

MIA WEBINAR SERIES

# ISA 240 and Related Standards: Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements

Understand the key principles and objectives of ISA 240, the auditor's responsibilities, and acquire practical techniques for detecting and responding to fraud.

**1 & 2 August 2024 (Thursday & Friday), 9.00 am – 5.00 pm**



## ISA 240 and Related Standards: Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements

This comprehensive training programme on ISA 240, "Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements," is designed to equip auditors with the essential knowledge and skills to identify and address fraud risks effectively.

Explore the key principles and objectives of ISA 240, understand the auditor's responsibilities, and learn practical techniques for detecting and responding to fraud.

Through interactive sessions, real-life case studies, and group discussions, gain a deeper insight into fraud risk assessment and the implementation of robust audit procedures to ensure the integrity of financial statements.

### OBJECTIVES

This programme seeks to help you:

- Gain a comprehensive understanding of the principles and requirements of ISA 240, focussing on the auditor's responsibilities related to fraud in financial statements.
- Learn to effectively identify and assess fraud risks within an organisation, including understanding the types and characteristics of fraud schemes.
- Acquire practical skills to design and implement audit procedures that address identified fraud risks and ensure a thorough examination of financial statements.
- Develop the ability to apply professional scepticism and critical thinking when evaluating evidence and making audit judgments related to potential fraud.
- Analyse real-life case studies to illustrate common fraud scenarios, audit failures, and best practices in detecting and responding to fraud.

### METHODOLOGY

A highly interactive learning session with trainer/speaker-led facilitation, live Q&As, quick polls/surveys, self-assessment quizzes and participant's feedback on learning outcome achievement.

### WHO SHOULD ATTEND

- Audit Partners, Auditors, and Staff of Audit Firms
- Group Financial Controllers and Accountants
- Finance Managers
- Academicians

### SPEAKER/TRAINER

#### J SELVARAJAH

*FCA, FCPA(Aust), CAANZ, CA(M), CPA, ASEAN CPA, FIPA(Aust), FFA(UK), ACTIM, B.Com(Acc)*

J Selvarajah is the senior partner of a professional practice, which is a member of an international network of accounting and consulting firms, and he is the network's current Chairman. He has 51 years of experience in public practice audit and assurance services and has performed investigative audits on accounting malpractices, embezzlement, and money laundering.

He is also an internal auditor for several public listed companies and SMEs, is actively engaged in advisory work for his clients, and delivers seminars and training in Malaysia and the ASEAN region. He holds a B.Com(Acc) from New Zealand, SSM's Practising Certificate for Company Secretaries, and is a member of MIA, MICPA, ICAEW, CAANZ, CPA Australia, ASEAN CPA, CTIM, and is an HRDC Certified Trainer.

