



REPARIS

Road to Europe: Program of Accounting Reform and Institutional Strengthening



Audit Training of Trainers Workshop
11-12 February 2014

Agenda

Joint Vienna Institute



Centre for Financial Reporting Reform
Europe and Central Asia Region
The World Bank

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Audit Training-of-Trainers Workshop

Organized under the REPARIS program

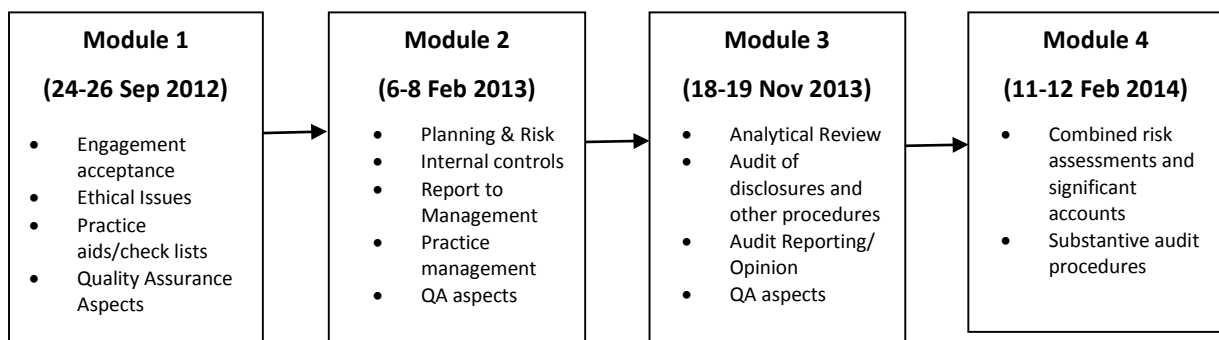
11-12 February 2014, Joint Vienna Institute, Vienna

This fourth workshop (“Module 4”) is part of the CFRR’s program to support REPARIS countries’ Professional Accounting Organizations (PAOs) and/or other organizations with responsibility for the design and delivery of continuing professional education/development for statutory auditors and audit firms. Specifically, it seeks to:

- Facilitate shared learning and peer exchange on the design, content, implementation arrangements, teaching and quality control arrangements for successful and effective continuing professional education/development (CPE/CPD);
- Develop the capacity of audit trainers to deliver high-quality training based on ISA, following a Training-of-Trainers (ToT) approach; and
- In collaboration with participants, seek to develop an integrated audit case study and simulated Client File Series (CFS) that will form a useful teaching resource for Audit ToT trainers in the region

The workshop focuses in particular on the needs and challenges of Small and Medium Sized Audit Practices (SMPs) to implement International Standards on Auditing (ISAs), within the context of the Code of Ethics and help them to guide the practitioners in the development of firm-level and engagement level quality assurance procedures, as established in ISQC1¹ and within the context of the IFAC SMO1² and SMO2³

The overall approach in development of the Audit ToT course including the CFS is summarized by modules (each covered in a workshop). Topics covered are logically sequenced in the context of the audit cycle, as follows:



¹ International Standard on Quality Control, as promulgated by the International Audit and Assurance Standards Board

² International Federation of Accountants (IFAC) Statements of Membership Obligations 1: Quality Assurance

³ This SMO relates to implementation of IAESB International Accounting Education Standards (IES), and in particular IES, 2, 5, 7 and 8 relating to the content of professional education programs, practical experience, and CPD for statutory auditors, which is consistent with the extant and proposed related relevant provisions of the Statutory Audit Directive of the European Union (8th Company Law Directive on Statutory Audit)

