

# AUDITWATCH TRAINING SOLUTIONS

## AUDITWATCH UNIVERSITY: BASIC STAFF TRAINING

This session helps new auditors get off to a great start, introducing them to the auditing field and basic audit responsibilities. The course includes case studies in common audit areas typically completed by staff accountants and provides an overview of how each area fits into the big picture.

**REQUIRED KNOWLEDGE AND EXPERIENCE:** less than 1 year

**COURSE TYPE:** Seminar

**COURSE LENGTH:** On-site--3 days Virtual--4 days

**ADVANCED PREP:** None

**RECOMMENDED CPE CREDIT:** 24 hrs.

**COURSE LEVEL:** Basic

**FIELDS OF STUDY:** Auditing, 23 hrs.; Communications & Marketing, 1 hr.

### MAJOR TOPICS AND LEARNING OBJECTIVES:

#### Introduction and Role of Staff – 1 Credit (Auditing)

- Describe the role of the staff auditor

#### Responsibilities of Staff Accountants – 3 Credits (2 Credits Auditing; 1 Credit Communication & Marketing)

- Describe key differences between types of engagements (audits, reviews, compilations and preparations) and the performance of accounting services
- Recognize the purpose of an audit
- Distinguish between attest procedures and assurance procedures
- Describe tips for professionalism in the role of staff auditor
- More confidently execute your role and responsibility as an effective engagement team member

#### Workpapers and Documentation – 2 Credits (Auditing)

- Explain the requirements of AU-C 230, *Audit Documentation*
- Create, organize, and prepare audit workpapers

#### Introduction to the Audit Plan – 3 Credits (Auditing)

- Describe the key phases of the audit plan
- List basic requirements of risk assessment procedures
- Discuss how to gain an understanding of the client's internal controls, including the performance of walkthroughs
- Discuss the objectives and contents of key planning forms
- Identify ways auditors obtain evidence through the performance of accepted audit procedures

## MAJOR TOPICS AND LEARNING OBJECTIVES (CONT.):

### Property, Plant, and Equipment – 2 Credits (Auditing)

- List and discuss the audit objectives and risks related to auditing property, plant and equipment
- Describe and perform substantive procedures commonly applied to property, plant and equipment

### Inventory – 2 Credits (Auditing)

- Describe the audit objectives and risks related to inventory
- Discuss the costing methods for inventory
- List and explain the common procedures applied to audit inventory
- Apply the basic auditing procedures for inventory (both counts and cost testing)

### Analytical Procedures – 2 Credits (Auditing)

- Describe the purpose of an analytical procedure
- Characterize the role of analytical procedures in audits and reviews
- Identify the key steps in performing substantive analytics
- Properly document substantive analytics

### Accounts Receivable – 2 Credits (Auditing)

- Discuss key accounting issues related to accounts receivable
- Describe the audit objectives and risks related to accounts receivable
- List and explain the common procedures applied to audit accounts receivable

### Cash – 2 Credits (Auditing)

- Discuss the audit objectives and risks related to cash
- Describe and perform the common procedures applied to audit cash
- List common cash disclosures

### Accounts Payable – 2 Credits (Auditing)

- Describe the audit objectives and risks related to the testing of accounts payable
- Apply basic substantive procedures to test accounts payable

### Debt – 2 Credits (Auditing)

- Describe the audit objectives and risks related to debt balances
- Explain and perform debt covenant testing
- List common debt disclosures

### Summary: Best Practices – 1 Credit (Auditing)

- Summarize the key learning points of the course
- Share your insights with other participants
- Brainstorm best practices for first-year staff

# AUDITWATCH TRAINING SOLUTIONS

## AUDITWATCH UNIVERSITY: EXPERIENCED STAFF TRAINING

This session introduces auditors to the complete audit process and plan. It focuses on ways for staff and senior accountants to significantly participate in the risk assessment procedures, including efforts surrounding internal controls. In addition, significant time is spent on performance of further audit procedures including tests details such as sampling, auditing estimates, and analytical procedures. Finally, the course includes discussions of select technical accounting, auditing, advanced documentation, and business skills.

