

## CHECKLIST OF AUDIT ENGAGEMENT REVIEW



# The Institute of Chartered Accountants of Pakistan

### Disclaimer

*This checklist is used by Quality Assurance Department (QAD) for review of compliance with International Standards on Auditing in respect of audit engagements. This checklist is only for information of members of Institute of Chartered Accountants of Pakistan (ICAP) and should neither be considered as a guide nor as a substitute for reference to International Standards on Auditing and other applicable laws.*

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**CHECKLIST OF AUDIT ENGAGEMENT REVIEW 2019- XYZ Company**

Name of reviewer	Review Date	Name of FSR reviewer	FSR review date

**Engagement Information**

<b>Name of Entity</b>	
<b>Year End</b>	
<b>Nature of Business</b>	
<b>Type of Entity MSC / SSC / PIC / LSC</b>	
<b>Listed / Non-Listed</b>	
<b>Name of Audit Firm</b>	
<b>Location</b>	
<b>Engagement Partner Name and years since engagement partner</b>	
<b>Name of EQCR Partner if applicable</b>	
<b>Component / Group Audit</b>	
<b>First year of Audit ?</b>	
<b>Share Capital (also include sponsor/director loan when treated as equity as per TR-32)</b>	
<b>Reserves</b>	
<b>Total Assets</b>	
<b>Total Liabilities</b>	
<b>Current Assets</b>	

<b>Current Liabilities</b>	
<b>Profit / (Loss) before taxation</b>	
<b>Profit / (Loss) after taxation</b>	
<b>Materiality</b>	
<b>Performance Materiality</b>	
<b>Audit Opinion (Qualified/Clean/EOMP/Going Concern Assumption/Other Matter Paragraph)</b>	
<b>Prior year errors/restatement/change in accounting policy</b>	
<b>Audit report date</b>	
<b>Archival date</b>	
<b>Total Hours spent on the engagement by the team</b>	
<b>Basis used by the QAD to select engagement for review</b>	

S#	Procedure	ISA/ISQC/ Local Law reference	Yes/No NA	Brief description of finding/ Documentation of work performed by reviewer	WP Reference
1.	<b>Professional Ethics and Independence</b>				
	All audit firms registered with ICAP shall comply with the IESBA Code of Ethics for Professional Accountants and with relevant national codes of ethics, laws or regulations, where applicable, when performing financial statement audits and other assurance services. Audit firms also need to comply with minimum standards set out in the IESBA Code of Ethics, which apply to assurance engagements (including both financial statement audit and other assurance engagements).	IESBA Code of Ethics  ISQC 1  ISA 200  ISA 220			
1.2	<p>Were the following documented appropriately where threats to independence are identified;</p> <ul style="list-style-type: none"> <li>• When safeguards are required to reduce a threat to an acceptable level, the nature of the threat and the safeguards in place or applied that reduce the threat to an acceptable level, and</li> <li>• When a threat required significant analysis to determine whether safeguards were necessary and the assurance engagement partner concluded that they were not because the threat was already at an acceptable level, the nature of the threat and the rationale for the conclusion?</li> </ul> <p>Did the analysis of threats and safeguards undertaken have appropriate regard to the cumulative effect of multiple threats?</p>	IESBA Code of Ethics  ISQC 1  ISA 200  ISA 220			
1.3	For a new client, did the audit engagement partner consider whether it is appropriate to discuss with prospective client management and/or those charged with governance any significant matters arising and any safeguards which are to be put in place to eliminate any threat to independence or to reduce it to an acceptable level?	IESBA Code of Ethics  ISQC 1  ISA 200			

Engagement Review Checklist

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		ISA 220			
1.4	If another firm was involved in the audit, were procedures performed to determine that firm's compliance with relevant independence requirements, including, where required, receipt of appropriate confirmations?	Joint audit guide issued by ICAP under circular 12/2018			
1.5	Did the Engagement Partner take adequate steps to ensure that there were no independence issues relating to members of the audit engagement team and the chain of command?	ISQC 1, ISA 200 and 220			
1.6	Did the engagement partner responsible for an assurance engagement document his conclusions regarding compliance with independence requirements and the substance of any relevant consultation to support those conclusions?	ISQC 1, ISA 200 and 220			
1.7	Were any violations of external independence requirements reported to the audit engagement partner evaluated, discussed with those charged with governance, where necessary, and were appropriate actions taken ?  Were breaches of an external independence requirement relating to an audit engagement communicated to those charged with governance as soon as possible, unless those charged with governance have specified an alternative timing for reporting less significant breaches?	ISQC 1, ISA 200 and 220			
<b>2.</b>	<b>Acceptance and Continuance</b>				
2.1	For new clients, was a pre-acceptance investigation performed and were the results documented?  For continuing engagements, was the continuance documentation completed and were the results documented?	ISQC 1 and ISA 220			
2.2	Was each identified risk condition mapped to either a disposition comment explaining why the condition does not represent a	ISQC 1 and ISA 220			



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	significant risk on the engagement, or to an engagement specific significant risk?				
2.3	Did the engagement team document their consideration that the preconditions for the audit engagement have been met?	ISQC 1 and ISA 210			
2.4	Were all required approvals obtained in a timely manner	ISQC 1 and ISA 220			
2.5	Where circumstances occur or become known, that were not considered at the time of the acceptance or latest annual continuance assessment, did the engagement team complete a new or amend the previous Acceptance and Continuation evaluation and was the impact on risk assessment or applicable independence requirements reconsidered and documented?	ISA 220			
<b>3.</b>	<b>Agreeing the Terms of Audit Engagement</b>				
3.1	Were the terms of audit agreed with the management or those charged with governance?	ISA 210			
3.2	Did the engagement team record agreed terms of the audit engagement in an audit engagement letter or other suitable form of written agreement and did it include: <ul style="list-style-type: none"> <li>a) The objective and scope of the audit of the financial statements;</li> <li>b) The responsibilities of the auditor;</li> <li>c) The responsibilities of management;</li> <li>d) Identification of the applicable financial reporting framework for the preparation of the financial statements; and</li> <li>e) Reference to the expected form and content of any reports to be issued by the auditor; and</li> <li>f) A statement that there may be circumstances in which a report may differ from its expected form and content.</li> </ul>	ISA 210 and ISA 230			