# ISA 240 and Related Standards:

## Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements

### PROGRAMME OUTLINE

#### DAY 1

8.30 am –9.00 am	Participants login to join the webinar	1.00 pm –3.00 pm	<b>SESSION 3</b> <ul style="list-style-type: none"> <li>Audit Procedures and Responses to Assessed Fraud Risks (continued)               <ul style="list-style-type: none"> <li>&gt; Designing and implementing appropriate audit procedures                   <ul style="list-style-type: none"> <li>» Management Override of Controls:                       <ul style="list-style-type: none"> <li>- Evaluating the risk of management override of controls</li> <li>- Designing procedures to detect instances of management override, such as reviewing unusual transactions, estimates, and one-time entries</li> </ul> </li> <li>» Unpredictability in Audit Procedures:                       <ul style="list-style-type: none"> <li>- Incorporating elements of unpredictability in audit procedures to reduce the risk of circumvention by management or employees</li> <li>- Varying the timing, extent, and nature of audit procedures each year</li> </ul> </li> <li>» Inquiry and Observation:                       <ul style="list-style-type: none"> <li>- Conducting inquiries with management and other personnel about their views on fraud risks</li> <li>- Observing and inspecting processes and procedures to identify potential fraud indicators</li> </ul> </li> </ul> </li> </ul> </li> </ul>
9.00 am –10.30 am	<b>SESSION 1</b> <ul style="list-style-type: none"> <li>Introduction to ISA 240 and Related Standards               <ul style="list-style-type: none"> <li>&gt; Overview of ISA 240 and its objectives</li> <li>&gt; Relationship between ISA 240 and other ISAs (ISA 315, ISA 450, ISA 580, ISA 260, ISA 265)</li> <li>&gt; Importance of fraud detection in the audit process</li> </ul> </li> <li>Characteristics of Fraud               <ul style="list-style-type: none"> <li>&gt; What is fraud in the context of ISAs</li> <li>&gt; Understanding the fraud triangle</li> <li>&gt; Types of fraudulent financial reporting and misappropriation of assets</li> <li>&gt; Distinguishing fraud from error</li> <li>&gt; Fraud and fraud risk factors—explanation &amp; examples</li> <li>&gt; Misstatements in financial statements—intentional or unintentional</li> <li>&gt; Responsibility for the prevention and detection of fraud</li> </ul> </li> </ul>	3.00 pm –5.00 pm	<b>SESSION 4</b> <ul style="list-style-type: none"> <li>Audit Procedures and Responses to Assessed Fraud Risks (continued)               <ul style="list-style-type: none"> <li>&gt; Designing and implementing appropriate audit procedures                   <ul style="list-style-type: none"> <li>» Use of Specialists (Service Providers):                       <ul style="list-style-type: none"> <li>- Engaging forensic experts or other specialists to assist in areas with high fraud risk</li> <li>- Utilising their expertise to design and implement more effective audit procedures</li> </ul> </li> <li>» Review of Accounting Estimates:                       <ul style="list-style-type: none"> <li>- Evaluating the reasonableness of significant accounting estimates and judgments made by management</li> <li>- Assessing the potential for bias or manipulation in estimates</li> </ul> </li> <li>» Evaluation of Audit Evidence:                       <ul style="list-style-type: none"> <li>- Assessing the sufficiency and appropriateness of audit evidence gathered</li> <li>- Reevaluating the risk assessment if audit evidence suggests a higher fraud risk than initially assessed</li> </ul> </li> <li>» Communication and Documentation:                       <ul style="list-style-type: none"> <li>- Documenting the audit procedures performed and the rationale for their selection</li> <li>- Communicating findings and recommendations to those charged with governance and management</li> </ul> </li> <li>» Follow-up on Fraud Indicators:                       <ul style="list-style-type: none"> <li>- Investigating any identified fraud indicators or red flags</li> <li>- Taking appropriate action based on the findings of the investigation</li> </ul> </li> </ul> </li> <li>&gt; Addressing identified risks of material misstatement due to fraud</li> <li>&gt; Evaluation of audit evidence</li> <li>&gt; Communication of fraud findings within the audit team</li> </ul> </li> </ul>
10.30 am –12.00 pm	<b>SESSION 2</b> <ul style="list-style-type: none"> <li>Identifying and Assessing Fraud Risks (ISA 315)               <ul style="list-style-type: none"> <li>&gt; Risk assessment procedures and related activities</li> <li>&gt; Understanding the entity and its environment</li> <li>&gt; Identifying and assessing the risks of material misstatement due to fraud</li> <li>&gt; Documentation requirements</li> </ul> </li> <li>Audit Procedures and Responses to Assessed Fraud Risks               <ul style="list-style-type: none"> <li>&gt; Designing and implementing appropriate audit procedures                   <ul style="list-style-type: none"> <li>» Developing an Audit Strategy:                       <ul style="list-style-type: none"> <li>- Establishing an overall audit strategy to address fraud risks</li> <li>- Determining the nature, timing, and extent of audit procedures to respond to assessed fraud risks</li> </ul> </li> <li>» Testing Controls                       <ul style="list-style-type: none"> <li>- Evaluating the design and implementation of internal controls related to fraud prevention and detection</li> <li>- Testing the operating effectiveness of relevant controls</li> </ul> </li> <li>» Substantive Procedures:                       <ul style="list-style-type: none"> <li>- Designing substantive procedures that directly address identified fraud risks</li> <li>- Performing analytical procedures and detailed testing to identify anomalies or red flags</li> </ul> </li> <li>» Journal Entry Testing:                       <ul style="list-style-type: none"> <li>- Identifying and testing significant or unusual journal entries</li> <li>- Analysing the appropriateness and authorisation of journal entries</li> </ul> </li> <li>» Revenue Recognition Testing:                       <ul style="list-style-type: none"> <li>- Assessing the risk of fraud in revenue recognition</li> <li>- Performing specific procedures to test the accuracy and completeness of revenue transactions</li> </ul> </li> </ul> </li> </ul> </li> </ul>	5.00 pm	End of Day 1
12.00 pm –1.00 pm	Break		

