

<b>AUDIT ENGAGEMENT QUESTIONNAIRE</b>				
<b>Review Questions for Audit Engagements</b>	<b>YES</b>	<b>NO</b>	<b>SCH</b>	<b>REMK</b>
<b>PLANNING AND RISK ASSESSMENT</b>				
<b>Acceptance and Continuance</b>				
Have proper acceptance (for new clients) or continuance (for existing clients) procedures been performed in line with the firm's policies and procedures?				
Have proper anti-money laundering checks been performed on the entity, its directors, shareholders and key management personnel?				
<b>Professional Ethics and Independence</b>				
Have the firm and the engagement team complied with the relevant independence and ethical requirements in line with the firm's policies and procedures and Professional Code of Conduct and Guide for Members?				
Where non-audit services are provided, have the team members ensured that this does not conflict with independence requirements and have appropriate safeguards been put in place to mitigate any threats to independence?				
Have the team members provided their written confirmations of independence?				
Has the engagement team considered rotation to avoid familiarity threats?				
Prior to starting an initial audit, did the engagement team communicate with the previous auditor in compliance with ethical requirements?				
Did they gain an understanding as to the reason for the change in auditor to determine the impact of the client acceptance assessment, audit strategy and audit plan?				
<b>Opening Balances Review</b>				
Has the engagement team read the most recent financial statements, if any, and the predecessor auditor's report thereon, if any, for information relevant to opening balances, including disclosures?				
Has the engagement team obtained sufficient appropriate audit evidence about whether the opening balances contain misstatements that could materially affect the current period's financial statements?				
Has the engagement team determined whether the prior period's closing balances have been correctly brought forward to the current period or, when appropriate, have been restated?				
Has the engagement team determined whether the opening balances reflect the application of appropriate accounting policies?				
Has the engagement team performed one or more of the following:				
(i) Where the prior year financial statements were audited, by reviewing the predecessor auditor's working papers to obtain evidence regarding the opening balances;				
(ii) Evaluate whether audit procedures performed in the current period provide evidence relevant to the opening balances; and				
(iii) Perform specific audit procedures to obtain evidence regarding the opening balances?				
Where the engagement team obtained audit evidence that the opening balances contain misstatements that could materially affect the current period's financial statements, has the auditor performed such additional audit procedures as are appropriate in the circumstances to determine the effect on the current period's financial statements?				
If the engagement team concludes that such misstatements exist in the current period's financial statements, has the engagement team communicated the misstatements with the appropriate level of management and those charged with governance in accordance with NSA 34?				

Where the engagement team is unable to obtain sufficient appropriate audit evidence regarding the opening balances, has the auditor expressed a qualified opinion or disclaimed an opinion on the financial statements, as appropriate, in accordance with NSA 29?				
Where the engagement team concludes that the opening balances contain a misstatement that materially affects the current period's financial statements, and the effect of the misstatement is not appropriately accounted for or not adequately presented or disclosed, has the auditor expressed a qualified opinion or an adverse opinion, as appropriate, in accordance with NSA 29?				
<b>Engagement Contract</b>				
Has the team ensured that it has obtained a signed letter of engagement that clearly states the terms on which the audit would be performed?				
Is the engagement letter in line with the firm's standard policies and procedures on engagement?				
Was the engagement letter signed before the commencement of any audit work?				
<b>Composition of the Engagement Team</b>				
Has the engagement team been properly constituted to include people with relevant qualification and experience?				
Does the engagement leader/ partner possess the relevant skills and experience to lead the engagement?				
Where inexperienced team members are part of the team, have their work been assigned to a reviewer with experience?				
Has the team considered the involvement of experts and specialists where required ? Note that experts and specialist e.g. Tax, IT specialist, Actuarist, Valuers etc. may be considered relevant to the engagement team?				
Was a quality review or independent review partner appointed in line with the policies and procedures of the firm?				
<b>Risk Assessment Analytics</b>				
<p>Has the team performed risk assessment analysis during the planning stage to identify risks?  Has the risk assessment analysis been properly documented?  Note: The engagement team should perform analysis at an aggregated or sufficiently disaggregated level to assist in identification of unusual or unexpected relationships relevant to the risk assessment performed. Also documentation of the risk assessment analysis should include the following:</p> <ul style="list-style-type: none"> <li>- The assessment of the reliability of the data used for the risk assessment analysis</li> <li>-The quantitative or qualitative analysis of the recorded amounts, trends and ratios that were considered relevant, including the basis for identifying unusual or unexpected relationships</li> <li>- The unusual or unexpected relationships identified which were believed as being significant for risk assessment</li> <li>- The impact on the audit plan, including what further explanation or investigation is considered necessary.</li> </ul>				
<b>Materiality</b>				
Have the appropriate materiality levels been computed to determine the overall performance and the <i>de minimus</i> posting levels and have the appropriate benchmarks been used in determining materiality levels in line with the firm's policies and procedures?				
Have the team considered financial statement line items that will be scoped in for the audit based on the selected materiality levels and consideration of risk within the entity?				
<b>Understanding of the Entity and Its Environment</b>				

Did the engagement team obtain an understanding of the entity and its environment, including its products /services, its customers, competitors, legal and regulatory framework, accounting policies, internal control and performance of the entity?				
Did the engagement team hold initial meetings with the client's management as part of its scoping activities to understand the entity's objectives, strategy, business risk and relevant controls?				
Did the engagement team identify and assess the risk of fraud or error (at the assertion level and the financial statement level) through the understanding of the entity, its environment and internal control so that appropriate response can be developed to address the risks?.				
Did the engagement team consider significant changes, events and developments in the entity's environment and were changes , events and developments representing high risks identified?				
Was the entity's selection and application of accounting policies considered to be appropriate?				
<b>Team Meeting(s) at the Commencement of the Engagement</b>				
Did the engagement team hold a meeting at the commencement of the engagement to discuss the following: - The susceptibility of the entity's financial statements to the risk of material misstatements - The applicable financial reporting framework for the entity and how it will be applied - The susceptibility of the financial statements to misstatement due to fraud including how fraud could occur - Risk of material misstatement due to fraud in Revenue and rationale for rebuttal of that risk for the particular engagement - The susceptibility of the financial statements to misstatement due to fraud arising from related party relationships and transactions. - Materiality levels				
Were the engagement leader/ partner, team members, specialists and experts present at the team meeting(s)?				
<b>Audit Plan</b>				
Have the team documented the Team planning meeting agenda, invitees and minutes or action points on the audit file?				
Have the team determined the expected level of reliance to be placed on controls and the level of substantive work that will be performed based on high/medium/low or no reliance on controls?				
Have the team determined whether they propose to use audit evidence about the operating effectiveness of controls obtained in previous audits. Have this discussion and the effect of reliance on prior year controls been documented?				
Have the team discussed their external confirmation plan for all balances involving third parties including legal confirmations?				
Have the team incorporated an element of unpredictability in the selection of the nature, timing and extent of audit procedures to address the risks of material misstatement due to fraud at the financial statement level?				
Have the team determined the level of any involvement in the audit plan of specialists? This includes a consideration of whether systems or tax matters are considered to be complex. Have they agreed allocation of responsibilities between the audit team and the specialists?				
Have the team planned the nature, timing and extent of direction and supervision of the engagement team members and the review of their work by experienced team members including the engagement leader?				
<b>Internal Control Framework</b>				
Was the entity's internal control environment understood, evaluated (i.e. design effectiveness and operating effectiveness) and documented?				
<b>Control Environment</b>				
Was an evaluation of the control environment considered from the team's prior experience?				

