

QUESTIONS AUDIT COMMITTEES SHOULD CONSIDER IN THE CURRENT ENVIRONMENT

As audit committees weigh the practical challenges of accounting, reporting and disclosing the impacts of COVID-19, the following series of questions are designed to assist audit committees in execution of their oversight roles and responsibilities to ensure the performance of high-quality audits and issuance of transparent and reliable financial reporting.

AUDIT-SPECIFIC QUESTIONS

- What unintended consequences of COVID-19 may increase incentives or pressures on management that may result in management override of controls?
- Are we able to ensure continued proper segregation of duties and monitoring controls given changing physical work situations?
- Have any significant risks or material weaknesses been identified as a result of impacts from COVID-19?
- What changes in risk assessments have auditors determined need to be made and how will that impact the audit strategy?
- Are there known impediments—either by management or by the auditors—that may delay timely filing of financial statements? (e.g., lack of access or ability to obtain audit evidence or other information)
- What additional resources or expertise may be needed by management to properly account for judgments or estimates or changes related to circumstances brought on by COVID-19?
- What additional efforts may be required by the auditor to ensure the performance of a high-quality audit?
- Does my audit firm have the depth of or access to resources adequate to address complex accounting and auditing questions, including industry-specific matters, as they arise?
- Do my management teams, as well as my auditors, have the ability to properly supervise and direct the work of their staff and teams?
- Are there additional challenges in performing auditing procedures due to multi-geographical considerations?
- Has COVID-19 impacted circumstances that may call into question the entity's ability to continue as a going concern? What are management's plans to address? How do these impact the auditor's going concern evaluation?
- Are there any auditor independence issues that have arisen with respect to COVID-19?