

# Defensive Auditing: Surviving Peer Review, Inspections and Litigation Exposure (DARL)

## Course Overview

Review a spectrum of issues that are at the root of many peer review comments and audit failures. Understand how to better prepare for peer review or inspection and create a defensible audit strategy and documentation in case of inquiry or litigation. Through lecture, exercises and examples, sharpen your awareness of the pitfalls experienced by many practitioners and learn how easily—and inexpensively—they can be avoided and create efficiencies in the audit process. Updated for 2015 with the latest feedback from peer reviews and inspections.

## Objectives

- Recognize the connection between audit quality and business risk.
- Determine why many audits fail in peer review and in defense during litigation
- Recognize the relationship between fraud risk, litigation risk and peer review or inspection risk.
- Identify common problems and attitudes that contribute to firm risk.
- Determine how to distinguish more effective, defensible and compliant audit documentation.

## Major Topics

- Measuring the sufficiency of evidence
- Role of management representations and new rep letter requirements that protect you
- Fraud incidence and detection methods
- Cited performance issues: use of specialists and fair values
- Defensive workpaper techniques
- Combining audit requirements for Estimates and Fair Values in AU-C 540
- Efficiency, effectiveness and audit quality are not trade-offs
- Litigation process
- Peer review and inspection process
- The AICPA Quality initiative and its implications

**Field of Interest Code:** Auditing

**CPE Hours:** 8.00 | AA: 8.00 | FR: 3.00 | YB: 8.00

**Level:** Basic

**Designed for:**

Senior-level CPAs, especially those who have responsibility for practice leadership, quality control or training, and financial executives.

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