<p>Did the engagement team assess the components of the control environment including the governance and management functions, attitudes, awareness and actions of those charged with governance and management concerning the entity's internal control and its importance in the entity?</p> <p><i>Note:</i></p> <p><i>Factors to consider include: Communication and enforcement of integrity and ethical values; Commitment to competence; Participations of those charged with governance; Management's philosophy and operating style; Organizational structure; Assignment of authority and responsibility and Human resource policies and practices.</i></p>				
Was the team's evaluation of the control environment supported through other audit activities including substantive audit evidence?				
Was the documentation of the control environment evaluation sufficient considering the extent of comfort expected from controls?				
Did the engagement team consider whether management has established an organization structure that considers key areas of authority and responsibility, established appropriate lines of reporting and defines the framework for delegating and limiting authority commensurate with				
<b>Risk Assessment Process</b>				
<p>Did the engagement team's understanding of the entity's risk assessment process include how management:</p> <ul style="list-style-type: none"> <li>-Identifies business risks relevant to financial reporting objectives</li> <li>-Estimates the significance of the risks</li> <li>-Assesses the likelihood of their occurrence</li> <li>-Decides upon actions to address them</li> <li>-Communicates to those charged with governance regarding its processes for identifying and responding to risks and</li> <li>-Communicates to employees regarding its views on business practices and ethical behaviour?</li> </ul>				
Did the engagement team obtain an understanding of how those charged with governance exercise oversight of management's processes for identifying and responding to the risks of fraud in the entity and the internal control that management has established to mitigate these risks?				
Was the engagement team's evaluation of the clients risk assessment process supported through other audit activities and/or by obtaining further substantive audit evidence?				
If the engagement team identified risks of material misstatement that management failed to identify, did they obtain an understanding of why that process failed to identify it and determine if there is a significant deficiency in internal control with regard to the entity risk assessment process?				
Did the engagement team determine the impact of any such deficiency on the other components of the internal control framework and the planned audit strategy?				
Did the engagement team confirm whether management has considered the risk of error or fraud due to lack of appropriate segregation of duties or inappropriate access rights that could result in material misstatement of the financial statements?				
<b>Information and Communication</b>				
Were discussions held with management responsible for both business processes and information systems and technology and relevant documentation reviewed in order to understand how the entity's financial statements are prepared (including identifying and mapping the link between significant processes and the financial statements)?				

<p>Did the engagement team identify and consider:</p> <ul style="list-style-type: none"> <li>-Significant classes of transaction;</li> <li>-Initiation, recording, processing (including corrections if necessary and transfers to the General Ledger) and reporting of significant transactions in the financial statements including the related accounting records.</li> <li>-Capture significant events and conditions other than transactions including recurring and non-recurring adjustments</li> <li>-Communications between management and those charged with governance and</li> <li>-External communications such as those with regulatory authorities?</li> </ul>				
<p>Did the engagement team consider the effectiveness of communication ( e.g. of control responsibilities, financial reporting roles and responsibilities) within the entity and externally such as those with regulatory authorities?</p>				
<p>Did the engagement team evaluate whether the design and implementation of the processes/ controls were adequate to provide accurate information?</p>				
<p>Did the engagement team consider whether management clearly communicated roles and responsibilities and function/ duties in a manner that supports the relevant internal control objectives?.</p>				
<p><b>Control Activities</b></p>				
<p>Did the engagement team focus on controls designed to meet the relevant financial statements assertions for the significant financial statements line items?</p>				
<p>Where the engagement team assessed that the direct entity level controls were ineffective at an adequate level of precision to prevent or detect on a timely basis material misstatements to one or more relevant assertions: did they seek to understand the transaction level controls?</p>				
<p>Did the engagement team perform a walkthrough to confirm their understanding of the controls, in place evaluate the effectiveness of the design of the controls and confirm whether the controls implemented address the risk of material misstatements?</p>				
<p>Where the engagement team has determined that an understanding of controls can be achieved without performing a walkthrough of all control activities, have they documented the other procedure performed to obtain an understanding of controls sufficient to prevent misstatements?</p>				
<p>Did the engagement team document the key elements of the understanding obtained regarding each of the aspects of the entity and its environment and of each of the internal control components, the sources of information from which the understanding was obtained and the risk assessment procedures performed?</p>				
<p><b>Monitoring of Controls</b></p>				
<p>Did the engagement team consider both ongoing monitoring activities including those of internal audits and separate evaluations ( periodic monitoring)?</p>				
<p>Where the engagement team has planned to rely on management controls, have they obtained sufficient evidence regarding the quality of the information being used in this respect?</p>				
<p>Did the engagement team consider segregation of duties to the extent necessary (i.e. did the engagement team consider if management monitors the controls over access rights and restrictions to verify that they remain appropriate over time)?</p>				
<p><b>Estimates</b></p>				
<p>Did the engagement team adequately perform and document the procedures required for estimates? Did the team identify balances affected by accounting estimates and for those identified as specific</p>				

<p>Note:</p> <p>NSA 20 requires the engagement team to understand the following in order to identify and assess the risks of material misstatement for accounting estimates (NSA 20.9):</p> <p>(a) The requirements of the applicable financial reporting framework relevant to estimates (including disclosures).</p> <p>(b) How management identifies those transactions, events and conditions that may give rise to the need for accounting estimates. In particular, inquire of management about changes in circumstances that may give rise to new, or the need to revise existing, accounting estimates.</p> <p>(c) How management makes the accounting estimates and the data on which they are based:</p> <p>(i) Method used (and model, if applicable)</p> <p>(ii) Relevant controls</p> <p>(iii) Whether management has used an expert</p> <p>(iv) Underlying assumptions</p> <p>(v) If there has been or ought to have been a change in the method from the prior period</p> <p>(vi) If and how management has assessed the effect of estimation uncertainty.</p> <p>(d) The outcome of accounting estimates included in prior period financial statements or, where applicable, their subsequent re-estimation for the purpose of the current period (NSA 20.10).</p> <p>Also NSA 20 requires the evaluation of the degree of estimation uncertainty associated with accounting estimates (NSA 20.11) and determine whether any of the estimates with high estimation uncertainty give rise to significant risks</p>				
<b>Audit Risk</b>				
Have all audit risks identified during the planning phase been documented and have appropriate responses been developed to respond to the identified risks?				
<b>Audit File</b>				
Has an electronic or manual file been created ?				
Does this clearly capture the audit risks and the audit plan with the intention of responding to the identified risks?				
<b>Understanding of the Entity's use of Information Technology</b>				
Did the engagement team obtain an understanding of the level of complexity of controls automation, system complexity, platforms used, approach to security and the security architecture, known problems and nature and volume of transactions that could impact the audit?				
<b>Communication Plan – Public Interest Clients</b>				
If the client was a public interest client and had an independent governance function, did the engagement team discuss and mutually agree with the audit committee (or equivalent body) and management on a documented communication plan (how, when and what they would be communicating)?				
<b>Communication - Audit Strategy</b>				