**REQUIRED KNOWLEDGE AND EXPERIENCE:** 1-2 years

**PREREQUISITE:** AuditWatch University: Basic Staff Training

**COURSE TYPE:** Seminar

**COURSE LENGTH:** On-site--3 days Virtual--4 days

**ADVANCED PREP:** None

**RECOMMENDED CPE CREDIT:** 24 hrs.

**COURSE LEVEL:** Intermediate

**FIELDS OF STUDY:** Auditing, 21 hrs.; Accounting, 3 hrs.

### MAJOR TOPICS AND LEARNING OBJECTIVES:

#### Introduction and Role of Experienced Staff – 1 Credit (Auditing)

- Describe the role of Experienced Staff

#### The Audit Plan – 7 Credits (Auditing)

- Assist the team in gaining, updating, and documenting their understanding of the entity and its environment, including internal controls
- Begin to better identify and document risks of material misstatement using an understanding of the entity and its environment, including internal controls
- Participate more confidently in the risk assessment process

#### Sampling & Other Substantive Tests of Detail – 2.5 Credits (Auditing)

- Describe various tests of details
- Describe common audit approaches when using tests of details
- Select the appropriate audit approach
- Plan and implement the selected approach, including nonstatistical sampling

#### Financial Reporting – 3 Credits (2 Credits Accounting; 1 Credit Auditing)

- Prepare a statement of cash flows
- List and identify common issues encountered while preparing and updating the financial statements

## **MAJOR TOPICS AND LEARNING OBJECTIVES (CONT.):**

### **Auditing Estimates and Accruals – 2 Credits (Auditing)**

- Identify common estimates and accruals
- List three general approaches to auditing estimates
- Determine the approach most likely to be selected for a given estimate

### **Substantive Analytical Procedures – 3 Credits (Auditing)**

- Apply the principles of performing substantive analytical procedures
- Analyze differences from expectations
- Properly document substantive analytics

### **Fundamentals of Audit Documentation – 2 Credits (Auditing)**

- List the requirements of AU-C 230, Audit Documentation
- Identify ways to meet the audit “reperformability” standard
- Explain the difference between required and optional documentation
- Describe the difference between evidence and documentation

### **Accounting and Review Services – 1 Credit (Accounting)**

- Describe the differences between compilation, review and preparation engagements
- List and communicate management’s responsibilities versus the accountant’s responsibilities
- Summarize the requirements in each type of engagement
  - Performance
  - Documentation
  - Reporting

### **Introduction to Employee Benefit Plan Auditing - 2 Credits (Auditing)**

- List audit procedures performed in employee benefit plan audits
- Describe differences between financial statement and employee benefit plan audits
- Identify unique compliance auditing requirements for employee benefits

### **Summary: Best Practices**

- Summarize key learning points of the course
- Share your insights with other participants
- List best practices discussed in the course

# AUDITWATCH TRAINING SOLUTIONS

## AUDITWATCH UNIVERSITY: BEGINNING IN-CHARGE TRAINING

This session prepares auditors to take in-field responsibility for an audit engagement. It mixes discussion with case studies to provide an in-depth look at designing and completing the key steps in an audit. There is heavy focus on completing the risk assessment procedures and making appropriate risk assessments. We include case study work on understanding, evaluating, and verifying a client's activity level controls within key business cycles. This session also includes multiple interrelated modules on key business skills used by in-charge accountants, including supervising individuals and reviewing files.

**REQUIRED KNOWLEDGE AND EXPERIENCE:** 2-3 years

**PREREQUISITE:** AuditWatch University: Experienced Staff Training

**COURSE TYPE:** Seminar

**COURSE LENGTH:** On-site--3 days Virtual--4 days

**ADVANCED PREP:** None

**RECOMMENDED CPE CREDIT:** 24 hrs.

**COURSE LEVEL:** Intermediate

**FIELDS OF STUDY:** Auditing, 22.5 hrs.; Communications & Marketing, 1.5 hr.

### MAJOR TOPICS AND LEARNING OBJECTIVES:

#### Introduction and Role of the In-Charge – 1 Credit (Auditing)

- Describe the role of the In-Charge

#### Reviewing Workpapers – 3.5 Credits (Auditing)

- List the requirements of AU-C 230, Audit Documentation
- Describe the purpose of a detailed review
- Perform a detailed review
- Write productive review notes

#### Planning Your Audit – 8 Credits (Auditing)

- Gain an understanding of the entity and its environment, including internal controls
- Assess risks of material misstatement at the overall and assertion levels
- Facilitate an engagement team meeting
- Design sufficient and appropriate audit procedures to respond to the assessed risks

