Auditing: The Latest Developments

Course Description

Part of planning an audit involves consideration of the business and economic environment in which the client operates. Thus, auditors need to be aware of the various types of fraud that clients and employees may be committing, especially in light of myriad lawsuits against auditors and accountants. In addition to applying techniques to limit their liability to their clients and third parties, auditors are confronting other major problems facing the accounting field, including compliance with the Sarbanes-Oxley Act. The peer review comments and new auditing statements provide further guidance on current issues. To deal with the volatility in the business climate, auditors should focus their efforts in key areas and should take lessons from litigation. Additionally, in this course, auditors will learn how to perform more efficient engagements, understand the guidance found in SAS Nos. 131 to 133 and SSAE No. 18, and much more. The course focuses recalling, recognizing and identifying rules related to auditing standards including new developments pertaining to those 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: 16 (CPA)
Category: Accounting and Auditing
Prerequisite: General understanding of auditing standards
Advanced Preparation: None

Course Learning Objectives

Section 1:   Auditing Developments

1. Identify certain factors that an auditor may or may not consider in assessing going concern

2. Identify audit procedures that an auditor should perform on receivables and inventories

3. Identify the categories of securities found in existing GAAP

4. Identify examples of fraud involving fraudulent financial reporting and misappropriation of assets

5. Recognize the three conditions of the fraud triangle

6. Recall additional procedures required by an auditor to deal with the risk of management override of internal controls

Section 2: Auditing Developments

1. Identify a fact related to the concentration of auditors in the larger public company market

2. Recognize a recommendation made to address auditor liability

3. Recall some of the AICPA's top technology issues affecting auditors

4. Identify some of the auditor requirements of Section 404 of Sarbanes-Oxley Act

5. Identify some of the reasons why an entity may no longer wish to stay public

6. Recall some of the whistleblower protections for employees of public companies including the incentives given to such whistleblowers to report to the SEC

7. Identify some of the key deficiencies found in peer review

Section 3: Accounting and Auditing in Volatile Times

1. Identify an example of a coverage ratio

2. Recognize some of the common pitfalls that continue to expose accountants to loss in litigation

3. Identify some of the top ten actions to minimize the risk of being sued

4. Identify actions that can reduce time and increase audit efficiency in an audit engagement

5. Recognize an appropriate response to a comfort letter request

6. Identify an action an accountant should take if he or she identifies a deficiency in internal control

7. Recall when an employee benefit plan must have an audit

8. Recognize actions to reduce cheating in a company

Section 4: Recent Auditing and Attestation Standards

1. Identify when the liquidation basis of accounting is required

2. Recognize the definition of a reasonable period of time as used in SAS No. 132

3. Identify how an auditor should report when there is substantial doubt of an entity's ability to continue as a going concern

4. Recall an example of a type of exempt offering covered by SAS No. 133

5. Recall which types of engagements should follow SSAE No. 18 attestation standards