

A REFLECTION ON THE USEFULNESS AND EFFECTIVENESS OF THE MODERN RISK-ORIENTED AUDIT IN CHINA

Qianshan George Gao, Shih-Jen Kathy Ho, and Audrey Agnello

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WEB APPENDIX

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Table 1: Audit Fees Analysis during 2004-2008

(in ten thousand RMB)

C-Year	N*	Audit Fees Total	Audit Fees per Company	Audit Fees Increase per Company
2004	1212	75,890	62.6	-
2005	1177	75,479	64	2.24%
2006	1094	79,010	72	12.5%
2007	994	78,290	78.8	9.44%
2008	1116	88,960	79.7	1.14%

*The sample size changes because some companies did not disclose their audit fees.

Table 2: Audit Opinions for 2005-2008 (n=1,331 overall)

Year	MO*	MOE	UO	UOE	DO	RUOE	RNO
2005	42	16	1172	73	28	6.23%	13.57%
2006	28	8	1192	75	28	6.30%	11.66%
2007	13	1	1212	90	15	7.43%	10.64%
2008	15	0	1223	76	17	6.21%	8.83%

*MO = modified opinion; MOE =modified opinion with emphasis –of matter paragraphs

UO = unmodified opinion; UOE = unmodified opinion with explanatory paragraph; DO = disclaimer of opinion; RUOE = ratio of UOE to all reports; RNO =ratio of nonstandard opinion to all reports.

Table 3: Companies with Unmodified Opinions (UO)
for their Mid-Term Reports in 2008

Company Code	EPS for the First Half	EPS for Annual Report	Date of Issue for Audit Report
000001	0.71	0.26	8/20
000050	0.11	0.024	8/25
002002	-0.12	-1.01	8/6
600058	1.64	0.85	8/28
600022	0.78	0.55	8/28