<p>Did the engagement team present the Audit Planning Memorandum (APM) and discuss it with those charged with governance, in a style appropriate for the engagement?</p> <p>Consider:</p> <p>Did the audit strategy or accompanying documentation discussed with the client include at least the following:</p> <ul style="list-style-type: none"> <li>• Our objectives;</li> <li>• Developments affecting the client's business;</li> <li>• Frequency and prospective topics of Audit Committee meetings;</li> <li>• Audit approach (NSA 7 requirement), Risk Analysis (Communication on Risk Analysis), and Audit Scope by Business Unit;</li> <li>• Reporting timetable;</li> <li>• Mutual expectations and responses;</li> <li>• Engagement Team;</li> <li>• General explanation of how materiality is applied on the audit; and</li> <li>• Where applicable, use of the work of internal audit?</li> </ul>				
<p><b>Communication - Fraud Risk</b></p>				
<p>Did the engagement team obtain the perspective of the audit committee on the risk of fraud and mitigating controls and provide the audit committee with an overview of our responsibility, procedures related to fraud, fraud risks identified, and our observations on whether there is an absence of, or deficiencies in, program and controls to help prevent, deter and detect specific risks of fraud risks?</p>				
<p><b>Related Parties</b></p>				
<p>Has the engagement team documented the names of the identified related parties and the nature of the related party relationships? In identifying these related parties has the team:</p> <ul style="list-style-type: none"> <li>- made inquiries of management (including nature, type and purpose of transactions)</li> <li>- understood the entity's controls in relation to related party transactions</li> <li>- identified any significant transactions outside the normal course of business (and if related parties are involved)?</li> </ul>				
<p><b>Going Concern</b></p>				
<p>Did the team document their consideration of the appropriateness of the going concern basis underlying the preparation of the financial report at the planning stage of the audit? This documentation should include consideration of the financial position of the company and current funding arrangements and refer to management's assessment.</p>				
<p>Where a going concern risk was identified, was an appropriate risk brought into the audit file, and associated evidence gathering activities (EGAs)?</p>				
<p>Was the consideration as to whether this is an elevated/significant risk appropriately documented?</p>				
<p>Has the team obtained and evaluated management's assessment to be able to continue as a going concern? Has an appropriate period been applied to that evaluation?</p>				
<p><b>Fraud Risk Assessment and Related Activities</b></p>				
<p>When addressing identified risks of material misstatement due to fraud, did the engagement team:</p> <ul style="list-style-type: none"> <li>- consider the assignment and supervision of personnel;</li> <li>- consider the selection and application of accounting policies used by the entity, particularly those related to subjective measurements and complex transactions;</li> <li>- incorporate unpredictability in the nature, timing and extent of audit procedures; and</li> <li>- document those procedures that were deemed unpredictable in nature?</li> </ul>				

<p>Did the engagement team :</p> <ul style="list-style-type: none"> <li>-consider the fraud risk factors in its audit strategy and planned approach;</li> <li>-discuss fraud risks at the initial team meeting led by the engagement leader/ partner;</li> <li>- discuss fraud with key members of management including the board and audit committee;</li> <li>-identify fraud risks considering all the information gathered on the audit and assessing risk in conjunction with the client's controls and programs</li> <li>-communicate findings to clients;</li> <li>-consider the type of risks, its significance , likelihood and pervasiveness for each risk identified;</li> <li>- design an appropriate response to the results of their assessment; and</li> <li>- consider the involvement of specialists (e.g. Forensic specialists).</li> </ul>				
<p>Did the engagement team consider the risk of management override of controls as a significant risk of fraud and designed and performed appropriate procedures to respond to the risk of fraud?  Note: That NSA requires the following procedures to be performed in response to the risk of management override of controls:</p> <ul style="list-style-type: none"> <li>-Journal entry testing; -reviewing accounting estimates; and evaluating the business rational for significant unusual transactions ;and (where also considered appropriate considering significant subsequent payments after year end and physical inspection of material fixed assets).</li> </ul>				
<p>Did the engagement team consider the risk of fraud associated with revenue recognition and where this is identified as a significant risk, designed and performed appropriate procedures to respond to the risk of fraud?</p>				
<p>Did the engagement team make appropriate enquiries ( including knowledge of any actual, suspected or alleged fraud affecting the entity, management's process for identifying and responding to fraud risk) of management, internal audit, those charged with governance and</p>				
<p>If there were inconsistencies in responses to enquiries of those charged with governance and management were they adequately resolved?</p>				
<p>Were appropriate consultations done when the integrity or honesty of management or those charged with governance was doubted?  Note: that consultation should follow the policies and procedures of the firm.</p>				
<p><b>Use of the Work of Internal Auditor</b></p>				
<p>If the work of internal auditors was relied upon, was the impact on the audit approach considered?</p>				
<p>Was evidence of the quality of work, their competence and objectivity planned to be obtained?</p>				
<p>Consider:</p> <ol style="list-style-type: none"> <li>a) Was there effective co-ordination with the internal audit function?</li> <li>b) Where applicable, did the engagement team conclude that the quality of internal audit was appropriately assessed as required under generally accepted auditing standards (GAAS) including: <ul style="list-style-type: none"> <li>· a discussion of the controls, transactions or balances examined, actions taken and follow up;</li> <li>· reperformance of tests of controls on each significant account(s), class of transactions and disclosure to corroborate the results thereof;</li> <li>· performing independent tests of controls related to each significant account(s), class of transactions and disclosure; and</li> <li>· assessing the audit comfort obtained as a result of the above and an evaluation of the need for additional work?</li> </ul> </li> </ol> <p>Note that the extent of this testing will depend on our judgment as to the risk and materiality of the area concerned, the preliminary assessment of internal audit and the evaluation of the specific work by internal audit.</p>				
<p><b>Use of Service Organization</b></p>				
<p>If a service organization including shared service centres for group audits was used by the client to process significant financial information, was a sufficient understanding obtained of the service organization to plan and conduct the audit?</p>				



<p>Consider:</p> <ul style="list-style-type: none"> <li>-Was the service auditor’s report obtained and evaluated at the planning stage to determine the effectiveness of controls at the service organization and their effect on the extent of comfort from controls at the client?</li> <li>-If the service auditor’s report was obtained and evaluated, was satisfaction obtained of the professional reputation and qualifications of the service auditor?</li> <li>-If the service auditor’s report was not obtained, were other appropriate procedures performed to obtain the required understanding?</li> <li>-Where reliance is placed on controls at the service organization, was the service auditor’s report with respect to those controls and tests of their operating effectiveness sufficiently conclusive, or were other appropriate procedures performed?</li> <li>-Did the engagement team understand the contractual relationship between the service organization and the client?</li> </ul>				
<b>Engagement Manager and Engagement Leader/ Partner Involvement in the Planning Process</b>				
Have the engagement partner/ leader and manager been sufficiently involved in the planning process?				
Have they demonstrated their involvement by signing off the electronic or manual audit file?				
<b>Quality / Independent Review Partner involvement in the Planning Process</b>				
Where a quality/ independent review partner is involved on the engagement, have they been involved during the planning process?				
Have they demonstrated their involvement by signing off the electronic or manual audit file?				
<b>FIELD WORK</b>				
<b>Responding to Audit Risk and Evidence</b>				
<b>Key business/Process Review</b>				
<b>Validation for reliance on management’s controls</b>				
<p>Where the engagement team chose to rely on management’s control procedures, were they appropriately validated?</p> <p>Consider:</p> <p>Did the engagement team perform test drilling down throughout the organization?</p> <p>Were appropriate meetings, including meetings with management outside the finance function, conducted to validate controls and assess management’s assertion that the underlying information is reliable?</p> <p>Did the engagement team use an appropriate combination of inquiry, observation, examination and, if necessary, reperformance to validate their comfort?</p> <p>Was there appropriate use of Computer Assisted Auditing Techniques (CAATs)?</p>				
<b>Validation of Automated Controls and ITGCs</b>				
<p>Validation of automated controls and Information Technology General Controls (ITGCs)</p> <p>Did the validation of automated controls or controls that were significantly dependent on IT include testing of ITGCs to ensure that the system operated effectively throughout the period?</p> <p>Consider:</p> <p>Was the development, configuration and implementation of new systems appropriately assessed?</p> <p>Was the maintenance of the systems appropriately assessed?</p> <p>Was there adequate test of controls over computer operations?</p> <p>Was there adequate test of security over access to system resources and data?</p>				
<b>Tests of Controls</b>				