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3.3	Where there are deviations from the standard audit engagement contract, were the amendments appropriate and agreed by the client?	ISA 210			
3.4	If the Engagement Partner was unable to agree to a change of the engagement and was not permitted to continue the original engagement, did the Engagement Partner withdraw and report to other parties where there is an obligation to do so?	ISA 210			
<b>4.</b>	<b>Engagement Team Rotation</b>				
4.1	Has it been ensured that serving period for the Engagement Partner has not exceeded five years for listed company?	ISQC 1 Firm internal policies  Code of Corporate Governanc e			
4.2	Did the audit Engagement Partner consider any need to rotate other senior members of the audit engagement team or the need to implement other safeguards to address any threat created by long association of individuals with the audit client and engagement?	ISQC 1  Firm internal policies			

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4.3	<p>Did the engagement team including specialists in accounting or auditing and/or internal/external experts have the competence and capabilities, to:</p> <ul style="list-style-type: none"> <li>• Perform the audit engagement in accordance with professional standards and applicable legal and regulatory requirements; and</li> <li>• Enable an auditor's report that is appropriate in the circumstances to be issued.</li> </ul>	ISA 220			
4.4	Were roles and responsibilities appropriately assigned to engagement team members?	ISA 220			
<b>5.</b>	<b>Materiality</b>				
5.1	<p>Were appropriate benchmarks and thresholds identified and considered, and was judgment appropriately used, in determining materiality levels?</p> <p>Were all relevant matters and rationales documented in accordance with the requirements set out in International Standards of Auditing?</p>	ISA 320			
5.2	Did the engagement team consider whether misstatements in certain items of amounts lower than overall materiality could reasonably be expected to influence users?	ISA 320			
5.3	Was an appropriate rationale used and adequately applied and justified in determining the performance materiality?	ISA 320			
5.4	Were reasons for setting a different materiality level for particular classes of transactions, account balances and disclosures were documented?.	ISA 320			
5.5	When the engagement team became aware of information during the audit that would have resulted in different levels to have been determined, were the materiality levels appropriately revised and documented?	ISA 320			

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6.	<b>Planning an audit of financial statements</b>				
6.1	<p>Have the engagement partner and other key members of the engagement team been involved in planning the audit, including planning and participating in the discussion among engagement team members?</p> <p>For the purpose of the kick-off meeting, other key members of the engagement team are:</p> <ul style="list-style-type: none"> <li>• The Engagement Partner;</li> <li>• The EQCR (if applicable);</li> <li>• The team manager(s);</li> <li>• Experienced team members;</li> <li>• Experts and/or specialists in accounting or auditing, as appropriate; and</li> </ul>	ISA 300			
6.2	<p>Did the engagement partner and other key engagement team members discuss the following during the planning meeting:</p> <ul style="list-style-type: none"> <li>• The susceptibility of the entity's financial statements to material misstatement;</li> <li>• The application of the applicable financial reporting framework to the entity's facts and circumstances;</li> <li>• How and where the entity's financial statements may be susceptible to material misstatement due to fraud, including how fraud might occur; and</li> <li>• The susceptibility of the financial statements to material misstatement due to fraud or error that could result from the entity's related party relationships and transactions; and</li> <li>• Any independence matters related to members of the team?</li> </ul>	ISA 240, ISA 315,			
6.3	<p>Did the engagement team document:</p> <p>(a) The overall audit strategy;</p> <p>(b) The audit plan; and</p>	ISA 300			

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	(c) Any significant changes (if any) made during the audit engagement to the overall audit strategy or the audit plan, and the reasons for such changes.				
<b>7.</b>	<b>Understanding the Entity</b>				
7.1	Were initial meetings held with management during planning to discuss the entity's strategy/objectives, risks and controls?	ISA 315			
7.2	Did the engagement team identify and assess the risks of material misstatement, whether due to fraud or error, at the financial statement and assertion levels, through understanding the entity and its environment, including the entity's internal control, thereby providing a basis for designing and implementing responses to the assessed risks of material misstatement?	ISA 315			
7.3	Did the engagement team focus on matters involving significant changes or developments from an external perspective impacting the client, especially those presenting higher risk?	ISA 315			
7.4	Was an understanding of the entity and its environment discussed within the engagement team? Did the engagement team understand: <ul style="list-style-type: none"> <li>• its operations (i.e. the products/ services and the types of customers to whom those products and services were sold);</li> <li>• its ownership and governance structures;</li> <li>• the types of investments that the entity is making and plans to make, including investments in special-purpose entities; and</li> <li>• the way that the entity is structured and how it is financed to enable the auditor to understand the classes of transactions, account balances, and disclosures to be expected in the financial statements?</li> </ul>	ISA 315			
7.5	Was an understanding of the entity's selection and application of accounting policies obtained and considered appropriate and consistent with the applicable financial reporting framework and accounting policies used in the relevant industry?	ISA 315			

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<b>8.</b>	<b>Audit Risk Documentation</b>				
8.1	Did the engagement team establish an appropriate audit strategy taking into consideration the characteristics of the engagement, reporting objectives, results of preliminary engagement activities and, where applicable, whether knowledge gained on other engagements performed by the engagement partner for the entity is relevant?	ISA 315			
8.2	Did the engagement team perform risk assessment procedures to provide a basis for the identification and assessment of risks of material misstatement at the financial statement and assertion levels?	ISA 315			
8.3	Did the engagement team identify risks throughout the process of obtaining an understanding of the entity and its environment, including relevant controls that relate to the risks, and by considering the classes of transactions, account balances, and disclosures in the financial statements?	ISA 315			
8.4	Were risk related issues (including significant risks identified) discussed within the engagement team?	ISA 315			
8.5	With respect to the identification of, and response to, revenue recognition as a significant risk, were appropriate procedures including, where appropriate, disaggregated analytics, planned on important contracts or other sales arrangements with major customers where terms were complex and/or critical, including any side agreements?	ISA 315			
8.6	Was appropriate work planned on 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?	ISA 315			
<b>9.</b>	<b>Components of Internal Control</b>				
9.1	Was an understanding of the entity's internal control obtained and evaluated and appropriately documented (including the 5 COSO components which are: i. control environment,	ISA 315			

