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Internal Control and Fraud Detection

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Preface

Internal Control and Fraud Detection covers the essential tools you need to perform internal-control related services. It will take you through your clients' responsibility to design and implement programs and controls to prevent, deter, and detect fraud. It touches on internal control over financial reporting in accordance with Section 404 of the Sarbanes-Oxley Act — "Enhanced Financial Disclosures, Management Assessment of Internal Control" — which mandates sweeping changes. Additionally Section 404, in conjunction with the related SEC rules and Auditing Standard (AS) No. 5, An Audit of Internal Control Over Financial Reporting Performed in Conjunction with an Audit of Financial Statements, established by the Public Company Accounting Oversight Board (PCAOB), requires that the management of a public company and the company's independent auditor issue two new reports at the end of every fiscal year. These reports must be included in the company's annual report filed with the Securities and Exchange Commission (SEC).

This course also covers Management's Antifraud Programs and Controls and the risk factors included in SAS No. 99. A major section then deals with forensic accounting, a specialty requiring the integration of investigative, accounting, and auditing skills. The forensic accountant looks at documents and financial and other data in a critical manner in order to draw conclusions, to calculate values, and to identify irregular patterns and/or suspicious transactions. As experts in this area, forensic accountants understand the fraud risk areas and have extensive fraud knowledge and experience of dealing with the application of accounting facts gathered through auditing methods and procedures to resolve legal problems. They do not merely look at the numbers but, rather, look critically behind the numbers in search of significant patterns.

Finally, *Internal Control and Fraud Detection* provides its readers with practical guides and checklists such as indicators of financial crime, the ACFE's fraud prevention checkup, an internal control assessment form, computer applications checklist, and financial reporting information systems and controls checklist.

All in all, this course will guide its readers to expertise in a specialist, but essential, area of managing their business.

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| Field of Study | Auditing |
| Level of Knowledge | Overview |
| Prerequisite | None |
| Advanced Preparation | None |

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