir John Kingman, who has extensive private and public sector experience. He will be supported by an advisory board. The root and branch review, due for completion by the end of 2018, will assess the FRC's governance, impact and powers, to help ensure it is fit for the future.

¹⁷ Financial Reporting Council News, 2017, Closure of investigation into the conduct of members and a member firm as auditors of Tesco plc, *Financial Reporting Council*, 5 June 2017.

Available at:

<https://www.frc.org.uk/news/june-2017/closure-of-investigation-into-the-conduct-of-membe>

Accessed July 2017.

¹⁸ Dunkley, E., Marriage, M., Martin, K., 'KPMG cleared over audit of HBOS before collapse: Regulator finds assessment of market conditions not 'unreasonable' at time', *Financial Times*, 19 September 2017.

Available at:

<https://www.ft.com/content/34fa0fdc-9d13-11e7-9a86-4d5a475ba4c5>

Accessed July 2018.