NOTE: The order of topics to be covered may be revised at the trainer/speaker's discretion.

# ISA 240 and Related Standards:

## Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements

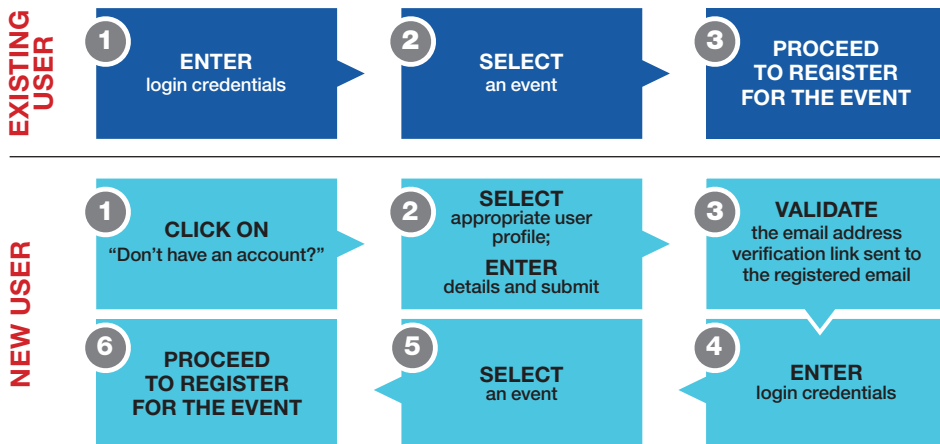
### DAY 2

8.30 am –9.00 am	Participants login to join the webinar
9.00 am –10.30 am	<b>SESSION 1</b> <ul style="list-style-type: none"> <li>Evaluating and Documenting Audit Findings (ISA 450)               <ul style="list-style-type: none"> <li>&gt; Evaluating misstatements identified during the audit</li> <li>&gt; Documenting audit findings related to fraud</li> <li>&gt; Considering the implications of fraud on the audit</li> </ul> </li> </ul>
10.30 am –12.00 pm	<b>SESSION 2</b> <ul style="list-style-type: none"> <li>Written Representations (ISA 580)               <ul style="list-style-type: none"> <li>&gt; Obtaining written representations from management</li> <li>&gt; The role of written representations in detecting fraud:                   <ul style="list-style-type: none"> <li>» Corroborative Evidence:                       <ul style="list-style-type: none"> <li>- Written representations serve as corroborative evidence to support other audit evidence gathered during the audit process</li> <li>- They help to confirm the accuracy and completeness of the information provided by management and those charged with governance, reducing the risk of misstatements due to fraud</li> </ul> </li> <li>» Assessment of Management's Integrity and Awareness:                       <ul style="list-style-type: none"> <li>- Obtaining written representations allow auditors to assess management's integrity and their awareness of potential fraud risks within the organisation.</li> <li>- Representations related to the absence of fraud, or disclosures of known fraud, provide insights into management's commitment to ethical practices and internal controls</li> </ul> </li> <li>» Evaluating the reliability of written representations</li> </ul> </li> </ul> </li> </ul>
12.00 pm –1.00 pm	Break
1.00 pm –3.00 pm	<b>SESSION 3</b> <ul style="list-style-type: none"> <li>Communicating with Those Charged with Governance (ISA 260 and ISA 265)               <ul style="list-style-type: none"> <li>&gt; Communicating findings related to fraud</li> <li>&gt; Required communications with those charged with governance</li> <li>&gt; The impact of fraud on the auditor's report</li> <li>&gt; Strategies for effective communication and follow-up</li> </ul> </li> </ul>
3.00 pm –5.00 pm	<b>SESSION 4</b> <ul style="list-style-type: none"> <li>Case Studies and Practical Exercises               <ul style="list-style-type: none"> <li>&gt; Analysis of real-life fraud case studies:                   <ul style="list-style-type: none"> <li>» Case Study Analysis: Financial Statement Fraud</li> <li>» Journal Entry Testing Simulation</li> <li>» Revenue Recognition Audit Exercise</li> <li>» Management Override of Controls</li> <li>» Fraud Risk Brainstorming Session</li> </ul> </li> <li>&gt; Group discussions and interactive sessions</li> <li>&gt; Practical exercises on identifying and responding to fraud risks                   <ul style="list-style-type: none"> <li>» Lessons learned and best practices for fraud detection and prevention</li> </ul> </li> </ul> </li> <li>Question and Answer Session</li> </ul>
5.00 pm	End of Webinar