Tuesday, 11 February 2014 – Day 1

9:00	<p>Welcome Remarks</p> <p><i>Henri Fortin, Head, Centre for Financial Reporting Reform, World Bank</i></p>
9:15	<p>Case Study Introduction: Perfecta LTD</p> <p>Participants will be introduced to the case study of Perfecta LTD that will be used throughout the workshop. Participants will be divided into table groups and each group would be randomly assigned a separate caption of the financial statements of Perfecta LTD (e.g. fixed assets, cash, receivables, payables and sales). Teams will present their work during case study sessions for their respective financial statement caption. (Sample worksheets and audit work papers will be presented during all case study sessions)</p> <p><i>Presented by: Atanasko Atanasovski, Consultant, Centre for Financial Reporting Reform</i></p>
9:40	<p>Determining Significant Accounts and Disclosures and relevant Assertions</p> <p>The audit approach must channel audit resources to significant account balances and disclosures in order to obtain audit evidence for relevant management assertions. This session will discuss the criteria for identification of significant account balances and disclosures. Short presentation and recap on relevant assertions will be provided. Participants will be invited to identify significant accounts and disclosures for Perfecta's financial statements.</p> <p><i>Presented and Moderated by: Kalina Sukarova, Senior Financial Management Specialist, Centre for Financial Reporting Reform, World Bank</i></p>
11:00	<p>Combined Risk Assessment</p> <p>The session will discuss the factors considered when making risk assessment at the assertion level necessary to formulate an appropriate audit response to address audit risk. Participants will be familiarized with the risk components and assessments (minimal, low, moderate, high) as well as how the determined risk affects the nature, extent and timing of the audit procedures.</p> <p>Participants, divided into teams, will be requested to join the group exercise and based on scenarios provided in the case Perfects LTD: (i) Make combined risk assessment for the assigned financial statement caption, (ii) Document the rationale and (iii) Document the nature, extent and timing of the audit procedures (high level only).</p> <p><i>Presented by: Kalina Sukarova</i></p>
14:00	<p>Simulation of Combined Risk Assessment: Perfecta LTD</p> <p>Each "audit" team will be allowed 5 minutes to present the work developed in the previous session. Other participants, moderators and audience will have an opportunity to challenge the presenting team, ask questions or seek further clarifications on the appropriateness of the risk assessment made.</p> <p><i>Moderated by: Atanasko Atanasovski</i></p>

15.00 Audit Evidence

The session will provide an overview of what constitutes sufficient and appropriate audit evidence as well as the hierarchy of evidence quality (e.g. external vs. internal evidence). Written representations from management will be discussed and examples of circumstances when management representations are deemed appropriate will be presented.

Presented by: Vitalie Corniciuc, ACCA, Audit Manager, KPMG Moldova SRL

15:45 Develop as a Trainer

This session will attempt to bring insights into teaching and learning styles, discuss issues such as strategies and techniques for engaging classroom, planning a CPD event in various settings (in terms of group size, topics covered etc.)

Presented by: Mag Thomas Schöller MAS, trainconsulting

Wednesday, 12 February 2014 – Day 2

<p>9:15</p>	<p>Audit Toolbox – part 1: Property, Plant and Equipment & Cash</p> <p>This is the first of a three part session with the objective of reinforcing shared knowledge among participants of common substantive audit procedures for particular account balances and disclosures.</p> <p>The sessions are designed around significant account captions and each will cover the main features of the account and characteristic substantive audit procedures. Participants will be invited in group activity following the Perfecta LTD scenario to document an audit program. Each team as previously determined during Day 1 will present their developed audit program for assigned financial statement caption, followed by group discussion on the results and suggested audit work papers.</p> <p><i>Presented and Moderated by: Atanasko Atanasovski</i></p>
	<p>Audit Toolbox – part 2: Receivables and Payables</p> <p><i>Presented and Moderated by: Atanasko Atanasovski</i></p>
<p>14:00</p>	<p>Audit Toolbox – part 3: Sales</p> <p><i>Presented and Moderated by: Kalina Sukarova</i></p>
<p>14:45</p>	<p>Wrap-up and tour de table</p> <p>This session will seek the feedback from participants on the course as well as their suggestions on development of the future Audit Train-of-Trainers Workshops</p> <p><i>Moderated by: Kalina Sukarova and Atanasko Atanasovski</i></p>
<p>15:15</p>	<p>Closing Remarks</p> <p><i>Henri Fortin</i></p>

Venue



Joint Vienna Institute

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