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audit report is released. Those attending usually include the audit team, management of the audited entity such as the Dean, Chairperson, and Director, as well as others that the audit client wishes to invite. After the exit meeting and once the audit client has provided responses and comments, the draft report is distributed to the Vice President, Dean, and other levels of executive management responsible for the department or function for review and comment before the final report is issued. Final Audit Report - The final audit report is addressed to the University President and copies are provided to appropriate levels of University management, the Board of Regents, the UT System Audit Office, and required state agencies. Return to top Follow-up There will be occasions when corrective actions to resolve an audit issue will not be accomplished until after the audit report has been finalized. In these cases, follow-up will be performed on the previously reported recommendations to determine whether corrective action plans have been effectively implemented and that expected results are being achieved. Depending on the severity of the audit issue, follow-up activities could include interviewing staff, reviewing updated procedures or documentation, or re-auditing the processes that originally led to the audit issue. A summary of the status of all open findings is presented at each quarterly Institutional Audit Committee (IAC) meeting. If actions plans are not completed by the expected date of implementation, a letter must be sent by the responsible individual to the IAC explaining why the date was not met and when the action will in fact be completed. If the date is missed a second time, the responsible individual must provide an explanation to the IAC in person. Return to top The audit can be regarded as an extremely important process that helps ensure that the financial statements that are issued by the company are free from any material misstatements.Additionally, it is also supposed to give a guarantee to the investors that the internal transactions of the company have been checked and verified, and there are no questionable aspects within the books of the company, to say the least.In this regard, it is quite important to ensure that auditors are well aware of their responsibility to properly conduct the audit, and give their opinion based on professional judgments that are not clouded by improperly executed strategy.Therefore, in this regard, the process of audit planning tends to hold tantamount importance owing to the fact that it helps auditors prepare and present a viable strategy that can help them to achieve the required objectives, in due time.The process of audit planning requires a stringent study of the inherent systems within the organizations, which helps to conduct a useful risk analysis, in order to ascertain the relevant degree of audit risks associated with the audit. It is extremely useful for the process to be carried out and executed in a smooth manner.The importance of audit planning mainly lies in the realm of ensuring that auditors are able to effectively evaluate the relevant risks associated with the audit process so that they can strategize, and come up with ways to mitigate the risk.In addition to this, audit planning also tends to be highly important because of the following reasons:Firstly, it is considered an important part of the audit process because of the reason that it helps the auditor to decide upon areas that require urgent attention to important areas within the audit process. More importantly, it also calls for auditors to plan their audit in a way that helps them focus on important areas more, and less relevant areas later on during the course of the audit.Secondly, Audit Planning tends to be an increasingly important task because of the fact that it helps the auditors to identify issues and high-risk elements on a timely basis. This can further help them to address these concerns in a timely manner too, which saves a considerable amount of time. For example, they might need additional documents to justify a transaction of considerable size. In this case, they can ask their client to arrange for the documents in a proper manner.They can also help auditors properly organize and manage the audit engagement, where they are able to allocate their time and resources in an effective manner. This is something that is greatly going to help them plan their activities bearing in mind the time constraint that they have, and major auditing assertions they have to cover during this time period.Audit planning is also important in order to ensure that auditors are able to structure their audit teams bearing in mind the scope of the overall audit that is supposed to be conducted. In order to appropriately structure the team based on the capabilities and resources that are required for the audit.Most importantly, audit planning really helps the auditors to effectively decide on the direction of the audit process, so that they are able to supervise the work of the engagement team members after the work has been completed. This is a highly important process because of the reason that it acts as a quality control parameter, which can help them to evaluate their performance after the audit has been completed, in comparison to the audit statements presented.In the same manner, it can also be seen that audit planning helps auditors to adopt a more structured approach to the audit process so that they are able to execute the audit in a much more effective manner.Therefore, it can be seen that audit planning can be termed as a highly crucial aspect of the overall process. It is supposed to be one of the earliest processes within an audit, and hence, it holds tantamount importance in determining the trajectory of the audit that is going to be conducted.Related article WHAT IS THE AUDIT COMMITTEE CHARTER?As a matter of fact, audit planning helps auditors, as well as clients to collaborate in an organized manner, in order for better results to be achieved in a lesser time frame possible. Therefore, this process must be given the required attention it deserves, so that the latter part of the audit can be conducted in a smooth manner.