Interactive Workshop:
Effective Audit Testing: Techniques and Sampling

Course duration: 1 – 3 day / 7-21 CPE



Course description:

This workshop provides internal auditors with a **practical understanding** of audit **testing techniques** and how to select and perform appropriate tests to obtain sufficient, relevant and reliable audit evidence. Participants will explore different testing methods, including **tests of controls, substantive testing, analytical procedures**, inspection, observation, inquiry, recalculation, reperformance and external confirmation. Particular emphasis is placed on distinguishing **control design testing** from **operating effectiveness** testing.

The workshop also covers **statistical and non-statistical sampling methods**, sample size determination, and the interpretation of sampling results. Participants will learn how to document test procedures and evidence, evaluate exceptions, identify root causes, assess control effectiveness and communicate findings clearly. Practical examples and exercises help participants apply the techniques throughout the audit engagement.

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Content:

Module 1: Audit Testing Fundamentals

- Defining audit objectives, scope and test criteria
- Developing the audit programme and identifying evidence requirements
- Selecting tests based on risk and control objectives

Module 2: Audit Testing Techniques

- Tests of controls, substantive testing and analytical procedures
- Inspection, observation, inquiry, confirmation and recalculation
- Reperformance, cut-off testing and selecting appropriate test methods

Module 3: Control Design and Operating Effectiveness

- Assessing whether controls are appropriately designed and implemented
- Testing whether controls operate consistently and effectively
- Identifying control weaknesses and determining the implications for audit testing

Module 4: Developing and Executing Audit Tests

- Defining test attributes, criteria and expected results
- Selecting items and documenting test procedures
- Gathering, evaluating and cross-referencing audit evidence

Module 5: Audit Sampling Techniques

- Non-statistical sampling: judgmental, convenience and haphazard
- Statistical sampling: random, systematic, stratified, cluster and sequential
- Defining the population and selecting a representative sample

Module 6: Statistical Sampling and Sample Size

- Understanding confidence levels, margins of error and expected variability
- Calculating sample sizes, including finite population considerations
- Applying stratified sampling to skewed populations

Module 7: Evaluating Test Results

- Identifying and documenting exceptions and deviations
- Distinguishing isolated incidents from recurring or systemic weaknesses
- Investigating root causes and assessing control effectiveness

Module 8: Documentation and Reporting

- Preparing clear, complete and reproducible audit workpapers
- Linking test objectives, procedures, evidence and results
- Formulating conclusions and communicating findings effectively

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Learning objectives

- Select appropriate audit testing techniques based on audit objectives and assessed risks.
- Distinguish between control design testing and operating effectiveness testing.
- Develop and execute effective audit test procedures.
- Select appropriate statistical and non-statistical sampling techniques.
- Determine sample sizes using key statistical parameters.
- Evaluate test results, identify exceptions and investigate root causes.

Who Should Attend

- Internal auditors at all levels
- Audit managers and team leaders
- New or aspiring internal auditors
- Risk and control professionals involved in control testing
- Compliance professionals performing assurance activities

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Instructor:



Isabella Arndorfer *(CIA, CCSA, CFSA, mediator) is an experienced Internal Audit and Governance specialist with more than 20 years of experience in the financial sector. She was working as Internal Audit Manager in the Internal Audit Department of the Bank for International Settlements (CH) and at the International Monetary Fund (US) from 2003 to 2023. She has led and conducted audits in the Banking Department, General Secretariat and Monetary and Economic Department, specialising in internal controls and corporate governance issues of financial institutions.*

She has lectured on internal audit and governance at central bank seminars across Asia and Europe, as well as at the University of St. Gallen, Switzerland. She regularly delivers lectures and training sessions for various IIA Chapters, including those in Germany, Austria, Slovenia, Cyprus and Greece, and for Risk.net, a specialist training and information platform for the financial services industry.

She holds a degree in Business Administration of the University of Economics in Vienna (Austria) and a Masters Degree of International Management from ESADE, Barcelona, Spain. She is a Certified Internal Auditor (CIA), a Certified Financial Services Auditor (CFSA) and holds a CCSA (Certificate of Control Self Assessment) from the Institute of Internal Audit (IIA), Florida, USA. In 2023, she founded the training platform www.cpetrainer.com and has been providing freelance consultancy services in audit, risk management, compliance, and governance through her company, www.ia-advisory.com.

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