<p>Was the extent of test performed to validate controls in compliance with policies and procedures of the firm in terms of frequency of performance and was it appropriate in the circumstances? Consider:</p> <p>Did the extent of test take into account:</p> <ul style="list-style-type: none"> <li>• The significance of the risk addressed by the control;</li> <li>• The engagement team’s assessment of the control environment;</li> <li>• The importance of control in addressing risks;</li> <li>• The relevance and reliability of the audit evidence that the control prevents, detects and corrects material misstatements at the assertion level;</li> <li>• The extent to which audit evidence is obtained from tests of other controls related to the assertion;</li> <li>• The degree to which the control is cumulative;</li> <li>• The risk that observation of controls and answers to inquiries may not accurately represent the proper and continued operation of controls; and</li> <li>• The expected deviation from the control?</li> </ul> <p>Was the number of items for control testing appropriately determined? When testing manual controls, did the engagement team follow the firm's policies and procedures on minimum number of items to test? Did the engagement team test the operating effectiveness of controls on which they relied upon and for ITGCs, and where necessary controls identified for significant risks?</p>				
<p><b>Evaluation of the Test of Controls</b></p>				
<p>Was an appropriate evaluation performed on the results of the validation of controls to assess whether controls were achieving their objectives? Consider:</p> <p>Where the engagement team assessed exceptions recorded as negligible, was this judgment acceptable in the circumstance, taking into account the level of assurance required and the nature of controls? Were both qualitative and quantitative factors taken into account in assessing whether exceptions rate is acceptable? Did the engagement team increase their tests, where necessary? Was there adequate test of mitigating controls, where identified, to cover for exceptions found in controls initially tested? Where tests resulted in the engagement team being unable to place any reliance on a control, did they assess whether a material misstatement could have occurred and whether additional audit procedures were necessary to achieve the degree of assurance required?</p>				
<p><b>Adequacy of Evidence for Test</b></p>				
<p>Did the engagement team ensure that they had adequate evidence for the whole period and where tests were undertaken earlier, was appropriate consideration given to test the remaining part of the year for additional evidence including instances where changes in activities or internal control had occurred? Consider:</p> <p>In deciding what areas may have required updating, was adequate consideration given to factors such as materiality, significance of risk, control environment, degree of interim tests and evaluation thereof, length of the remaining period and relevant evidence on controls gained from other audit tests? In deciding on the specific tests needed to gain the required assurance with regard to the intervening period, was consideration given to all the significant factors?</p>				
<p><b>Significant Changes to the Audit Strategy and Plan</b></p>				

Were significant changes to the audit strategy and plan appropriately documented and approved by the engagement leader/ partner?				
<b>Substantive Procedures</b>				
<p>Did the engagement team plan and perform appropriate substantive test given the expected reliance or the level of comfort desired?</p> <p>Consider:</p> <p>Given the level of assurance required from substantive evidence and nature of any significant risks, was the nature, timing and extent of substantive audit tests (including tests of details for significant risks) appropriate?</p> <p>Note: if substantive procedures were performed at an interim date, further substantive procedures or substantive procedures combined with tests of controls should have been performed to cover the remaining period to provide a reasonable basis for extending the audit conclusions from the interim date to the period end?</p>				
<b>Key Reconciliations</b>				
<p>Did the engagement team test key reconciliations through a combination of tests of controls and tests of details or from tests of details alone and was the approach adopted appropriate?</p> <p>Consider:</p> <ul style="list-style-type: none"> <li>- Was the level of test appropriate given the risk of material misstatement, and is the justification for that level of test recorded on file?</li> <li>- Were the types of tests chosen appropriate? Note: when the control test of the reconciliation throughout the year is less than reperformance (e.g. inspection), the reconciliation should also be tested at least once substantively, showing all reconciling items (i.e. prepared on a 'gross' basis). Was the number of items to test determined in line with firm's testing guidance?</li> </ul> <p>For reconciliations selected for testing, were reconciling items properly investigated and cleared to subsequent third party statements or other appropriate supporting evidence?</p> <p>Were matters arising from tests, including all exceptions, considered by senior audit team members?</p>				
<b>External Confirmation (when sent)</b>				
<p>Where external confirmation requests (e.g. bank balances, accounts receivable, accounts payable, inventory, investment held by third parties etc.) were sent, was the confirmation process properly performed?</p> <p>Consider:</p> <p>Were confirmation requests sent out under our control, with replies sent direct to us?</p> <p>Were exceptions on replies or unexpected information received, properly investigated?</p> <p>Did the confirmation address the information sought?</p> <p>Were non-replies followed up with alternative procedures?</p> <p>Were confirmations scrutinized for unusual details that could suggest they were fraudulent?</p> <p>Where a facsimile or electronic confirmation was received, was it preceded or followed up for example by a telephone call to the confirming party and was a note of this discussion or how satisfaction was otherwise obtained documented on file?</p> <p>Where the confirmation related to a significant balance or transaction, did the engagement team obtain an original reply?</p>				
<b>External confirmation (when not sent)</b>				

<p>If external confirmations (e.g. bank balances, accounts receivable, accounts payable, inventory, investment held by third parties etc.) were not requested, were appropriate procedures performed and documented?</p> <p>Consider:</p> <p>Where confirmation requests were not sent, was the rationale for not sending documented on the file?</p> <p>If confirmations were not requested, did the engagement team obtain sufficient appropriate audit evidence in respect of the relevant financial statements assertions from alternative procedures?</p> <p>If management requested the engagement team not to obtain confirmations, did the engagement team consider and obtain evidence to support the validity of the grounds for such a request?</p> <p>If the engagement team did not accept the validity of the refusal from management, was this limitation of scope and its impact on the audit opinion considered?</p>				
<p><b>Substantive Analytical Procedures ( For Selected Accounts)</b></p>				
<p>Where substantive analytical procedures were performed, were those procedures undertaken with an appropriate degree of rigour to provide the necessary assurance?</p> <p>-Did the team develop an independent expectation after considering the existence of plausible and predictable relationships and was the rationale for the expectation developed and clearly documented?</p> <p>-Was the reliability of the underlying data evaluated?</p> <p>-Did the team apply to the analytic, a threshold that is appropriately disaggregated taking into consideration both the required level of evidence and the component of the account being tested?</p> <p>- Did the team compare the expectations developed with the actual values being audited?</p> <p>-Did the team independently corroborate all variances greater than the threshold from expectations identified (including demonstration of professional skepticism)?</p> <p>Consider:</p> <p>Did the engagement team investigate significant differences by (i) developing potential explanations themselves, (ii) seeking explanations from the client and (iii) drawing appropriate conclusions?</p> <p>Were explanations obtained reasonable in the circumstances?</p> <p>Where unexpected differences were identified and adequately explained, did the engagement team reassess the impact on their original expectations?</p> <p>Were explanations for significant differences followed up and resolved through quantification, corroboration and evaluation?</p> <p>Where the procedures did not provide the desired level of assurance, were additional substantive analytical procedures and/or tests of details performed?</p>				
<p><b>Test of Details ( based on risk or coverage)- For Selected Accounts</b></p>				
<p>Where test of details is aimed at risk or coverage, was the work done and documentation appropriate?</p> <p>Consider:</p> <p>Was there a clear objective and definition of what would constitute a misstatement?</p> <p>Was the nature of the test and the selection method appropriate for the population being tested and the assertions on which comfort was being sought?</p> <p>Was the selection criterion (e.g. coverage or risk based) appropriate?</p> <p>Were misstatements properly evaluated and was consideration given to the untested population including performing additional test?</p>				
<p><b>Test of Details (Sampling)- For Selected Accounts</b></p>				

