

Practitioner's challenges in Audit

J. B. Nagar CPE Study Circle
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Proactive efforts V/s Routine efforts



ad challenges

Multiple
responsibilities

Client resources

Internal staff

Audit
documentation
and compliance

Regulatory
compliance

Remuneration /
fees

Dignity of
profession and
stature

Multiple responsibilities

Managing multiple clients [industry specific]

Recreating past

Managing the priorities

Handling other professional engagements

Lack of expertise in all areas

Keeping up with new technology

Work life balance

Adhering timelines / due date pressure

Management services vs Audit Services



ent resources

- Knowledgeable client staff
- Appropriate and timely data
- Frequent changes in staff
- Cooperation
- Proactive
- Work culture
- Incomplete picture



Internal staff

Hiring technically skilled and competent staff

Attracting and retaining experienced staff

Conducive work environment



Audit documentation and compliances

Sampling

Compliance with standards on auditing (ex SQC 1- Quality control framework, SA 230- Audit Documentation- refer report of Quality Review Board)

<http://www.qrbca.in/wp-content/uploads/2017/11/qrb37506.pdf>

Accounting standards (Indian GAAP & Ind AS)

Permanent audit file update

Choice and disclosure of accounting policies

Schedule III disclosure

Preserving the audit files



regulatory challenges

Coping up with new technical literature in accounting and auditing

Changes in Allied laws [i.e. GST/ SEBI / FEMA/ IBC etc.]

Multiple compliance requirements

Complex IT environment

Regulatory scanner

Expectation from society / regulator and media



Remuneration / fees

Capturing Cost of services

Cost cutting and its direct impact on quality of service performed

Balancing cost vs competitive environment

Convincing client for hike in fees

Grow revenues while maintaining quality

Providing regular value additions



nity of profession and stature

Social image of the firm

Credibility

Peer review challenge

Ethical and moral responsibilities

Code of conduct

Value addition to society





OPTIONS

Overcome challenges

Develop a continuous learning mindset

Allocate time in planning and continuous monitoring

Delegation of work based on expertise

Invest in learning and up gradation of knowledge

Recruit, motivate and retain good team members

Ensure clients to have a compliance mind set

Value addition to client business

Overcome challenges

Final closure meeting with client

Provide feedback about the client resources, efficiency, cooperation etc.

Identify and nurture talented fresh professionals

Training and development programs to be conducted

Encourage staff to participate in seminars, organize internal study sessions

Form professional groups for support and knowledge

Build a brand with long term perspective

You manage the
stress

or

let the stress
manage you

- Choice is yours !

WE'RE ALL IN THE
SAME BOAT





Thank You
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