## **MAJOR TOPICS AND LEARNING OBJECTIVES (CONT.):**

### **Communication Skills – 1.5 Credit (Communications and Marketing)**

- List challenges to good communication
- Clearly communicate to staff and others
- Listen actively to increase understanding of essential information

### **Super Staff Supervision – 4.5 Credits (Auditing)**

- Describe the importance of effective supervision
- Identify and apply different teaching methods
- Describe the need for and the process of delegation

### **Effective Analytics – 3.5 Credits (Auditing)**

- Describe the principles of designing effective substantive analytical procedures
- List common sources for developing expectations
- Document results of substantive analytical procedures

### **Engagement Tips – 1.5 Credit (Auditing)**

- List key principles for creating effective “prepared by client” lists
- List efficient engagement wrap-up techniques and identify situations where they might be most effective
- Describe basic engagement economic terms and concepts including techniques for communicating engagement status

### **Summary: Best Practices – 0.5 Credits (Auditing)**

- Summarize the key learning points of the course
- Revisit course objectives
- Complete course evaluations

# AUDITWATCH TRAINING SOLUTIONS

## AUDITWATCH UNIVERSITY: EXPERIENCED IN-CHARGE TRAINING

This course moves experienced auditors beyond the basics. The session builds upon experiences with running engagements and provides insights and best practices on supervising, motivating, and evaluating team members. The course challenges experienced auditors to improve the effectiveness and efficiency of their audit engagements through exercises and case studies on common audit scenarios. It also provides an in-depth look at audit tasks typically performed by more experienced team members, such as evaluating design of controls, responding to risks, designing audit programs, and testing internal controls.

**REQUIRED KNOWLEDGE AND EXPERIENCE:** 3 – 4 years

**PREREQUISITE:** AuditWatch University: Beginning In-Charge Training

**COURSE TYPE:** Seminar

**COURSE LENGTH:** On-site--3 days Virtual--4 days

**ADVANCED PREP:** None

**RECOMMENDED CPE CREDIT:** 24 hrs.

**COURSE LEVEL:** Intermediate

**FIELD OF STUDY:** Auditing, 24 hrs.

### MAJOR TOPICS AND LEARNING OBJECTIVES:

#### Introduction and Role of the Experienced In-Charge – 1 Credit (Auditing)

- Describe the role of Experienced In-Charge

#### Advanced Topics in Audit Planning – 6.5 Credits (Auditing)

- Identify critical auditing concepts to teach to engagement team members
- Identify more complex areas in planning that impact the entire audit engagement
- Effectively and efficiently gain an “understanding” of internal controls
- Share best practices in facilitating planning meetings
- Leverage budgets to maximize realization and firm profits
- Describe techniques to more effectively communicate engagement status

#### Creating and Modifying Audit Programs – 2 Credits (Auditing)

- Evaluate audit procedures for effectiveness in achieving audit goals
- Facilitate the development and customization of further audit procedures

## MAJOR TOPICS AND LEARNING OBJECTIVES (CONT.):

### The Supervision Competency – 6 Credits (Auditing)

- Define competency and list its components
- Share, reflect upon, and self-assess supervisory skills
- Address concerns and challenges, including:
  - Selecting an appropriate leadership style
  - Managing subordinates
  - Providing oral and written feedback to staff

### Considering and Designing Tests of Controls – 1.5 Credits (Auditing)

- Determine when to test operating effectiveness of controls
- List methods available to test controls
- Design tests of controls

### Designing Better Analytics – 1.5 Credits (Auditing)

- Evaluate analytics for effectiveness in achieving audit goals and efficiency opportunities
- Document results of substantive analytical procedures
- Teach your engagement team how to better develop, execute and interpret analytical results

### Identifying and Responding to Fraud Risks – 1.5 Credits (Auditing)

- List common fraud risks at small companies
- Design tailored audit responses to fraud risks
- Identify specific tests to search for fraud
- Consider the use of technology in fraud responses

### Evaluating, Concluding, and Reporting – 1.5 Credits (Auditing)

- Evaluate misstatements and control deficiencies and perform required responses
- Explain the requirements of, evaluate and report in compliance with AU-C Section 265, *Communicating Internal Control Related Matters*
- List resources that generate insightful management letter comments
- Use a structured model to draft control deficiencies and business advice comments for management

### Auditing Revenue – 2 Credits (Auditing)

- Understand the basic GAAP guidance around recognizing, measuring and disclosing revenue
- Recognize risks of material misstatement related to revenue recognition
- Apply professional standards in devising an audit strategy to audit revenue transactions