<p>When sampling techniques were used, were these used appropriately?</p> <p>Consider:</p> <p>Was there a clear test objective and clear definition of what would constitute a misstatement?</p> <p>Was the nature of the test and the selection method appropriate for the population being tested and the financial statement assertions on which comfort was being sought?</p> <p>Were the population and the sampling unit clear?</p> <p>Was the sample size defined using the sample size formula in accordance with the firm's policies and procedures and audit requirements and did the judgments made for the levels of tolerable and estimated misstatement appear reasonable?</p> <p>Was the sample selection method appropriate, including the treatment of missing, void or unused items?</p> <p>Were evaluation of test results and consideration of sampling risk performed in line with the firm's policies and procedures and audit requirements ?</p>				
---	--	--	--	--

**Specific Considerations for Significant Account Balances or Financial Statements Disclosures Apart from the Audit F**

<b><i>Revenue Recognition</i></b>				
<p>Was sufficient work performed and documented on revenue recognition?</p> <p>Consider:</p> <p>Did the engagement team understand the products/ services and the types of customers to whom those products and services were sold?</p> <p>Were appropriate procedures performed on important contracts or other sales arrangements with major customers where terms are complex and/or critical to revenue recognition? Were procedures performed to ascertain whether such transactions involved any side agreements?</p> <p>Were other important revenue recognition issues appropriately addressed including large/unusual transactions, those at or near the year-end, bill and hold transactions, transactions with right of return, extended credit terms or unusual financing arrangements, products vulnerable to rapidly changing technology, and related party transactions?</p> <p>With respect to gains and losses on the sale of assets (e.g. investments or property), were such transactions complete (i.e. were there no unresolved contingencies)?</p>				
<b><i>Derivatives and Hedging</i></b>				
<p>Was sufficient work performed and documented on derivatives and hedging activities?</p> <p>Consider:</p> <p>Were financial instruments, including derivatives, properly evaluated and the financial statements classification, valuation methodologies and disclosures considered?</p> <p>Was there appropriate accounting and disclosure of any non-marketable derivatives, especially any one on which a value has been placed?</p> <p>Were hedging activities, particularly hedging of anticipated, not firmly committed transactions, properly evaluated and disclosed?</p>				
<b><i>Bank Accounts and Cash Equivalents</i></b>				

<p>Was sufficient work performed and documented on bank accounts and cash equivalents? Consider: Were all banking relationships covering both bank balances and facilities confirmed directly with the banks even if the client has not disclosed a specific balance or facility? (Note: this applies unless the client itself is a bank or a similar financial institution)</p> <ul style="list-style-type: none"> <li>• Where confirmations were not received or facsimile or electronic confirmation was received, were relevant procedures performed; and</li> <li>• Where confirmations were not sent or sent only on a selective basis, was the rationale for not sending confirmations appropriate and documented?</li> </ul> <p>Were confirmations sent out under our control, with replies sent direct to us? Were reconciling items understood, properly investigated for appropriate accounting treatment and cleared to subsequent third party statements or other appropriate supporting evidence?</p>				
<p><b>Transfers and Servicing of Financial Assets</b></p>				
<p>Was sufficient work performed and documented on transfers and servicing of financial assets? Consider: Were adequate procedures performed to determine that, if applicable:</p> <ul style="list-style-type: none"> <li>• The criteria for determining sales versus. secured borrowing recognition were being met in accordance with applicable standards;</li> <li>• There was appropriate recognition and measurement of the revenues and expenses related to servicing assets and liabilities; and</li> <li>• The accounting for the extinguishment of liabilities was acceptable?</li> </ul>				
<p><b>Long-Term Investments</b></p>				
<p>Was sufficient work performed and documented on long-term investments (if they are material)? Consider: Were long-term investments properly evaluated and the financial statements classification, valuation methodologies and disclosures considered? Was consideration given to whether the entity has the ability and intention to continue to hold the investments on a long-term basis? Was an indication of value obtained from an independent source (e.g. market quotations) and compared to the carrying amount of the investments at the date of the audit report? If such values do not exceed the carrying amounts, was consideration given to whether a write-down was required?. Where there is uncertainty as to whether the carrying amount will be recovered, have appropriate adjustments and/or disclosures been made?</p>				
<p><b>Fair Value</b></p>				

<p>Was sufficient work performed and documented on fair value? Consider: Did the engagement team obtain an understanding of the entity's process for determining fair value measurements and disclosures and of the relevant control activities sufficient to identify and assess the risks of material misstatement at the assertion level and to design and perform further audit procedures? Did the engagement team ensure that significant assumptions used by management are reasonable? Did the engagement team evaluate the method for fair value measurement used by the client to determine whether measurements and disclosures were in accordance with the client's applicable financial reporting framework and that the method of measurement was consistently applied? Did the engagement team perform audit procedures on the data used to develop the fair value measurements and disclosures and evaluate whether the fair value measurement has been properly determined?</p>				
<b>Physical Inventory Counting</b>				
<p>When inventory is material to the financial statements, did the engagement team obtain sufficient evidence regarding its existence and condition by attendance at physical inventory counting (unless impracticable)? Consider: Were the counting procedures planned and performed by the engagement team in line with the firm's policies and procedures or audit requirements? Was the number of test counts in line with the firm's policies and procedures or audit requirements? When attending the inventory count on the date different from the date of the financial statements, did the engagement team perform audit procedures on intervening transactions? If applicable, were count differences evaluated and resolved in accordance with the firm's policies and procedures or audit requirements? Where attendance was not practicable, did the engagement team consider whether alternative procedures provided sufficient appropriate evidence of existence and condition to conclude that there was no scope limitation?</p>				
<b>Intra-Company and Inter-Company Accounts</b>				
<p>Was sufficient work performed and documented on intra-company and inter-company accounts? Consider: Were inter-company account balances and significant monetary transfers appropriately confirmed or otherwise verified? were reconciliations reviewed, where reconciling items understood and properly investigated for appropriate documentation? Were reconciling items understood and properly investigated for appropriate accounting treatment?</p>				
<b>Consolidation</b>				
<p>Was sufficient work performed and documented on consolidations?</p>				
<b>Segment Information</b>				
<p>Was sufficient work performed and documented on segment information?</p>				
<b>Restructuring and Discontinued Operations</b>				
<p>Was sufficient work performed and documented on restructurings and discontinued operations?</p>				

