

Auditing: The Latest Developments - 2021

Course Description

The objective of this course is to address the latest developments affecting 2020 and 2021 audit engagements, including the impact of COVID-19 on audit engagements.

Topics include: addressing the auditor's consideration of the business and economic environment in which the client operates; accounting and auditing engagement issues during COVID-19 including the impact of the pandemic on an entity's ability to continue as a going-concern; client and employee fraud; specific accounting risks for auditors to consider; limiting auditor's liability; key audit focus areas during volatile times; lessons from litigation; efficiency engagements to reduce auditor time; various practice issues related to audits; dealing with DOL audits of employee benefit plans; and more.

Additionally, in this course, auditors will learn about the new auditor's report, auditing estimates and audit evidence guidance found in SAS Nos. 134-143, and the new attestation standards found in SSAE Nos. 19-22.

Completion Deadline & Exam: This course, including the examination, must be completed within one year of the date of purchase.

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

CPE Credits: 16 (CPA)

Field of Study: Auditing

Prerequisite: General understanding of auditing standards

Advanced Preparation: None

Course Learning Objectives

Section 1:

1. Identify an example of a concentration which might require disclosure
2. Recall the definition of near term
3. Identify the net operation loss rules under the CARES Act
4. Recognize a key characteristic of a multi-employer pension plan
5. Identify the most obvious approach to account for a PPP loan under GAAP
6. Recall how an entity should account for PPP loan forgiveness
7. Identify a scenario in which it would be impracticable for an auditor to attend a physical inventory
8. Recognize an advantage of remote auditing

9. Recognize a behavioral trait of most occupational fraudsters
10. Recognize the difference between fraud and an error
11. Recall the three conditions of the fraud triangle
12. Identify common types of financial statement fraud noted by the FBI
13. Recognize an example of a misappropriation of assets
14. Identify an additional procedure required to deal with the risk of management override of internal controls
15. Recognize a factor to consider in evaluating going concern of an entity
16. Recall how an investment in equity security should be accounted for under GAAP
17. Recognize the new sales tax rules in the wake of the Wayfair decision
18. Recognize an example of a coverage ratio
19. Recall the timeframe within which most lawsuits against auditors occur
20. Identify a recommendation to tighten up auditor workpapers

Section 2:

1. Identify a suggestion for an auditor that reduces time and increases audit efficiency
2. Recognize when negative accounts receivable confirmations should not be used
3. Identify the form of a comfort letter that would be appropriate for an accountant to make to a lender
4. Recall the rule for an auditor presenting his or her city and state on the audit report
5. Identify the rules for an auditor communicating deficiencies found in an audit
6. Recognize an example of a result that can occur if there is a problem with a DOL employee benefit plan audit
7. Identify a type of fraudster
8. Recall the location of certain sections in the auditor's report
9. Recognize the categorization of an adverse opinion
10. Identify a change that SAS No. 136 makes to the limited-scope ERISA audit
11. Recognize one of the changes made by AU-C 703 to ERISA audits
12. Recall the reporting requirement when an auditor obtains other information in an audit
13. Identify a reference that is made in the new definition of materiality
14. Recognize the definition of certain types of paragraphs made by SAS No. 139
15. Recognize an example of an attribute of information obtained as audit evidence per SAS No. 142
16. Identify an attribute of audit evidence referenced in SAS No. 142
17. Identify how inherent and control risk should be assessed under the SAS No. 143 requirements
18. Recall the three approaches that an auditor can use to perform further audit procedures required by SAS No. 143
19. Identify a change made by SSAE No. 19
20. Recognize one of the four types of engagements within SSAE No. 21's new definition of attestation engagement
21. Identify an example of subject matter that is within the scope of SSAE No. 22's review