### Summary: Best Practices – 0.5 Credits (Auditing)

- Summarize the key learning points of the course and revisit course objectives
- Describe ways skills learned in this program will be applied in the upcoming year



# AUDITWATCH TRAINING SOLUTIONS

## AUDITWATCH UNIVERSITY: BEYOND IN-CHARGE – TAKING THE NEXT STEP

This course prepares experienced auditors to take the next step in their development as engagement and firm leaders. Building on the concepts introduced in Experienced In-Charge Training, the course challenges auditors to champion the audit process by developing and implementing efficient audit plans, managing the audit process, working with clients and dealing with complex accounting and audit issues. Course material also addresses key issues in performing review and compilation engagements, and recognizing advanced financial reporting and auditing issues.

**REQUIRED KNOWLEDGE AND EXPERIENCE:** 4-5 years

**PREREQUISITE:** AuditWatch University : Experienced In-Charge Training

**COURSE TYPE:** Seminar

**COURSE LENGTH:** On-site--3 days Virtual--4 days

**ADVANCED PREP:** None

**RECOMMENDED CPE CREDIT:** 24 hrs.

**COURSE LEVEL:** Intermediate

**FIELDS OF STUDY:** Auditing, 16.5 hrs.; Accounting, 1 hr.; Communications and Marketing, 2 hrs.; Personal Development, 4.5 hrs.

### MAJOR TOPICS AND LEARNING OBJECTIVES:

#### Introduction – 0.5 Credits (Auditing)

- Expand and take ownership over the entire audit process by integrating audit efficiency best practices
- Demonstrate better problem-solving techniques for complex financial reporting, auditing, and accounting issues as well as issues related to Compilations, Reviews, and Preparation engagements
- Identify supervision techniques to better communicate and coach within work teams

#### Introduction to Presentations – 2 Credits (Communications and Marketing)

- List the characteristics of effective presenters
- Develop presentations for delivery to client management and audit committees
- Identify common presentation crutches and shortfalls

#### Project Management Tools for Auditors – 1.5 Credits (Personal Development)

- Define the common phases of a project in the public accounting environment
- Share techniques to improve meeting effectiveness and efficiency
- List actions and strategies, including delegation, for better management of your audits and projects

## **MAJOR TOPICS AND LEARNING OBJECTIVES (CONT.):**

### **Meeting Effectiveness – 2 Credits (Personal Development)**

- Share techniques to improve meeting effectiveness and efficiency
- Make your meetings more productive
- Build consensus, handle conflict and keep meetings on track

### **Motivating Your Team – 1 Credit (Personal Development)**

- Empower and motivate staff to handle more difficult assignments

### **Developing the Overall Audit Strategy - 2 Credits (Auditing)**

- Assist in the development of the Overall Audit Strategy as required by AU-C 300
- Describe various components of the overall audit strategy including group audit strategy, and using the work of others

### **Attest Services for Smaller Entities - 1 Credit (Auditing)**

- List and describe considerations as a reviewer for Review, Compilation, and Preparation engagements
- Recognize efficiency considerations related to Compilations, Reviews, and Preparation engagements

### **Audit Efficiency Best Practices – 6 Credits (Auditing)**

- Describe and teach basic audit concepts to staff
- Perform more efficient and effective engagements
- Share ideas with your firm and with your teams to look at engagements in different ways

### **Recognizing Financial Reporting, Auditing, and Accounting Issues – 2 Credits (1 Credit Auditing; 1 Credit Accounting)**

- Recognize when complex technical issues might indicate a risk of material misstatement
- List and describe ways to identify technical auditing and accounting issues early to improve efficiencies
- List and describe significant new accounting or auditing pronouncements and the audit risks they may introduce

### **Advanced Topics in Audit Sampling – 2.5 Credits (Auditing)**

- List commonly used sampling units
- Effectively and efficiently stratify a sample population
- Evaluate errors and sampling results
- Consider sampling risk to make audit conclusions
- Describe how to sample income statement accounts

### **General Planning and Completion Procedures – 3 Credits (Auditing)**

- Apply advanced concepts in performing General Auditing Procedures
- Recognize requirements related to commitments, contingencies, legal confirmations, related parties, subsequent events, going concern, and more
- Discuss additional general planning considerations

### **Summary: Best Practices – 0.5 Credits (Auditing)**

- List action steps to utilize course content in practical situations on engagements
- Summarize the key learning points of the course