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	ii. risk assessment process, iii. information system and communication, iv. control activities and v. monitoring of controls over financial reporting				
	<b>Control Environment</b>				
9.2	Was the evaluation based on prior audit experience and initial meetings and did it include the output from Client and Engagement Acceptance procedures?	ISA 315			
9.3	<p>Did the engagement team assess the components of the control environment including the governance and management functions and the 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>Factors the engagement team may have considered include:</p> <ul style="list-style-type: none"> <li>• Communication and enforcement of integrity and ethical values;</li> <li>• Commitment to competence;</li> <li>• Participation by those charged with governance;</li> <li>• Management's philosophy and operating style;</li> <li>• Organizational structure; Assignment of authority and responsibility; and</li> <li>• Human resource policies and practices.</li> <li>• Previous understanding and client and engagement acceptance procedures.</li> </ul>	ISA 315			
9.4	Was the engagement team's evaluation of the control environment supported through other audit activities and/or by obtaining substantive audit evidence?	ISA 315			

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9.5	Was the documentation of the control environment evaluation sufficient, bearing in mind the intended degree of comfort/evidence from controls?	ISA 315			
9.6	Did the engagement team consider whether management has established an organization structure that considers key areas of authority and responsibility, establishes appropriate lines of reporting, and defines the framework for delegating and limiting authority commensurate with responsibilities?	ISA 315			
	<b>Entity's Risk Assessment</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 behavior?</li> </ul>	ISA 315			
9.8	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?	ISA 240 and 315			
9.9	Was the engagement team's evaluation of the client's risk assessment process supported through other audit activities and/or by obtaining substantive audit evidence?	ISA 315 and ISA 500			
9.10	<p>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's risk assessment process?</p> <p>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?</p>	ISA 315			



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	<b>Information System and Communication</b>				
9.11	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 mapping the linkage between significant processes and the financial statements?	ISA 315			
9.12	<p>Did the engagement team identify and consider:</p> <ul style="list-style-type: none"> <li>• Significant classes of transactions;</li> <li>• Initiation, recording, processing (including corrections if necessary and transfer to the GL) and reporting of significant transactions from occurrence to inclusion in the financial statements, including the related accounting records;</li> <li>• Capture of significant events and conditions other than transactions, including recurring and non-recurring adjustments;</li> <li>• The financial reporting process adopted to prepare the financial statements;</li> <li>• Controls surrounding journal entries, including non-standard journal entries used to record non-recurring, unusual transactions or adjustments;</li> <li>• Communications between management and those charged with governance; and</li> <li>• External communications such as those with regulatory authorities?</li> </ul>	ISA 315			
9.13	Did the engagement team consider the effectiveness of communication (e.g. of control responsibilities, financial reporting	ISA 315			

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	roles and responsibilities) within the entity and externally, such as those with regulatory authorities?				
9.14	Did the engagement team evaluate whether the design and implementation of the processes/controls were adequate to provide accurate information?	ISA 315			
9.15	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?	ISA 315			
9.16	Did the engagement team obtain an understanding of the level and 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?	ISA 315			
9.17	Did the engagement team make judgement that it is not possible or practicable to obtain sufficient appropriate audit evidence only from substantive procedures. Such risks may relate to the inaccurate or incomplete recording of routine and significant classes of transactions or account balances, the characteristics of which often permit highly automated processing with little or no manual intervention. In such cases, the entity's controls over such risks are relevant to the audit and the engagement team shall obtain an understanding of them.	ISA 315			
	<b>Control Activities</b>				
9.18	Did the engagement team focus on controls designed to meet the relevant financial statement assertions for the significant account balances, classes of transactions and disclosures ?	ISA 315			
9.19	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 assertion, did they seek to understand the transaction level controls?	ISA 315			
9.20	Did the engagement team perform a walkthrough (or other appropriate procedures) to confirm their understanding of the control(s) in place, evaluate the effectiveness of the design of the control(s) and confirm whether the control(s) implemented address the risk of material misstatement?	ISA 315			

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9.21	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?	ISA 315			
	<b>Monitoring of Controls</b>				
9.22	Did the engagement team consider both ongoing monitoring activities including those of internal audits and separate evaluations (periodic monitoring)?	ISA 315			
9.23	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?	ISA 315			
9.24	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 they remain appropriate over time)?	ISA 315			
<b>10.</b>	<b>Fraud Risk Assessment and Related Activities</b>				
10.1	When addressing identified risks of material misstatement due to fraud, did the engagement team: <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 an element of unpredictability in the selection of the nature, timing and extent of audit procedures; and</li> <li>Document those procedures that were deemed unpredictable in nature?</li> </ul>	ISA 240			
10.2	Did the engagement team: <ul style="list-style-type: none"> <li>Consider the fraud risk factors identified through completion of the Acceptance and Continuance process</li> </ul>	ISA 240			

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	<p>(and other audit procedures) in preparing the Audit Strategy and Plan and the planned approach;</p> <ul style="list-style-type: none"> <li>• Discuss fraud risks at an Engagement Partner led meeting involving the team;</li> <li>• Discuss fraud with key members of management (including the Board/Audit Committee);</li> <li>• Identify fraud risks considering all the information gathered on the audit and assess such risks in conjunction with the client's controls and programs;</li> <li>• Communicate their findings to the client (where appropriate);</li> <li>• For each identified fraud risk consider the type of risk, its significance, likelihood and pervasiveness;</li> <li>• Design an appropriate response to the results of their assessment, and</li> <li>• Consider the involvement of forensic specialists as may be needed?</li> </ul>				
10.3	<p>Did the engagement team include management override of controls as a fraud risk and thus a significant risk and perform appropriate procedures in response to that risk</p> <ul style="list-style-type: none"> <li>• journal entry testing,</li> <li>• reviewing accounting estimates for biases and</li> <li>• evaluating the business rationale for significant unusual transactions, and other procedures where considered appropriate.</li> </ul>	ISA 240			
10.4	<p>Did the engagement team evaluate the results of all audit tests (including analytical procedures) to assess whether the results of performed procedures or identified misstatements may be indicative of fraud?</p>	ISA 240			
10.5	<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</p> <ul style="list-style-type: none"> <li>• management,</li> <li>• internal audit,</li> <li>• those charged with governance and</li> </ul>	ISA 240			