Was appropriate consideration given to restructuring charges; and with regard to restructuring charges were current issues appropriately addressed?				
<b>Asset Impairments</b>				
Was sufficient work performed and documented on asset impairments?				
Were the client's policies for identifying impaired assets evaluated for reasonableness in light of current conditions and were appropriate procedures performed to determine whether the client's methodology for recognition and measurement of impairment was appropriate?				
<b>In-process Research and Development</b>				
Was sufficient work performed and documented on in-process research and development?				
Were the underlying valuation methodology and purchase price allocation of in-process research and development (R&D) appropriately addressed, including the reasonableness of amounts				
<b>Labour Costs, Employee Benefits and Pensions</b>				
Was sufficient work performed and documented on labour costs and employee benefits, including pensions, deferred compensation arrangements and stock compensation and on disclosures of pensions and other post-employment benefits?				
<b>Off Balance Sheet Arrangements</b>				
Was sufficient work performed and documented on off balance sheet arrangements and is there sufficient and clear disclosure of: <ul style="list-style-type: none"> <li>• The business purpose of the arrangements;</li> <li>• Key terms and conditions of any guarantees, commitments or similar arrangements with off balance sheet entities; and</li> <li>• Amounts receivable or payable and revenues and expenses relating to transactions with off balance sheet entities?</li> </ul>				
<b>OTHER AUDITING PROCEDURES</b>				
<b><i>Compliance with Laws and Regulations</i></b>				
Did the engagement team perform appropriate procedures to identify instances of non-compliance with laws and regulations? Did they assess the impact of such non-compliance noted and did they consider and adequately document responses to all individual components of the required steps (enquiries with management, reading minutes etc.)? Consider: -Where instances of non-compliance were thought to have occurred, were enquiries made as to the nature and impact of the non-compliance and was sufficient information obtained to assess the potential impact on the financial statements? If management were unable to provide satisfactory information in respect of instances of non-compliance, were appropriate procedures performed? Where instances of non-compliance were identified, did the engagement team assess the effect on the financial statements and disclosures including the going concern assessment, re-evaluate the control environment and document their conclusions, consider the implications on the reliability of management representations and ensure the audit committee or others where applicable were adequately informed on a timely basis?				
<b><i>Litigations, Claims and Assessments</i></b>				



<p>Were appropriate procedures performed to ensure proper identification and assessment of litigation, claims or other assessments against the client (including any arising from non-compliance with laws and regulations), and were any such matters properly accounted for or disclosed?</p> <p>Consider:</p> <p>Did the engagement team obtain an understanding of management’s policies and procedures for dealing with litigation?</p> <p>Were appropriate letters prepared by management and sent by the engagement team, and did the engagement team request the client’s legal counsel (including in-house counsel when appropriate) to communicate directly with them, and were the responses appropriately evaluated? Was the justification for any lawyers not circularised documented and reasonable?</p> <p>Did the engagement team inspect supporting documentation surrounding significant legal matters?</p> <p>Were appropriate procedures performed where a lawyer refused to provide us with a legal letter or a letter was not sent?</p>				
<p><b>Minutes of Meetings of Directors and Shareholders</b></p>				
<p>Was a review performed by a suitably experienced team member of minutes of meetings of shareholders, directors and important committees?</p> <p>Were matters of significance identified during these reviews appropriately documented in accordance with the firm's policies and procedures and assessed including their potential effect on the financial statements and disclosures?</p>				
<p><b>Going Concern</b></p>				
<p>Did the scope and conduct of the audit appropriately address and document going concern considerations?</p> <p>Consider:</p> <p>Did the engagement team and management assess going concern for a period of 12 months from the date of approval of the accounts and did the engagement team evaluate management’s assessment?</p> <p>Did the engagement team inquire as to events and conditions and related business risks beyond the period of assessment used by management that may cast significant doubt on the client's ability to continue as a going concern?</p> <p>If events were identified that indicated that there may be substantial doubt about going concern, were auditing procedures extended to obtain information about management’s plans that may alleviate the substantial doubt?</p> <p>If auditing procedures were extended because of going concern considerations, were the conclusions reached and the wording of the report and the client’s disclosures appropriate?</p> <p>Was there consultation in line with the firm's policies and procedures?</p> <p>Was any consideration of a going concern issue, other than routine work, documented for the engagement partner's attention?</p>				
<p><b>Related Parties</b></p>				

<p>Were auditing procedures regarding related party transactions and balances appropriately designed and performed to ensure that they were properly recorded and disclosed in the financial statements?</p> <p>Consider:</p> <p>Was adequate risk assessment performed in regard to related parties transactions and appropriate response to those risks developed?</p> <p>Where transactions are highly complex, was confirming our understanding directly with the counterparty considered?</p>				
<b>Accounting Estimates</b>				
<p>Was sufficient appropriate evidence regarding accounting estimates (including disclosures) obtained and appropriately documented?</p> <p>Consider:</p> <p>Was one (or combination) of the following approaches to testing appropriately used in accordance with the firm's policies and procedures:</p> <ul style="list-style-type: none"> <li>• Review and test the process used by management to develop the estimate;</li> <li>• Use an independent estimate for comparison with that prepared by management; and</li> <li>• Review subsequent events which confirm the estimates made?</li> </ul>				
<b>Significant Contracts</b>				
<p>Did the engagement team examine significant contracts and ensure that they are valid and that they are properly disclosed in the financial statements?</p>				
<b>SUPERVISION AND REVIEW</b>				
<b>Review of Work Done</b>				
<p>Was the engagement adequately managed and was an appropriate review performed on all work done to ensure compliance with the firm's audit policy and was that review evidenced and documented in accordance with firm's audit policy?</p> <p>Consider:</p> <p>Were audit execution and review roles and responsibilities appropriately assigned based on the relative experience/expertise of team managers and team members? Was allocation of the related roles and responsibilities documented?</p> <p>Is there evidence on the file that an adequate review was performed of all the work done?</p> <p>Note:discuss with the staff members the nature, timing and extent of procedures performed, the sufficiency of audit evidence obtained and conclusions drawn; discuss with the staff members if critical self-review has been performed by the team members; discuss if review of audit steps in the file entailed review of the file attachments; ensure that the work supports the conclusions and opinion and that appropriate consultations have taken place.</p> <p>Were differences of professional opinion among the engagement team appropriately recorded and resolved?</p> <p>Were any of the working papers completed and reviewed by the same person? Note that best practice is that work prepared should be reviewed by another person that is more experienced.</p>				
<b>Sufficient Audit Work and Evidence</b>				
<p>Does the work performed support the conclusions reached and is the evidence obtained sufficient and appropriate to support the audit report?</p>				
<b>Engagement Leader/ Partner Involvement</b>				

