



Audit

Auditing International Standards & Their Application

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Introduction:

This comprehensive course looks in depth at the International Standards in Auditing and the practical application thereof in the external audit planning process and audit engagement. The International Standards in Auditing training course seeks to provide participants with skills and knowledge needed to perform the vital function of the audit program and subsequent reporting in compliance with international standards. Participants will add value to their organization by formalizing and updating their skills and learning the most up-to-date processes and a number of applicable best practices pertaining to the audit process. Participants will develop the following competencies:

- *Technical knowledge of the International Standards in Auditing*
- *Practical application of the International Standards in Auditing*
- *Recognize the role of the external auditor in adding value*
- *Appreciating the responsibilities of the external auditor*
- *Effective drafting of audit and management reports*
- *How to use Internal Controls' evaluation to formulate external audit procedures*
- *Doing an organizational risk assessment*
- *How to use audit samples as part of substantive procedures*

Who Should Attend?

External Auditors, Internal Auditors, Accountants, Financial Executives, Managers, Team Leaders, any other professional involved in the preparation for the audit process or the conducting of audit procedures

Course Objectives:

By the end of this course delegates will be able to:

- Knowledge of the technical detail of the standards
- Understanding the practical implementation of the standards
- Skill to confidently apply the standards in their audit planning and engagement
- Compliance to audit regulations
- Understanding the role and responsibilities of the external auditor
- Skills to draft audit and management reports
- Understanding the Internal Controls environment
- Appreciating the impact of the controls environment on the external audit
- Techniques to select audit samples for balance sheet and income statement

Course Outline:

International Standards in Auditing

- Background to the IAASB & IFAC
- Overview of International Standards in Auditing

- Respective responsibilities (ISA 200-)
- Audit planning (ISA 300-)
- Internal control (ISA 400-)
- Audit evidence (ISA 500-)
- Work of external experts (ISA 600-)
- Audit conclusion and report (ISA 700-)
- Background to International Financial Reporting Standards (IFRS)
- Principles of substantive testing

Role of the External Auditor and Format of Audit Report

- Role of the external auditor
- ISA 200
- Professional code of the external auditor
- Overall objectives of independent auditor
- Auditors responsibility
- Understanding the entity and its environment
- Obtaining sufficient evidence to form an opinion
- Independence
- Formulation of audit reports
- ISA 700:
- Audit reports: purpose, function and structure

- Management report and implementation of recommendations
- Management representation letter

Internal Controls and Audit Planning

- Internal controls
- ISA 400
- Corporate governance
- Internal control environment
- Audit planning
- ISA 300
- Engagement evaluation
- Analytical review
- Materiality assessment
- Inherent risk assessment
- Fraud risk assessment
- Audit plan and strategy
- Overview of risk based audit principles

Audit Sampling: Balance Sheet

- Applicable audit assertions
- Applying ISA 500
- Property, plant & equipment

- Intangible assets
- Group companies
- Investments
- Inventories
- Trade receivables
- Cash & equivalents
- Capital & reserves
- Financial liabilities
- Trade payables
- Provisions

Audit Sampling: Income Statement

- Applicable audit assertions
- Revenue
- Contracts
- Cost of sales
- Other income
- Employee costs
- Operational expenses
- Finance costs
- Other (i.e. group identified needs)

- Common mistakes
- Best practices