Insight Training
finance made simple

FEBRUARY 2021

Welcome to *Insights*

The monthly newsletter from the team at Insight Training

Hello, each month we'll bring you a short CPD training video, our blog, technical updates and FAQs from courses and reviews.

Whatever the size of your business, Insight Training offers **finance and management development programmes** for business professionals just like you. **Click here to find out more.**

Our live CPD seminars restart later this month, with a variety of 3 hour sessions, lunchtime CPD bites and a range of student and personal development courses on offer. Details of all our public courses can be found here.
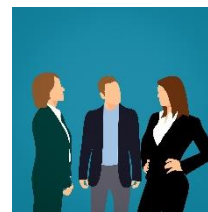
Latest vlog	Latest blog
Peter Herbert discusses provisions for liabilities this month, including redundancy provisions and grant repayments.	This month's blog focuses on how to spot and manage conflict within a team, especially when working remotely.

Upcoming courses

Our upcoming live public CPD courses are detailed below. Bookings can now be made directly on our website.

Date - Course - Presenter

22nd Feb - 12.30-1.30 - Accounting for Impairments - Peter Herbert

24th Feb - 9.30-12.30 - VAT Post Brexit - Dean Wootten

3rd Mar - 9.30-12.30 - Introduction to Accounting for and Auditing Charities - Richard Hemmings

4th Mar - 12.30-1.30 - Making a Positive Impression - Nicky Clough

9th Mar – 12.30-1.30 – Getting More from your Day – Nicky Clough

10th Mar – 9.30-12.30 – Introduction to Pension Scheme Accounts and Audit – Peter Herbert

11th Mar – 9.30-12.30 – Q&A with the File Review Team – Peter Herbert, Diane Nichols and Edward Rands

AML E-Learning Programme now available to purchase for on demand viewing.

For details of all courses in our Spring-Summer series, please click here

"Engaging and interesting. Works really well I thought. Excellent presentation and relevant content as always" Delegate, Autumn series

FAQs from recent courses

Audit

We keep hearing on audit courses about 'IPE'. What is this and what's the big deal?

IPE is 'information produced by the entity.' Regulators and file reviewers are keen that auditors take an appropriately professionally sceptical approach when auditing it, yet with many audits being undertaken remotely there's lots of it around. During a recent file review we found that a firm had carried out a post year end invoice review (testing accruals for understatement) by asking the client to download details of purchase invoices received between the year end and the date of the audit into an excel spreadsheet. The firm then checked that the relevant expenses had been recorded in the correct accounting period. They had – but without testing the process for the production of the spreadsheet how did the auditor know that the spreadsheet was complete? They didn't!

Interpersonal

How can I encourage my junior staff to pick up the phone to clients rather than relying on email?

We're developing a number of training modules for junior staff for firms currently and this point was raised by an audit partner. Her concern was that junior staff often shy away from actually speaking with clients and feel safer in raising and dealing with queries by email. Not only did this mean that opportunities to build client relationships were being lost but the junior staff missed out on key learnings.

Key listening and questioning skills are developed best by having a go. But the confidence to pick up the phone is often boosted by hearing other conversations and picking up tips, being able to seek informal advice and encouragement. Something that happened quite naturally when we were all in the office – much harder now we're all working remotely.

Something to think about is to include a session into a team meeting, encourage the team to talk about their experiences when speaking to clients. Who finds it easy, who doesn't? Actively encourage the habitual emailer to pick up the phone and to support them to do that. Maybe encourage them to have a quick run through of the conversation with a colleague or mentor beforehand.

Practice Regulation

### How often should I reissue my letters of engagement?

There is no prescribed frequency, but ethical requirements (and, where applicable, standards such as ISA 210) indicate that engagement terms should be kept up to date. So, for recurring engagements, the existing letter should be reviewed at the outset of each engagement, and consideration given to whether the information it contains is still valid – for example, references to who in the firm will be carrying out the work, relevant legislation and standards, whom we will communicate with at the client etc. Even where the terms remain up to date, it can be a good idea to reissue the letter periodically simply to ensure that everyone is sufficiently aware of it – maybe every three years is a good idea, although this is not set in stone.

From our recent Practice Regulation Update with Edward Rands

In a recent poll – Audit

How does your firm perform due diligence checks?

The percentage of firms using paper based measures based on this poll was higher than we would have expected. We find that more and more firms use electronic tools these days – though it is not mandatory. Where clients present a higher level of risk there is a requirement to do more checks (e.g. for sanction checks) and electronic tools can be very useful for that. The sophistication of electronic tools has also increased significantly in recent years such that they are also very useful in performing ongoing due diligence checks 'real time'. So don't rule them out. They can be a very useful tool in the practitioner's AML toolkit. Our AML E-Learning Programme tells you all you need to know and more about due diligence checks.
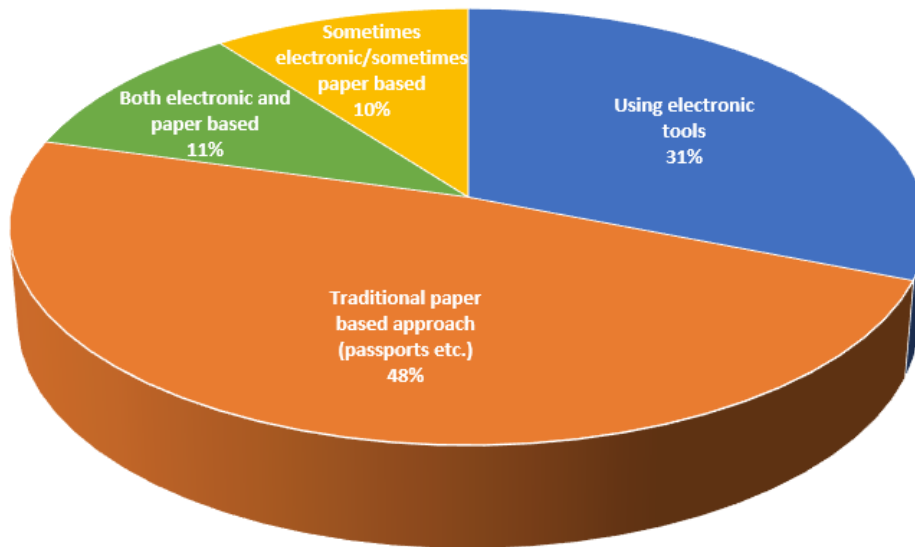
For further information on any of our services, please contact us at enquiries@insight-training.biz

Kind Regards, Liz