<p>Is there evidence of sufficient and timely engagement leader involvement in the audit on the audit file including evidence of attendance at meetings, file notes, review of work done? Consider: Did the engagement leader/ partner:</p> <ul style="list-style-type: none"> <li>• Attend the initial team meeting and share the engagement leader’s knowledge / understanding of the client and risks with the team and was the engagement leader/ partner satisfied with the identification of matters to be included in the understanding of the entity, identification of key risks and planned responses, and determination of materiality;</li> <li>• Attend appropriate periodic team meetings to be satisfied with any significant changes to the plan;</li> <li>• Coach and give feedback;</li> <li>• Review critical matters including discussions with the engagement team;</li> <li>• Review significant work done by the team manager;</li> <li>• Review documentation generally to be satisfied with the quality of the audit file; and</li> <li>• Review the audit generally to be satisfied that it complied with GAAS, the firm’s requirements and relevant regulatory requirements?</li> </ul> <p>Were the hours spent/ charged by the engagement leader adequate and appropriate to enable them to lead the audit and control its quality?</p>				
<b>Delegation of the Role of the Engagement Leader / Partner</b>				
Where aspects of the role of the engagement leader were delegated, was there appropriate compliance with applicable firm's requirements?				
<b>Consultation</b>				
Were consultations on the engagement done in line with the policies and procedures of the firm?				
And have these consultations been appropriately documented?				
<b>Quality / Independent Review Partner</b>				
<p>Where a quality / independent review partner is involved, did he consider the following:</p> <ul style="list-style-type: none"> <li>• The engagement team’s evaluation of the firm’s independence;</li> <li>• Significant risks identified and the responses to those risks, including the assessment of fraud risk;</li> <li>• Judgments made, particularly with respect to materiality and significant risks;</li> <li>• Conclusions reached in formulating the opinion;</li> <li>• Whether appropriate consultation have taken place and the conclusions arising from those consultations;</li> <li>• The significance and disposition of corrected and uncorrected misstatements identified during the audit;</li> <li>• The matters communicated to those charged with governance and other parties, if appropriate;</li> <li>• Whether audit documentation selected for review supports the conclusions reached; and</li> <li>• The appropriateness of the audit report?</li> </ul>				
Were the hours spent/ charged by the quality / independent review partner reasonable?				
<b>OTHER SUPERVISORY MATTERS</b>				
<i>File Management</i>				

<p>Were the electronic or paper audit files complete? Consider: Did the electronic or paper audit files include substantive e-mail communications with third parties and other electronic files etc.? Were all hard copy audit papers which contain evidence supporting our opinion assembled ? Is there a full cross-referencing between the paper and electronic files? Were all required procedures to address NSA requirements included in the file and addressed accordingly?</p>				
<p><b>Involvement of Internal Specialists / Experts</b></p>				
<p>Were internal specialist(s) appropriately involved and was the work documented appropriately on the file and clearly linked to the comfort derived therefrom?. Consider: Was the scope of the specialists' participation agreed upon by the engagement team and clearly documented? Did the specialist(s) attend the initial team meeting, relevant client meetings and periodic team meetings as appropriate? Is it clear from the file and discussions that the results of the specialists' work were considered, understood and evaluated by the engagement team? Was the work of the specialists appropriately reviewed? Did the specialists complete, consult or coach the engagement team on all the matters in accordance with the firm's policies and procedures?</p>				
<p><b>Involvement of External Experts</b></p>				
<p>Was the work of external experts appropriately documented, reviewed and supervised? Consider: Were the source data, assumptions and methods used by the expert appropriately considered? Was an appropriate assessment obtained of the work performed by experts to effectively evaluate the findings for the audit?</p>				
<p><b>COMPLETION</b></p>				
<p><b>Update preliminary assessments</b></p>				
<p>Have the team re-assessed their initial assessment during the planning phase including, but not limited to, going concern, risk assessment for fraud, compliance with laws and regulations, related party transactions, accounting estimates, ethical requirements including independence.</p>				
<p>Have the team considered a re-assessment of materiality taking into consideration misstatements identified during the audit? Were a revision to materiality levels is necessary, have appropriate work been performed in line with the revised materiality?</p>				
<p><b>Journal Entries</b></p>				

<p>Is there evidence in the file that the engagement team examined material, unusual and non-recurring journal entries during the audit year as well as non-standard adjusting journal entries recorded by the client to finalize the general ledger, and the related support?</p> <p>Consider:</p> <p>Were appropriate procedures related to the journal entries performed as part of the audit planning?</p> <p>Was the population for testing appropriately identified and tested for completeness in line with the firm's audit policies and procedures?</p> <p>Was particular emphasis placed on entries recorded in the last few days of the period?</p> <p>If the entries examined were corrections of errors in the financial statements of previous periods, was there consideration of whether previously reported financial statements should be restated accordingly?</p>				
<p><b>Final Conclusion Analytical Procedures</b></p>				
<p>Is there evidence that final analytical procedures were performed to form an overall conclusion as to whether the financial statements taken as a whole are consistent with their knowledge of the business?</p> <p>Consider:</p> <p>Final analytical procedures include reviewing and documenting reasons for significant change:</p> <ul style="list-style-type: none"> <li>• Financial statements amounts compared with amounts in prior periods and expectations of the current period;</li> <li>• Other relationships in the financial statements compared with prior years and expectations of the current period, such as comparative relationships, ratios, other key performance indicators and correlation between recorded profits and cash generation; and</li> <li>• The consistency, adequacy and completeness of disclosures in the financial statements with stated amounts.</li> </ul>				
<p><b>Management Representation Letter</b></p>				
<p>Was an appropriate management representation letter obtained?</p> <p>Consider:</p> <p>Were all representations required by the firm's standard letter and policies and procedures?</p> <p>Did the letter address all financial statements' periods covered by the firm's report?</p> <p>Was the standard letter appropriately modified to address unique individual client or engagement circumstances?</p> <p>Note: A review of the financial statements should be made to ensure that all significant items were appropriately addressed.</p> <p>Was the letter dated not earlier than the date of the firm's report and not later than the report release date?</p> <p>Were representations adequately corroborated through performance of other appropriate auditing procedures, where practicable?</p> <p>If not, did the engagement team investigate the circumstances and, where necessary, reconsider the reliability of other representations made by management?</p> <p>If the firm's report was reissued in an instance where the firm had been replaced by other auditors, was an updating representation letter from management and a representation letter from the successor auditor obtained prior to reissuance or signing of consent?</p> <p>Have the unadjusted misstatements been included in the Letter of representation that will be signed off by management signifying understanding and acceptance of the impact for not adjusting the identified misstatements?</p>				
<p><b>Subsequent Events</b></p>				

<p>Were subsequent events tests appropriately designed, performed and documented on file? Consider: Those events that provide further evidence of conditions that existed at the balance sheet date or arose subsequent to that date, may require adjustments or disclosure in the financial statements. If the issuance of the firm's report was significantly delayed beyond the date of the report (two weeks or more), were subsequent events auditing procedures extended to the date of issuance? If significant matters came to the attention of the engagement team after the date of the report but before the financial statements were issued, was appropriate action taken and was the matter properly resolved? If significant matters came to the attention of the engagement team after the issuance of our report, which, if known at the date of the report, would have affected the issuance of such report, was appropriate action taken and was the matter properly resolved? In cases involving the offering of securities to the public, did the engagement team consider the legal and related requirements applicable to the auditor in all jurisdictions in which the securities are offered?</p>				
<b>Unadjusted Misstatement</b>				
<p>Does the file contain a summary of unadjusted misstatements showing the statement of financial position, statement of profit or loss, statement of changes in equity and statement of cash flows effects of each entry and the aggregate effect, before and after tax, the impact of prior period waived items and a conclusion? Consider: Is there evidence that the engagement team considered the impact of prior period waived adjustments? Does the file contain a final conclusion on whether the aggregate of uncorrected differences that have been identified during the audit is material? Is there a need to consult in line with the risk management procedures of the firm? For any audit, irrespective of whether the client is rated as higher risk or is a listed company, if there is evidence that the client has deliberately created misstatements in the financial statements and the client's management has elected not to correct the misstatements on the basis of materiality, was there documented consultation between the engagement team and the risk management team/ partner? Where a misstatement was indicative of fraud, were the implications in relation to other aspects of the audit considered? Was materiality, including a final assessment of materiality for the financial statements, considered when evaluating the effect of misstatements? <b>Have the effect of the unadjusted misstatements been communicated to those charged with governance within the entity?</b> <b>Are unadjusted misstatements individually and in aggregate considered material? Have the team evaluated the impact of material unadjusted misstatements on the audit opinion?</b></p>				
<b>Evaluating misstatements</b>				
<p><b>Have the team accumulated misstatements identified during the audit (both quantitative and qualitative) except those that are insignificant, and evaluated their impact on the audit plan/strategy? Does the nature of the identified misstatement(s) indicate that other misstatements could exist in the financial statement? Are the accumulated misstatements close to or exceed the materiality? Does the audit plan and audit strategy need to be revised and have the team documented their rationale for any conclusion reached?</b></p>				

