

# **Major Changes to Auditing Standards:** ***Auditing Standard Board Clarity Project***

## **Course Description**

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This course explains the significant changes made to auditing standards by the Auditing Standards Board's Clarity Project that resulted in the issuance of SAS Nos. 122-130. The course is written in a format that provides an overview by allowing the reader to review, recall and identify key provisions within the new standards.

**Completion Deadline & Exam:** This course, including the examination, must be completed within one year of the date of purchase. In addition, unless otherwise indicated, no correct or incorrect feedback for any exam question will be provided.

**Course Level:** Overview. This program is appropriate for professionals at all organizational levels.

**CPE Credits:** 8 (CPA)

**Category:** Auditing

**Prerequisite:** None.

**Advanced Preparation:** None

## **Course Learning Objectives**

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### **Sections 1**

1. Recall the structure of the new ASB Clarity Project and how each new standard is segregated

### **Section 2**

1. Identify categories of laws and regulations that are found in AU-C 250
2. Identify the scope of communications an auditor should make with respect to noncompliance with laws and regulations
3. Identify some of the different types of deficiencies in internal control found in a financial statement audit
4. Identify the indicators that may suggest there is a material weakness in internal control
5. Identify the information that should be included in a communication of certain deficiencies in internal control
6. Recognize the new audit report title

7. Identify examples of headings that should be in the new auditor report
8. Recall some of the modified opinion headings found in the new audit report
9. Identify the new type of paragraph that is permitted in the audit report
10. Identify some examples of where an emphasis-of-matter paragraph is required in the audit report
11. Identify the new group auditor rules including the responsibilities of parties involved, and the procedures to be performed
12. Identify the different types of special purpose frameworks permitted under the new auditing standards
13. Identify some of the elements that are required in the different types of special purpose reports
14. Identify the general types of disclosures required in special purpose framework financial statements

### **Section 3**

1. Identify how an auditor can evaluate “professional judgment”
2. Recognize some of the elements that must be in an engagement letter
3. Identify the requirements that a successor auditor must satisfy in an initial audit engagement involving opening balances
4. Identify an instance in which it may be necessary for an auditor to obtain a positive confirmation
5. Identify when an auditor may not be required to use external confirmation procedures

### **Section 4**

1. Recognize the definition of fraud
2. Recognize some of the procedures an auditor should design and perform to identify litigation, claims and assessment
3. Identify at least one procedure an external auditor should perform with respect to internal auditors