NOTE: The order of topics to be covered may be revised at the trainer/speaker's discretion.

## REGISTRATION PROCESS

- To view more events and download the full brochure, please visit: [pd.mia.org.my](http://pd.mia.org.my)
- Search and select the event
- Click 'Register' to experience the new system by continuing with the respective steps below:



For any assistance, please call (8.45am-5.30pm, Monday-Friday)

**MIA Help Desk @ 603-2722 9000**

## TERMS &amp; CONDITIONS FOR WEBINARS

## WEBINAR FEE

- Fee is payable to MALAYSIAN INSTITUTE OF ACCOUNTANTS
- For selected webinars, the fee includes e-materials.
- Individual Registration:** Full payment shall be made at the point of online registration.
- Corporate Registration:** Full payment shall be made within thirty (30) days from the date of the invoice or 1 day before the webinar, whichever earlier.
- Access to join the webinar shall be granted only upon full payment as per the above requirement.

## WEBINAR ACCESS LINK

- The Access Link will be emailed at least 24-hours before the commencement of the webinar.
- The Access Link is unique and should not be forwarded/shared with others.

## PAYMENT MODE

- Payment must be made through the **electronic channels i.e. online payment via the MIA member service portal and electronic fund transfer (EFT).**
- Payment by **cash and cheque is NOT ACCEPTABLE** effective from 1 January 2022.

## HRD CORP (FOR CLAIMABLE EVENTS ONLY)

- MIA is an approved Training Provider registered under 'Institut Akakuntan Malaysia' (MyCoID: 631967).

## Employer's Obligations

- To ensure grant approval is obtained prior to event registration and to provide the Grant ID notification upon event registration.
- To make full payment to MIA as per the issued Invoice within 14 working days upon receipt of MIA's notification in the event the approved training fee is cancelled by HRDC due to non-compliance on the part of the participant or his/her employer or any valid reasons stipulated by HRDC.
- To settle the balance payment to MIA within 14 working days upon receipt of MIA's notification in the event only partial claim is approved by HRDC. MIA will provide copy of the original invoice and will not issue a new invoice for the balance amount.
- If employer has made payment prior to grant approval, a refund will be made to employer subject to reimbursement received from HRDC. Refund will be made upon receipt of duly completed employer's EFT Form.
- To provide required information and/or documents after completion of event for the purpose of HRDC Claim within 7 working days upon receipt of MIA's notification.