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	<ul style="list-style-type: none"> <li>others?</li> </ul> <p>If there were inconsistencies in responses to enquiries of those charged with governance and management, were they adequately resolved?</p>				
10.6	If the integrity or honesty of management or those charged with governance was doubted, were appropriate consultations (e.g. with the Engagement Quality Control Reviewer etc.) performed?				
10.7	When identifying and assessing the risks of material misstatement due to fraud, did the engagement team, based on a presumption that there are risks of fraud in revenue recognition, evaluate which types of revenue, revenue transactions or assertions give rise to such risks?	ISA 240			
10.8	Did the engagement team treat those assessed risks of material misstatement due to fraud as significant risks and accordingly, to the extent not already done so, has the team obtained an understanding of the entity's related controls, including control activities, relevant to such risks.	ISA 240			
10.9	If the engagement team has concluded that the presumption that there is a risk of material misstatement due to fraud related to revenue recognition is not applicable in the circumstances of the engagement, did the engagement team include in the audit documentation the reasons for that conclusion ?	ISA 240			
<b>11.</b>	<b>Risk Assessment Analytical Procedures</b>				
11.1	Did the engagement team perform the analysis at an aggregated or sufficiently disaggregated level to assist with the identification of unusual or unexpected relationships relevant to the risk assessment?	ISA 315			
11.2	Did the engagement team sufficiently document: <ul style="list-style-type: none"> <li>Their assessment of the reliability of the data used for the risk assessment analytics,</li> <li>The quantitative or qualitative analysis of the recorded amounts, trends and ratios that were consider relevant, including the basis for identifying unusual or unexpected relationships.</li> </ul>	ISA 315			

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	<ul style="list-style-type: none"> <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/investigation was necessary.</li> </ul>				
11.3	<p>As part of the risk assessment did the engagement team determine whether any of the risks identified are, in the team's judgment, a significant risk. In exercising this judgment, the team excluded the effects of identified controls related to the risk?</p> <p>In exercising judgment as to which risks are significant risks, the engagement team shall consider at least the following:</p> <ul style="list-style-type: none"> <li>(a) Whether the risk is a risk of fraud;</li> <li>(b) Whether the risk is related to recent significant economic, accounting or other developments and, therefore, requires specific attention;</li> <li>(c) The complexity of transactions;</li> <li>(d) Whether the risk involves significant transactions with related parties;</li> <li>(e) The degree of subjectivity in the measurement of financial information related to the risk, especially those measurements involving a wide range of measurement uncertainty; and</li> <li>(f) Whether the risk involves significant transactions that are outside the normal course of business for the entity, or that otherwise appear to be unusual.</li> </ul> <p>If the engagement team has determined that a significant risk exists, has the team obtained an understanding of the entity's controls, including control activities, relevant to that risk?</p>	ISA 315			
12.	<b>Opening Balances</b>				
12.1	Prior to starting an initial audit, did the engagement team communicate with the predecessor auditor, in compliance with	ISA 300			

Engagement Review Checklist

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	relevant ethical requirements? Did they gain an understanding as to the reason for the change in auditor and determine the impact on our client acceptance assessment, audit strategy and audit plan?				
12.2	Did an experienced member of the engagement team review the predecessor auditor's working papers in order to obtain sufficient appropriate audit evidence regarding the opening balances?	ISA 300			
<b>13.</b>	<b>Using the Work of Internal Auditors</b>				
13.1	<p>When the engagement team planned to rely on the work of internal auditors, did the engagement team perform such procedures as:</p> <ul style="list-style-type: none"> <li>• Consider the characteristics of the entity's "internal audit function" to determine whether it meets the definition of an internal audit function or equivalent for the purposes of the external audit.</li> <li>• Consider whether there are any local laws or regulations restricting use of the work of an internal audit function (including restrictions on direct assistance).</li> <li>• Evaluate the ability to use of the work of an internal audit function, including evaluating objectivity and competence and determine whether the internal audit function applies a systematic and disciplined approach, including quality control.</li> <li>• Determine the nature and extent of work of the internal audit function that is appropriate to use, including considering relevant factors such as level of judgment, assessed risks of material misstatement, internal audit functions organization status and the assess level of competence of the internal audit function.</li> <li>• Evaluate whether, in aggregate using the work of the internal audit function to the extent planned (including</li> </ul>	ISA 610			

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	<p>direct assistance) would still result in the external auditor being sufficiently involved in the audit.</p> <ul style="list-style-type: none"> <li>• Determine that all significant judgments were made by the engagement team and not the internal audit function.</li> <li>• Communicate planned use of the work of internal audit function with those charged with governance.</li> <li>• Discuss with internal audit the scope of their work (such as controls, transactions or balances examined, actions taken and follow up). Read the reports of the internal audit function relating to the work of the function that is planned to be used to obtain an understanding of the nature and extent of audit procedures it performed and the related findings.</li> <li>• Perform sufficient audit procedures on the body of work of the internal audit function as a whole that is planned to be used to determine its adequacy for purposes of the audit, including evaluating whether: - <ul style="list-style-type: none"> <li>❖ The work of the function had been properly planned, performed, supervised, reviewed and documented; -</li> <li>❖ Sufficient appropriate evidence had been obtained to enable the function to draw reasonable conclusions; and</li> <li>❖ Conclusions reached are appropriate in the circumstances and the reports prepared by the function are consistent with the results of the work performed.</li> </ul> </li> <li>• The nature and extent of the external procedures are to be responsive to the engagement team's evaluation of</li> </ul>				



