



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.

ISQM Toolkit

We are pleased to bring you access to a new ISQM Toolkit produced by our partners, Apex Professional Consulting Ltd. The toolkit is designed by a team of experienced audit file reviewers and trainers to be as friendly and easy-to-use as possible, whilst helping you to comply with ISQM (UK) 1's requirements. For more information about the toolkit, please [click here](#) or [contact us](#) to see how we can help.

Latest vlog

In this month's vlog, Peter Herbert [talks about](#) frequently asked questions on AML due diligence.



Latest blog

In June's [blog](#), James Charlton discusses the key issues in 2022 for preparers and auditors of academy accounts.



Upcoming courses

Our full schedule of public CPD courses can be browsed in our 2022 [brochure](#) and our [booking form](#) is available to download.

Date - Course - Presenter

8th June - 9.30-12.30 - [AML Update and Refresher](#) - Peter Herbert

13th June - 9.30-12.30 - [Auditing Groups](#) - Jeremy Williams

16th June - 9.30-12.30 - [Capital Taxes](#) - Ros Martin

22nd June - 9.30-12.30 - [Preparing Cash Flow Statements](#) - Jeremy Williams

23rd June - 9.30-12.30 - [Introduction to Academy Accounts](#) - James Charlton

5th July - 9.30-12.30 - [Academies Update](#) - James Charlton

27th Sept – 9.30-12.30 – [Autumn Tax Update](#) – Dean Wootten

Our 2022 AML E-Learning Programme now available to [purchase](#) for on demand viewing.

[To download our 2022 brochure please click here](#)

"Excellent delivery, easily understood with some good points raised." Delegate, Autumn series

FAQs from recent courses

Financial Reporting – Cash Flow Statements

Do cash flow statements get reviewed by cold file reviewers and what are the most common problems?

They do. Professional bodies look at cash flow statements with a very keen eye these days and cold file reviewers follow suit. There are two common issues in our experience. Firstly, weak descriptions of cash inflows and outflows, which simply results from a lack of care and attention. Secondly, the treatment of non-cash items as cash flows, a good example being where an entity has inceptioned a new HP or finance lease agreement during the year. In this case there is no cash flow – instead this should be treated as a non-cash transaction within the net debt note. Join Jeremy Williams on his upcoming [Preparing Cash Flow Statements](#) course for all his top tips.

Auditing - ISQM

Would you expect a smaller firm to have additional objectives to those in the ISQM - or just to stick with the ones that are already there?

It's not really to do with the size of a firm. It's to do with the whole range of nature and circumstances. Smaller firms probably won't – but it's perhaps a bit soon to say. Remember that there are 8 components within ISQM 1 – (1) risk assessment; (2) governance & leadership; (3) relevant ethical requirements; (4) acceptance and continuance; (5) engagement performance; (6) resources; (7) information and communication; and (8) monitoring and remediation.

There are established objectives for (2) – (6). We would perhaps expect firms to develop objectives for (7). We would not expect objectives for (1) or (8).

Interpersonal

Leading and Managing – what's the difference?

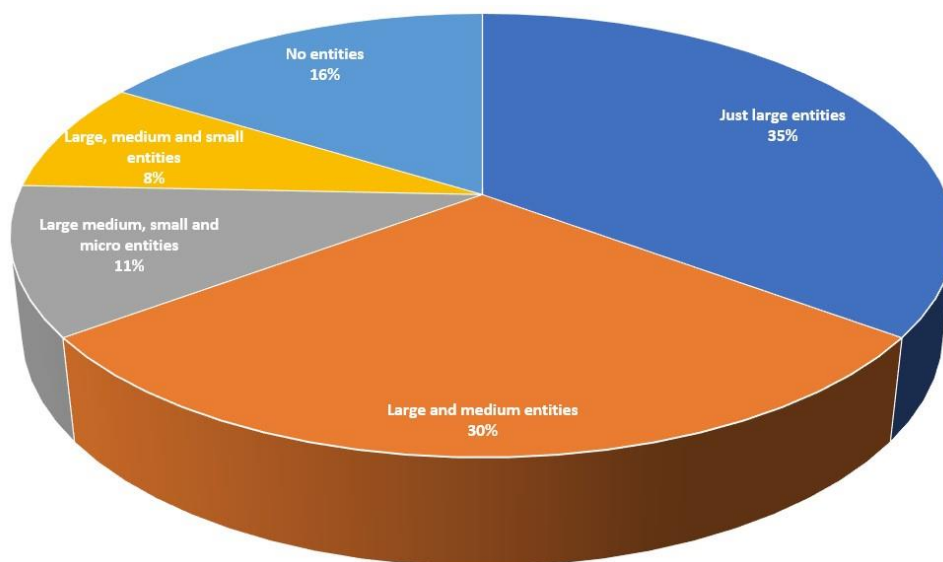
On our 'What Makes a Good RI' workshop we look at the important blend between the technical and soft skills needed to be effective. In the required competencies laid out in International Education Standard 8 (IES 8) there is a real focus on leadership. Leading the audit, leading the team and acting as a role model.

So, what is the difference between a manager and a leader? What does the RI need to step up to when taking on the role? This is always an interesting and important discussion.

In 'The Work of Leaders', Straw, Scullard et al refer to leadership being a one to many relationship and management being a one to one. Leaders are responsible for vision, alignment and execution. So that means setting the scene, setting the standard, setting clear objectives. Then making sure those that follow understand the vision, are aligned and committed to it and will then execute their work accordingly. With the current scrutiny on professional judgement and ethics this feels really important and is far more than raising review points on a file. At the end of the day 'a manager makes sure things are done right' whereas 'a leader makes sure that the right things are done'.

In a recent poll – Financial Reporting

Which entities do you think should apply the IFRS 16 approach when accounting for operating leases?



The IFRS 16 approach to leases brings all leases on balance sheet. This will be given very careful consideration by the FRC in advance of the next substantive revision of FRS 102, now likely to take effect from p/c 1 January 2025. A likely approach is to require any entity applying FRS 102 to adopt the IFRS 16 approach whilst allowing FRS 105 preparers to continue on the current basis. It's really too early to say though.

For further information on any of our services, please contact us at enquiries@insight-training.co.uk

Kind Regards, Liz



Insight Learning Solutions Ltd t/a Insight Training
1 Castleton Road, Hazel Grove, SK7 6LB
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