Have the team evaluated whether identified misstatements indicate a pervasive effect on the controls? And have they determined whether a conclusion can be made on the operating effectiveness of the controls? Are the controls operating effectively?				
Have all identified misstatements been communicated to appropriate management and to those charged with governance?				
<b>Financial Statements</b>				
<p>Does it appear that the financial statements were presented fairly, in all material respects, in conformity with GAAP and relevant laws and regulations, or, if not, was the audit report appropriately qualified?</p> <p>Consider:</p> <p>Was the relevant Disclosure Checklist tailored, completed and reviewed?</p> <p>were exceptions appropriately responded to? And was a copy of the completed checklist retained on the file?</p> <p>Were notes and statements inclusive of all informative disclosures required in the circumstances and by professional standards and relevant laws and regulations?</p> <p>Were assets, liabilities, revenues, expenses and equity appropriately classified?</p> <p>Where applicable, was there adequate disclosure of the risks and uncertainties inherent in the operations of the client?</p> <p>Is there evidence in the file that the engagement team:</p> <ul style="list-style-type: none"> <li>• Checked the reconciliation of the management information to the financial statements;</li> <li>• Agreed current year information in the financial statements to the entity's records and to supporting information in the audit file;</li> <li>• Agreed comparative information to the final prior-year financial statements;</li> <li>• Checked all cross-references between the financial statements and supporting notes; and</li> <li>• Checked the financial statements for mathematical, spelling and typographical errors?</li> </ul>				
<b>Other Information Accompanying the Financial Statements</b>				
<p>Was other information appropriately considered?</p> <p>Consider:</p> <p>If the financial statements are included in a document that contains information other than the financial statements, is there evidence that the other information has been read and determined to be consistent with the audited financial statements?</p> <p>If any inconsistencies were noted by the engagement team, were they properly resolved and the resolution documented?</p> <p>If other information not covered by the audit opinion is presented together with the financial statements, is it clearly differentiated from the audited financial statements?</p> <p>If the presentation of unaudited other information does not differentiate it sufficiently from the audited financial statements, was it explained in the audit report that that information has not been audited?</p>				
<b>OTHER COMMUNICATIONS</b>				
<b><i>Communication - Update on Accounting/Audit Issues and Risk Analysis</i></b>				
Did the engagement team update management and, where applicable, the audit committee on Accounting/Audit Issues and additional risks identified as part of their procedures prior to the year end?				
<b><i>Communication - Internal Control and Business Issues Report</i></b>				

<p>Did the engagement team report to management and the audit committee, where applicable, observations on internal control and business issues and was that evidenced on file?  Note: At a minimum, significant weaknesses in the design or operation of the accounting and internal control systems, as well as other significant audit findings, that came to the engagement team's attention and recommendations for improvement need to be identified in the firm's report.</p>				
<b>Communication - Completion Stage Reporting</b>				
Did the engagement team communicate relevant information to management in line with the firm's policies and regulatory requirements.				
In the event of observed irregularity, has the engagement partner notify the chief executive officer and members of the board providing details of such irregularity				
where the irregularities were not resolved, has the firm (the engagement partner) reported to FRC within the period specified(30 days)?				
<b>AUDIT REPORT</b>				
<p>Was the form of the audit report appropriate?  Consider:  Was the report properly addressed and titled, with the issuing office indicated?  Did the introductory paragraph of the report properly identify all of the financial statements that have been audited, including the date of and period covered by the financial statements?  Did the report include a statement that the financial statements are the responsibility of the entity's management and a statement that the responsibility of the auditor is to express an opinion on the financial statements based on the audit?  Did the audit report appropriately describe the audit and the scope of the audit (including reference to the applicable auditing standards)?  Does the opinion issued clearly state whether the financial statements give a true and fair view (or are presented fairly, in all material respects) in accordance with the financial reporting framework and, where appropriate, whether the financial statements comply with statutory requirements?  Did the format and language of the report comply in all significant respects with the applicable professional and regulatory reporting requirements?  Did the engagement team date the report not earlier than the date on which sufficient appropriate audit evidence on which to base the opinion on the financial statements has been obtained, which should include evidence that the complete set of financial statements has been prepared and those with the recognised authority have asserted their responsibility for them?</p>				
Did the audit report contain the name, signature and FRC Number of the partner signing on behalf of the firm				
<b>Audit Opinion</b>				



<p>Was the nature of the opinion expressed appropriate?  Consider:  If a qualification or the addition of explanatory language existed, were the reason(s) disclosed in the report?  If there was uncertainty about the client's ability to continue as a going concern was the audit report appropriately modified?  Where the uncertainty associated with an item or the lack of objective data made it incapable of reasonable estimation, was the effect on the audit report considered?  When management refused to provide a representation letter, was the audit report appropriately modified?  Where, as a result of the work of an expert, it is decided to issue a modified audit report, was the need to refer to the expert work in the audit report considered?  When the engagement team is unable to conclude whether the financial statements are materially misstated as a result of fraud, was the effect on the audit report considered?</p>				
<p><b>Comparatives – Financial Reporting Framework</b></p>				
<p>Was sufficient appropriate evidence obtained to ensure comparatives comply in all material respects with the financial reporting framework relevant to the financial statements?  Consider:  If the audit report on the prior period included a qualified opinion, disclaimer of opinion, or adverse opinion, was the effect of the prior period modifications on the current period audit report considered?  If the comparatives were presented as comparative financial statements, did the engagement team issue a report in which the comparatives were specifically identified?  If reporting on the prior period financial statements in connection with the current year's audit and the opinion on such prior period financial statements was different from the opinion previously expressed, did the engagement team disclose the substantive reasons for the different opinion in an emphasis of matter paragraph?</p>				
<p><b>COMPLETION SIGN OFF AND ARCHIVING</b></p>				
<p><b><i>Completion Signoff by Engagement Leader/ Partner and Team Manager</i></b></p>				
<p>Have the engagement leader and team manager signed off the completion activities and provided evidence of their satisfaction that all planned audit procedures, including all required steps, have been completed, documented, reviewed and resolved to their satisfaction, and that independence and ethical requirements have been met?</p>				
<p><b><i>Completion Signoff by the Quality / Independent Review Partner</i></b></p>				
<p>Has the Quality / Independent Review Partner provided evidence of his/her involvement in completion sign-off?</p>				
<p><b><i>Audit documentation and Archiving</i></b></p>				
<p>Were appropriate archiving procedures performed to determine that only the final completed version (i.e., after final sign-off) of the firm's electronic/ manual audit file was archived?  Has the file been archived in line with regulations and the firm's policies and procedures on archiving?.</p>				