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	<ul style="list-style-type: none"> <li>❖ The amount of judgment involved;</li> <li>❖ The assessed risk of material misstatement;</li> <li>❖ The extent to which the internal audit function's organizational status and relevant policies and procedures support the objectivity of the internal auditors; and</li> <li>❖ The level of competence of the function.</li> </ul> <ul style="list-style-type: none"> <li>• Consider if sample sizes applied by the internal audit function in their controls and substantive testing are within a reasonable range to be sufficient for our purposes.</li> <li>• When direct assistance is provided:               <ul style="list-style-type: none"> <li>i) -Obtain written agreement prior to using internal auditors to provide direct assistance</li> <li>ii) -Assess and document the internal auditors' competence and objectivity</li> <li>iii) -Determine the nature and extent of work that can be assigned to internal auditors providing direct assistance.</li> <li>iv) -Control all phases of work, including supervision, review, evaluation, and testing their work, to the extent appropriate in the circumstances</li> <li>v) -Inform them of their responsibilities, the objectives of the procedures they are to perform, and matters that may affect the nature, timing, and extent of audit procedures, such as possible accounting and auditing issues.</li> <li>vi) -Communicate to those charged with governance the nature and extent of the planned use of internal auditors to provide direct assistance</li> <li>vii) -Inform them that all significant accounting and auditing issues identified during the audit be brought to our attention.</li> </ul> </li> </ul>				
14.	<p><b>Understanding the Entity's Controls</b></p>				

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14.1	Was an understanding obtained of the entity including its operations, ownership and governance structures as well as the nature of its significant investments and financing structure?	ISA 330			
14.2	Was an understanding obtained of the overall business environment in which the entity operates, including its industry, legal, political and regulatory environment, as well as the entity's internal controls?	ISA 330			
14.3	Is there evidence that an independent point of view was developed by the engagement team through a combination of their own research, taking into account how the company compares against its industry, its competitors and/or peers, and discussions with entity personnel?	ISA 330			
<b>15.</b>	<b>Controls Reliance</b>				
15.1	Has the engagement team designed and performed tests of controls to obtain sufficient appropriate audit evidence as to the operating effectiveness of relevant controls if:  (a) the team's assessment of risks of material misstatement at the assertion level includes an expectation that the controls are operating effectively (that is, the auditor intends to rely on the operating effectiveness of controls in determining the nature, timing and extent of substantive procedures); or  (b) Substantive procedures alone cannot provide sufficient appropriate audit evidence at the assertion level.	ISA 330			
15.2	Where the engagement team planned to rely on controls in respect of the audit area selected, were those controls tested? Did the tested controls provide sufficient evidence to justify the expected level of controls reliance?  Did the engagement team perform other audit procedures, in combination with inquiry, to obtain audit evidence about the operating effectiveness of the controls, including:	ISA 330			

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	<ul style="list-style-type: none"> <li>How the controls were applied at relevant times during the period under audit?</li> <li>The consistency with which they were applied?</li> <li>By whom or by what means they were applied?</li> </ul>				
15.3	Where any of the controls tested relied upon other controls (indirect controls) did the engagement team consider if it was necessary to obtain audit evidence supporting the effective operation of those indirect controls?	ISA 330			
15.4	Were the tests of operating effectiveness of controls sufficient to determine that the controls were operating effectively throughout the period of reliance? Where controls were tested at an interim date, was consideration given to the remaining part of year for additional evidence including instances where changes in activities or internal control had occurred?	ISA 330			
<b>16.</b>	<b>IT General Controls (ITGCs)</b>				
16.1	<p>Were ITGCs tested in connection with the testing of IT dependencies (including automated controls or controls that were significantly dependent on IT) to determine that the ITGCs relevant to the audit area selected operated effectively throughout the period?</p> <p>Did the engagement team gain and document a sufficient understanding of the linkage of ITGCs to:</p> <ul style="list-style-type: none"> <li>application controls and automated accounting procedures that depend on computer processes; and/or</li> <li>manual controls that depend on application-generated information;</li> </ul> <p>in order to place the planned reliance on such controls? Was the work performed by an appropriate team member?</p>	ISA 330			
<b>17.</b>	<b>Nature of Control Testing</b>				

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17.1	Were appropriate meetings, including with management outside the finance function, conducted to validate controls and assess management's assertion that the underlying information is reliable?	ISA 330			
17.2	Did the engagement team use an appropriate combination of inquiry, observation, examination and, if necessary, re-performance?	ISA 330			
17.3	Was there appropriate use of CAATs together with the involvement of Data Management or I.T where appropriate?	ISA 330			
<b>18.</b>	<b>Extent of Control Testing</b>				
18.1	Did the engagement team consider the frequency of the control, the expected deviation from the control, relevance and reliability of the audit evidence needed, the type of control expected to be tested and whether there has been a change in the design or operation of the controls?	ISA 330			
18.2	Where dual purpose testing was applied, is there evidence that the engagement team appropriately considered the design and evaluation of such tests to accomplish both objectives?	ISA 330			
18.3	Where the engagement team has elected to place reliance on the controls evidence obtained in prior periods, was this appropriate considering the identified risk level?  Where reliance is placed on prior period testing of controls, there must be confirmation on file that no change has taken place since then in the controls being relied upon. Furthermore, testing of controls cannot be completely rotated out of the client audit in any one year.	ISA 330			
18.4	Where the engagement team has elected to rely on controls with regard to a significant risk, did the engagement team test those controls in the current period?	ISA 330			
18.5	Where there have not been any changes in controls did the engagement team test the controls? Did the engagement team test some controls to avoid the possibility of testing all the controls on which the auditor intends to rely in a single audit period with no testing of controls in the subsequent two audit periods?	ISA 330			

