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Remote auditing: A brave new world

The pandemic has presented numerous challenges for businesses, but it also taught us how to be resilient, cost-conscious and adaptable. Over the last few years, we've learned that remote working arrangements offer many benefits, including reducing the time and cost of performing many tasks. Here's how these lessons translate to the work *auditors* do to prepare your company's financial statements.

Transitioning from on-site to remote procedures

Traditionally, audit fieldwork has involved a team of auditors camping out for weeks (or even months) in one of the conference rooms at the headquarters of the company being audited. Now, thanks to technological advances — including cloud storage, smart devices and secure data-sharing platforms — many audit firms conduct certain auditing procedures remotely, rather than sending auditors on-site.

For example, drones and video-conferencing technology can be used to observe physical inventory counts, eliminating the expense of sending auditors to facilities that store inventory. For companies with multiple sites, performing this task in-person was costly and difficult to schedule, especially around the holidays.

In addition to saving time and audit fees, allowing auditors to work remotely improves the work-life balance for auditors and in-house accounting personnel. Your employees won't need to stay glued to their desks for the duration of the audit, because they can respond to the auditor's inquiries and document requests remotely.

Facilitating remote work

The transition to remote audits requires flexibility, including a willingness to embrace the technology needed to exchange, review and analyze relevant documents. You can assist the transition process by:

Being responsive to electronic requests. Auditors who are out of sight shouldn't be out of mind. Answer all remote requests from your auditors in a timely manner. If a key employee will be on vacation or out of the office for an extended period, give the audit team the contact information for the key person's backup.

Giving employees access to the requisite software. Sharing documents with remote auditors may require you to install specific software on employees' computers. But your company's policies may prohibit employees from downloading software without approval from the IT department.

Before remote auditors start their work, ask for a list of software and platforms that will be used to interact with in-house personnel. Give the appropriate employees access and authorization to share audit-related data from your company's systems. Work with IT specialists to address any security concerns they may have with sharing data with the remote auditors.

Tracking audit progress. With less face-to-face time with your auditors, you'll have fewer opportunities to receive updates on the team's progress. Ask the engagement partner to explain how they'll track the performance of their remote auditors, and how they plan to communicate the team's progress to in-house accounting personnel.

Right for your business?

Remote audits have become popular, but not every audit firm or business is ready to fully embrace remote auditing. [Contact us](#) to discuss ways to make your company's next audit more efficient and cost-effective.