COURSE OVERVIEW:

Understanding your organization’s investment and derivative strategy essential in the analysis of risk. Are you prepared to understand and analyze the risks associated with your organization’s derivative instruments? This course is designed to educate auditors on risks and controls of derivative activities. It is designed for both experienced capital markets auditors. Attendees will reinforce and refresh fundamental concepts in investments and derivatives, understand risks and risk management practices, and develop a foundation to perform a meaningful, effective audit of their organization’s derivative activities.

ATTENDEES WILL (NASBA Learning Objectives)

Obtain an understanding of derivative products and how they work

Understand how to assess your organization’s derivative strategy

Learn about front office, middle office, and back office activities

Identify and assess derivative risks

Develop audit programs to effectively audit derivative instruments

COURSE OUTLINE (16 CPE)

*Day 1:*

Derivative products and features

* Futures
* Forwards
* Options
* Swaps
* Swaptions

Derivative strategies (hedging, speculating)

Responsibilities of the front, middle, and back offices

Regulations around derivative investments and trading activities

*Day 2:*

Derivative risks assessments

Controlling derivative risks

Developing derivative audit programs

* Audit objectives
* Audit scope
* Audit test steps
* CAATs
* Continuous auditing

Analysis of derivative headlines

Derivative accounting problems, shortcomings, and expectations