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19.	<b>Determine Whether Evidence is Available for the Whole Period</b>				
19.1	Where the engagement team obtained audit evidence about the operating effectiveness of controls during an interim period, did they: <ul style="list-style-type: none"> <li>Obtain audit evidence about significant changes to those controls subsequent to the interim period? and</li> <li>Determine the additional audit evidence to be obtained for the remaining period?</li> </ul>	ISA 330			
19.2	In deciding what required updating, was adequate consideration given to factors such as the significance of the assessed risks of material misstatement at the assertion level, the controls tested during the interim period and any significant changes thereto, the length of the remaining period, the intent to reduce further substantive procedures based on the reliance of controls, and the control environment?	ISA 330			
20.	<b>Reliability of System Generated Information</b>				
20.1	Where the engagement team has used information generated by an IT application in the operation of relevant controls that the team relied on, and/or as the basis for substantive testing procedures, including substantive analytical procedures and tests of details, did the engagement team adequately assess the reliability of such information (i.e., addressing the completeness and accuracy of both the source data and the information presented in the report (report logic)? Where applicable, did that assessment include linkage to the testing of relevant application controls and IT General Controls ITGCs?  As part of the engagement team's procedures to gain an understanding of the sources, uses and reliability of information that management uses for carrying out monitoring of controls and control activities (e.g. business performance reviews) did the engagement team:	ISA 330			

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	<ul style="list-style-type: none"> <li>Gain an appropriate understanding of the nature and source(s) of the underlying information; or</li> <li>Appropriately test the relevant application controls and ITGCs that management relies on; or</li> <li>Obtain evidence on how management tests or corroborates the underlying information through independent objective sources, or perform their own substantive testing of the underlying information?</li> </ul>				
<b>21.</b>	<b>Evaluation of the Tests of Controls</b>				
21.1	Where the engagement team assessed exceptions recorded as negligible, was this judgment acceptable in the circumstances, taking into account the level of assurance required and the nature of controls?	ISA 330			
21.2	Were both qualitative and quantitative factors taken into account in assessing whether exception rates were acceptable?	ISA 330			
21.3	Did the engagement team increase their testing where necessary?	ISA 330			
21.4	Was there adequate testing of mitigating controls, where identified, to cover for exceptions found in controls initially tested?	ISA 330			
21.5	Where testing 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 required to achieve the degree of assurance required?	ISA 330			
21.6	Did the engagement team determine whether the deficiencies in internal control identified, individually or collectively, constitute a significant deficiency in internal control? If a significant deficiency in internal controls was noted did the engagement team document this as a Significant matter as required, and was this communicated in writing to those charged with governance?	ISA 330			
<b>22.</b>	<b>Use of Service Organization</b>				
22.1	Where the engagement team identified the use of a service organization and relied on controls at the service organization, did	ISA 402			

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	<p>they obtain audit evidence about the design and / or operating effectiveness of the controls by undertaking one or more of the following procedures:</p> <ul style="list-style-type: none"> <li>i. Obtain a type 1 or type 2 report where available?</li> <li>ii. Perform appropriate tests of design and implementation and / or operating effectiveness at the service organization?</li> <li>iii. Use another auditor to perform such tests of controls?</li> </ul> <p>Where the engagement team has used a type 2 report as audit evidence to support that controls at the service organization are operating effectively, did they evaluate:</p> <ul style="list-style-type: none"> <li>i. Whether the description, design and operating effectiveness of controls at the service organization is at a date, or for a period, that is appropriate for their purposes?</li> <li>ii. The service auditor's professional competence and independence and the adequacy of the standards under which the report was issued?</li> <li>iii. The adequacy of the time period covered by the tests of controls and the time elapsed since the performance of the tests of controls?</li> <li>iv. Whether the report provides sufficient appropriate audit evidence about the operating effectiveness of the controls?</li> <li>v. Where there are complementary user controls identified in the report, whether they have been properly considered?</li> </ul>				
23.	<b>Substantive Audit Procedures</b>				
23.1	Irrespective of the assessed risks of material misstatement, has the engagement team designed and performed substantive procedures for each material class of transactions, account balance, and disclosure ?	ISA 330			
	If the engagement team has determined that an assessed risk of material misstatement at the assertion level is a significant risk, the	ISA 330			

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	auditor shall perform substantive procedures that are specifically responsive to that risk.  When the approach to a significant risk consists only of substantive procedures, those procedures shall include tests of details.				
23.2	If substantive procedures are performed at an interim date, did the engagement team cover the remaining period by performing procedures that provide a reasonable basis for extending the audit conclusions from the interim date to the period end?	ISA 330			
	<b>Substantive Analytical Procedures</b>				
23.3	When performing substantive analytical procedures, did the engagement team apply and document the four elements that comprise distinct steps that are inherent in the process: <ul style="list-style-type: none"> <li>Evaluate the reliability of data from which the independent expectation of recorded amounts or ratios was developed, taking account of source, comparability, and nature and relevance of information available, and controls over preparation?</li> <li>Determine the amount of any difference of recorded amounts from expected values that is acceptable without further investigation?</li> <li>Compare the expected value with the recorded amounts and identify any significant differences?</li> <li>Investigate significant differences and draw conclusions?</li> </ul>	ISA 520			
23.4	Did the engagement team investigate significant differences and were explanations obtained reasonable in the circumstances?	ISA 520			
23.4	Where unexpected differences identified and adequately explained, did the engagement team reassess the impact on their original expectations?	ISA 520			
23.5	Were explanations for significant differences followed up and resolved through inquiry, quantification, corroboration and evaluation?	ISA 520			



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23.6	Where the procedures did not provide the desired level of assurance were additional substantive analytical procedures and/or tests of details performed?	ISA 520			
<b>24.</b>	<b>Selecting Specific Items for Testing</b>				
24.1	Was the selection criteria documented appropriate?  Specific items selected may include: <ul style="list-style-type: none"> <li>• <i>High value or key items.</i></li> <li>• <i>All items over a certain amount.</i></li> <li>• <i>Items to obtain information</i></li> </ul>	ISA 500			
24.2	Was the untested amount (after specific testing) evaluated to assess whether further testing was required and did the engagement team appropriately document the rationale for the disposal of the untested balance?	ISA 500			
24.3	When a misstatement is identified, did the engagement team consider if it needs to be included in the Summary of Uncorrected Misstatements?	ISA 500			
<b>25.</b>	<b>Audit Sampling</b>				
25.1	When designing an audit sample, has the engagement team considered the purpose of the audit procedure and the characteristics of the population from which the sample will be drawn?  Has the engagement team determined a sample size sufficient to reduce sampling risk to an acceptably low level?  Has the engagement team selected items for the sample in such a way that each sampling unit in the population has a chance of selection?	ISA 530			
25.2	Was the sample size defined using the sample size formula in accordance with the relevant audit requirements and were the	ISA 530			

