



Federation of European Accountants
Fédération des Experts comptables Européens

FEE SME Conference Effective audit of SMEs

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SME Audits – Some needs and characteristics

- Small audit team (less need for project management)
- Simple business model and processes makes it easy to get overview
- Mostly year-end audits with substantive approach and none or few significant risks
- Need efficient tool to ensure compliance with documentation requirements
- Need for efficient, scalable and easy-to-use tool to be competitive
- Need for risk based - methodology that support link from planning during the audit to conclusions

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Key functionality in audit tool

- Simplified approach
 - ↻ Minimum documentation
 - Input cells guide auditors and build documentation
 - ↻ Workflow based with risk as a integrated part
 - Cover many standard requirements in key procedures
- Support and guide the auditors
 - ↻ Understandable structure guide auditors through the workflow
 - ↻ Easy access to ISAs, methodology, enablers, examples
 - ↻ Diagnostics to ensure compliance in key areas
 - ↻ Easy access to guidance in every step in the workflow
 - ↻ Easy to create or copy engagement to able to reuse information

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Key functionality in audit tool

- Substantive approach support
 - ↻ Need for some control testing
 - ↻ Limited and minimum internal control understanding
 - ↻ Audit procedures-document
 - Audit program and work paper in same document reduce time for reviewer and reduce redundant documentation
 - Easy to attach and access all kind of files
- Summary screen/documents build by the tool
- Number integration
- Easy to roll forward and reuse prior years work
- Easy to update and deploy changes to users

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Workflow in SME Audits - Planning

Procedures

Team
Discussions

Planning
Analytical
Review

Inquires of
Management

Documentation requirements

ISA 210

ISA 240

ISA 250

ISA 315

ISA 501

ISA 550

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Thank you

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