## CANCELLATION

Should the participant decide to cancel his/her enrolment, a cancellation policy shall be applied as follows:

- For written cancellation received with minimum seven (7) days' notice from the date of the webinar, no penalties will be imposed and full refund will be made to participants who have paid.
- For written cancellation received less than seven (7) days from the date of the webinar, an administrative charge of 20% of the registration fee will be imposed. Unpaid registrations will also be liable for a 20% administrative charge.
- No refunds will be made for written cancellations received on the day of the webinar or for participants who failed to join the webinar. Unpaid registrations will also be liable for full payment of the registration fee.
- Replacing registered participants is not allowed.
- Paid registration that is cancelled can opt to transfer the paid amount to future event(s) after deducting any applicable administrative charges.
- The transfer request to future event(s) should be confirmed by Corporate/Individual within three (3) days after cancellation otherwise the cancellation will be confirmed with refund action. Transfer request will not be entertained after the refund is processed.
- Corporate/Individual is required to top-up the balance amount if the amount to be transferred to the future event is insufficient.

- Any excess amount after transfer will be refunded to the Corporate/Individual's bank account as provided in the EFT form.
- Corporate/Individual is required to provide the EFT form each time when a refund is requested.

## PARTICIPANT'S CLASSIFICATION AND INFORMATION

Category: Corporate/Individual

- Please select the participant classification carefully as it determines the fee payable. No alteration will be allowed upon registration.
- The information on Corporate/Individual provided shall be deemed true and correct. No alteration will be allowed upon registration.

## METHODOLOGY, CERTIFICATE OF ATTENDANCE AND CPE CREDIT HOURS

- Live Q&As, quick polls/surveys will be carried out throughout the webinar.
- For selected webinars, pre and/or post course materials will be shared with participants.
- Self-assessment quizzes at the beginning as well as at end of the webinar will be given to enable participants to self-evaluate themselves on their learning performance and level of understanding of the programme content.
- Participants will be issued with an e-certificate of attendance and awarded CPE credit hours upon strict compliance of the following terms:**
  - Remain logged in at least 80% of the time allocated for the webinar,
  - Submit the post-course evaluation on learning outcome within 3 days after the completion of the webinar (late submission of the post-course evaluation will not be entertained).
- CPE credit hours will be credited into the MIA Member Services Portal within 14 days of the webinar for participants who have complied with all terms and conditions stipulated herein.
- Listening to pre-recorded webinar and/or reading from past webinar e-material shall not qualify as structured CPE credit hours.

## COPYRIGHT

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## DATA PROTECTION

Information given by the participants to MIA is true, accurate and to the best of their knowledge. The participants have read and agreed with the Privacy Notice as stated on MIA's official website and therefore, allow MIA to collect, process, store and use the participants' data other than what is provided under the Personal Data Protection Act 2010.

## EXCLUSION OF LIABILITY

This webinar shall not constitute an endorsement of the speaker(s) by MIA and MIA shall not be liable for whatsoever circumstances arising from any engagement between the speaker(s) and the webinar's participants.

## DISCLAIMER

Malaysian Institute of Accountants (MIA) reserves the right to change the speaker(s), date(s), time(s) and to cancel the webinar should circumstances beyond its control arise. MIA shall not be responsible for any costs, damages or losses incurred by the participant due to the changes and/or cancellation. MIA also reserves the right to make alternative arrangements without prior notice should it be necessary to do so. Upon registering, you are deemed to have read and accepted the terms and conditions herein.

## WEBINAR FEES

Member/Member Firm	RM 850
Non-member	RM 1,050

*Preferred Payment: Pay with MIA-CIMB Affinity Credit Card.*

## WEBINAR DETAILS &amp; REGISTRATION

1 & 2 August 2024 (Thursday & Friday)

Session 1 : 9.00 am – 10.30 am  
 Session 2 : 10.30 am – 12.00 pm  
 Session 3 : 1.00 pm – 3.00 pm  
 Session 4 : 3.00 pm – 5.00 pm

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## HRD CORP (For Claimable Events Only)

Training Programme No.: 10001434637

Scheme Code : HRD Corp Claimable Courses  
 –Skim Bantuan Latihan Khas

Type of Training : Remote Online Training (Public)