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	judgments, made for the levels of tolerable misstatement, reasonable?				
25.3	<p>Has the engagement team performed audit procedures, appropriate to the purpose, on each item selected ?</p> <p>If the audit procedure is not applicable to the selected item, has the engagement team performed the procedure on a replacement item?</p> <p>If the engagement team is unable to apply the designed audit procedures, or suitable alternative procedures, to a selected item, has the item been they treated as a deviation from the prescribed control, in the case of tests of controls, or a misstatement, in the case of tests of details?</p>	ISA 530			
25.4	<p>Has the engagement team investigated the nature and cause of any deviations or misstatements identified, and evaluated their possible effect on the purpose of the audit procedure and on other areas of the audit?</p> <p>In the extremely rare circumstances when the auditor considers a misstatement or deviation discovered in a sample to be an anomaly, the auditor shall obtain a high degree of certainty that such misstatement or deviation is not representative of the population. The auditor shall obtain this degree of certainty by performing additional audit procedures to obtain sufficient appropriate audit evidence that the misstatement or deviation does not affect the remainder of the population.</p>	ISA 530			
25.5	<p><b>Projecting Misstatements</b> For tests of details, has the engagement team projected misstatements found in the sample to the population.</p> <p>When a misstatement has been established as an anomaly, it may be excluded when projecting misstatements to the population. However, the effect of any such misstatement, if uncorrected, still</p>	ISA 530			

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	<p>needs to be considered in addition to the projection of the non-anomalous misstatements.</p> <p>For tests of controls, no explicit projection of deviations is necessary since the sample deviation rate is also the projected deviation rate for the population as a whole.</p>				
25.6	<p>Has the engagement team followed the guidance below from the ISA to evaluate the effect of misstatement?</p> <p>In the case of tests of details, the projected misstatement plus anomalous misstatement, if any, is the auditor's best estimate of misstatement in the population. When the projected misstatement plus anomalous misstatement, if any, exceeds tolerable misstatement, the sample does not provide a reasonable basis for conclusions about the population that has been tested. The closer the projected misstatement plus anomalous misstatement is to tolerable misstatement, the more likely that actual misstatement in the population may exceed tolerable misstatement. Also if the projected misstatement is greater than the auditor's expectations of misstatement used to determine the sample size, the auditor may conclude that there is an unacceptable sampling risk that the actual misstatement in the population exceeds the tolerable misstatement. Considering the results of other audit procedures helps the auditor to assess the risk that actual misstatement in the population exceeds tolerable misstatement, and the risk may be reduced if additional audit evidence is obtained</p>	ISA 530			
25.7	<p>If the engagement team concludes that audit sampling has not provided a reasonable basis for conclusions about the population; has been engagement team:</p> <ul style="list-style-type: none"> <li>• Requested management to investigate misstatements that have been identified and the potential for further misstatements and to make any necessary adjustments?; or</li> <li>• Tailor the nature, timing and extent of those further audit procedures to best achieve the required assurance. For example, in the case of tests of controls, the auditor might</li> </ul>	ISA 530			

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	extend the sample size, test an alternative control or modify related substantive procedures?.				
26.	<b>External Confirmations</b>				
26.1	<p>Did the engagement team maintain control of the confirmation process to minimize the risk of requests and responses being intercepted and altered? Maintaining control of the confirmation request process generally includes the following core elements:</p> <ul style="list-style-type: none"> <li>• Selecting the parties to be confirmed;</li> <li>• Providing a format for the confirmation request outlining the information to be requested;</li> <li>• Mailing the confirmations directly;</li> <li>• Providing a self-addressed envelope with the confirmation requests to enable the confirming party to return the confirmation directly to the engagement team ; and</li> <li>• Performing additional follow-up procedures in circumstances where the confirmation request is returned to the entity's premises and passed onto the engagement team (e.g., asking the confirming party to send a response directly to us).</li> </ul>	ISA 505			
26.2	Where confirmations were sent as at a date prior to the balance sheet to obtain evidence to support a financial statement assertion, did the engagement team obtain sufficient appropriate audit evidence that transactions relevant to the assertion in the intervening period have not been materially misstated?	ISA 505			
26.3	Were non-replies followed up with alternative procedures?	ISA 505			
26.4	Were confirmations scrutinized for unusual details that could suggest they were fraudulent?	ISA 505			
26.5	If the auditor identifies factors that give rise to doubts about the reliability of the response to a confirmation request, the auditor shall obtain further audit evidence to resolve those doubts.	ISA 505			

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	Refer para A11 to A16 of ISA 505 for guidance about reliability of responses to confirmation requests.				
26.6	Did the engagement team use confirmation formats for banks in accordance with the requirements of Audit Technical Release ATR 18 Bank Reports for Audit Purposes.	ICAP ATR 18			
<b>27.</b>	<b>Accounting Estimates (including Fair Value Estimates)</b>				
27.1	<p>In responding to the assessed risks of material misstatement, including when auditing asset impairments, did the engagement team undertake one or more of the following, taking account of the nature of each accounting estimate:</p> <ul style="list-style-type: none"> <li>i. Determine whether events occurring up to the date of the auditor's report provide audit evidence regarding the accounting estimate?</li> <li>ii. Test how management made the accounting estimate and the data on which it is based?</li> <li>iii. Test the operating effectiveness of the controls over how management made the accounting estimate, together with appropriate substantive procedures?</li> <li>iv. Develop a point estimate or a range to evaluate management's point estimate?</li> </ul> <p>Did the engagement team evaluate, based on the audit evidence, whether each accounting estimate is either reasonable in the context of the applicable financial reporting framework, or is misstated?</p> <p>Where the accounting estimate relates to a fair value estimate, did the engagement team follow the specific considerations set out in the ISA?</p>	ISA 540			
27.2	Did the engagement team appropriately document their consideration of estimation uncertainty (including consideration of the requirements set out in ISA 540 Para 15), and where an estimate was determined as having high estimation uncertainty was consideration given to whether this potentially gave rise to a significant risk?	ISA 540			
27.3	In evaluating the underlying assumptions did the engagement team consider whether they are reasonable in light of actual results in prior	ISA 540			

