

# Improving Audit Quality

## Learning from Inspection Findings

### AGENDA

Nobody enjoys going through an inspection or peer review, but it is necessary to maintain audit quality. This interactive course uses “real-life scenarios” to help engagement teams minimize inspection findings and perform higher quality audits. Mini-case studies, group discussions, and review of actual deficiencies reinforce key learning concepts.

#### WHAT IS AUDIT QUALITY AND WHY IS IT IMPORTANT

Audit Quality in the News

Current State of Audit Quality

Root Cause Analysis

*“Audit quality is at the core of what we do... GAAP Dynamics managed to bring useful insights in a manner that kept everyone engaged... as it was relevant to our day-to-day activities.”*

*- Partner, Big 4 member firm*

#### PROFESSIONAL SKEPTICISM

Importance of Exercising Professional Skepticism

Application Guidance

#### OVERVIEW OF RELEVANT GUIDANCE

Auditing Standards

- General concepts, principles, and responsibilities
- Audit risk, planning, and risk assessment
- Internal controls
- Substantive analytical procedures
- Audit sampling
- Confirmations
- Auditing accounting estimates / use of specialists
- Audit documentation and conclusions
- Auditor communications

Other Guidance

- Staff Audit Practice Alerts (SAPAs)
- Auditor’s Reporting Model and Critical Audit Matters (CAMs)

#### LEARNING FROM INSPECTION FINDINGS

The PCAOB and Their Inspection Process

- Summary of inspection results and trends

Peer Review Requirements and Trending Issues

Engagement Quality Reviews

Areas of Frequent Findings

- Testing internal controls
- Assessing and responding to audit risk
- Auditing estimates, including fair value measurements

#### THE WAY FORWARD

PCAOB Inspections Outlook – Key Areas of Focus

Global Audit Quality and Firm Initiatives

CAQ’s Audit Quality Disclosure Framework

Convergence of Auditing Standards

