

Financial Statement Fraud

Summary

Fraud in financial statements continues to plague investors, lenders, business leaders and auditors. Despite tough regulatory requirements like those in the Sarbanes-Oxley Act, financial fraud schemes still surface on a very regular schedule.

Using examples and real-life cases, this program will show participants what can go wrong, what it looks like, and what they can do about it. Tips for prevention, quick detection and efficient response will be provided, including action steps that managers and auditors can use immediately on the job. You can build the last line of defense in protecting investors, lenders and others against fraudulent financial assertions by applying the ideas in this program.

Learning Objectives

This course will teach participants how to:

- Identify schemes involving misrepresentation and fraud in financial statements
- Find the red flags and indicators of financial statement fraud
- Build an anti-fraud defense
- Handle financial statement fraud incidents

Program Content

- Why professional auditors miss fraud
- The three C's of financial statement fraud: Commission, Conversion and Concealment
- Example fraud risks in financial statements
- Revenue management schemes
- Overvalued assets and underreported liabilities
- Expense reporting schemes
- Disbursement fraud schemes
- Special challenges from related party relationships
- The CPA's role in preventing and detecting financial statement fraud
- Audit engagement fraud risks
- Fraud Prevention: helping management create an anti-fraud environment
- Fraud risk assessment during audit planning
- Monitoring suggestions
- 10 best practices

Instructional Method, Program Length and Continuing Education Credits

This seminar utilizes a combination of lecture, discussion and short exercises. The minimum program length is one full day. A tailored two-day deep-dive version is available upon request. In accordance with the standards of the National Association of CPE Sponsors, Continuing Professional Education credits have been granted based on a 50-minute hour. National Registry of CPE Sponsors ID Number: 108226

Program Level:	Intermediate
Prerequisites:	Some knowledge of financial statement fraud exposures
Advance Preparation:	None
Delivery Method:	Group-Live
Field of Study:	Accounting or Auditing – depending on program tailoring
Recommended CPE Credits:	8 credits (16 credits for tailored two-day version)