

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

IFIAR and their 2016 Survey of Inspector Findings

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”

PROFESSIONAL SKEPTICISM

Importance of Exercising Professional Skepticism

Application Guidance

PCAOB AUDITING STANDARDS

Introducing the PCAOB

Overview of PCAOB Auditing Standards

- Audit documentation (AS 3)
- Integrated audits and ICFR (AS 5)
- Risk assessment standards (AS 8 through AS 15)
- Communication with audit committees (AS 16)
- Related parties (AS 18)

Other Guidance

- Staff Audit Practice Alerts (SAPAs)
- Improper alteration of audit documentation
- Disclosure of engagement partner (Form AP)

Overview of Differences Between PCAOB Auditing Standards and U.S. GAAP and ISAs

LEARNING FROM INSPECTION FINDINGS

PCAOB Inspection Process

Summary of Results/Findings and Trends

Engagement Quality Reviews

Areas of Frequent Findings

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

THE WAY FORWARD

IFIAR's 25% Goal

PCAOB Standard Setting Agenda

Trending Issues Noted in Peer Reviews

Areas of Focus for Future Inspections