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	periods, consistent with those used for other accounting estimates, consistent with management's plans, or based on appropriate formulae?				
27.4	Was there a change in estimate during the year? If so, was there evidence that the engagement team considered this change as an indicator of possible management bias, and were appropriate procedures performed to assess the reasonableness of the change in estimate?	ISA 540			
27.5	Did the engagement team consider using specialists/experts where assumptions are complicated and may require external expertise?	ISA 540			
<b>28.</b>	<b>Use of an Auditor's Expert (External and/or Internal)</b>				
28.1	Where considered necessary, did the engagement team engage the service of an Auditor's Expert?	ISA 620			
28.2	Where the work of auditor's external and/or internal experts was used, did the engagement team: <ul style="list-style-type: none"> <li>i. Evaluate and document the competence, capabilities and objectivity of the external and/or internal experts?</li> <li>ii. Obtain an understanding of their fields of expertise?</li> <li>iii. Agree terms and arrangements with the external and/or internal experts?</li> <li>iv. Evaluate and document the adequacy of the work of the external and/or internal experts?</li> <li>v. Appropriately document the work of the external and/or internal experts?</li> </ul>	ISA 620			
28.3	Were the findings, source data, and assumptions and methods used by the expert appropriately considered?	ISA 620			
28.4	Was the documentation of the work of the auditor's expert sufficient to provide a clear understanding of its purpose, the procedures performed, the conclusions reached, the reasons for those conclusions and the supporting evidence, including the source of that evidence, where appropriate?	ISA 620			
28.5	In assessing the competence, capability and objectivity of the internal expert did the engagement team give appropriate consideration to whether the Member Firm has implemented quality control policies and procedures in accordance, with ISQC 1, or				

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	national requirements that are at least as demanding that apply to the auditor's internal experts?				
.29.	<b>Management's experts</b>				
29.1	Where information to be used as audit evidence has been prepared using the work of a management's expert, has the engagement team:	ISA 500			
29.2	i. Evaluated the competence, capabilities and objectivity of the expert? ii. Obtained an understanding of the work of the expert (field of expertise, scope of work)? iii. Evaluated the appropriateness of the expert's work as audit evidence for the relevant assertion?				
29.3	Has the engagement team considered whether an auditor's internal expert or a specialist in accounting and auditing is required in order to assist with understanding the management's expert's field of expertise or evaluating the appropriateness of the management's expert's work?	ISA 500			
29.4	If the management's expert is engaged by the entity, has the engagement team evaluated the engagement letter or agreement between the entity and the expert to understand: (i) the nature, scope and objectives of the expert's work; (ii) the respective roles and responsibilities of management and the expert; (iii) the nature, timing and extent of communication between management and the expert, including the form of any report to be provided by the expert?	ISA 500			
	Has the engagement team evaluated the appropriateness of the expert's work as audit evidence for the relevant assertion, including: (i) the relevance and reasonableness of the expert's findings or conclusions, their consistency with other audit evidence, and whether they have been appropriately reflected in the financial statements;	ISA 500			

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	(ii) if the expert's work involves use of significant assumptions and methods, the relevance and reasonableness of those assumptions and methods;  (iii) if the expert's work involves significant use of source data, the relevance, completeness and accuracy of the source data?				
<b>30.</b>	<b>Significant Changes to the Audit Strategy and Plan</b>				
30.1	Was consideration given to the underlying causes of material misstatements and whether they constituted indicators of fraud individually or in the aggregate?	ISA 240			
30.2	If the engagement team identified that fraud has or may have taken place, was it reported to the Engagement Partner immediately and did the Engagement Partner consult with the EQC Reviewer?	ISA 240			
<b>31.</b>	<b>Physical Inventory Observation</b>				
31.1	Where inventory was material to the financial statements, did the engagement team obtain sufficient appropriate audit evidence regarding the existence and condition of inventory by attendance at physical inventory counting?	ISA 501			
31.2	Were the counting procedures planned and performed by the engagement team, including: <ul style="list-style-type: none"> <li>the evaluation of management's instructions and procedures for recording and controlling the results of the entity's physical inventory counting;</li> <li>the observation of the performance of management's count procedures;</li> <li>the number of test counts performed by the engagement team; and</li> <li>the proper documentation of work performed during the engagement team's observation of the physical inventory;</li> </ul>	ISA 501			
31.3	If the inventory count took place on a date different from the date of the financial statements did the engagement team perform audit procedures on intervening transactions?	ISA 501			
31.4	If applicable, were count differences evaluated and resolved?	ISA 501			



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31.5	<p>If the engagement team was unable to attend physical inventory counting due to unforeseen circumstances, did they make or observe some physical counts on an alternative date, and perform audit procedures on intervening transactions?</p> <p>If attendance at physical inventory counting was considered impracticable, did the engagement team perform alternative audit procedures to obtain sufficient appropriate audit evidence regarding the existence and condition of inventory. If it was not possible to do so, was the opinion in the auditor's report modified in accordance with ISA 705, Modifications to the Opinion in the Independent Auditor's Report?</p>	ISA 501			
31.6	<p>If inventory was under the custody and control of a third party, and was material to the financial statements, did the engagement team obtain sufficient appropriate audit evidence regarding the existence and condition of that inventory by performing one or both of the following:</p> <ul style="list-style-type: none"> <li>• Request confirmation from the third party as to the quantities and condition of inventory held on behalf of the entity; and/or</li> <li>• Perform inspection or other audit procedures appropriate in the circumstances?</li> </ul>	ISA 501			
31.7	Subsequent to the attendance at the physical inventory count, did the engagement team perform tests to determine that all inventory counted (and only that inventory) is accurately and completely recorded in the final inventory listing?	ISA 501			
<b>32.</b>	<b>Litigation and Claims</b>				
32.1	Did the engagement team obtain an understanding of management's policies and procedures for dealing with litigation?	ISA 501			
32.2	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 circularized documented and reasonable?	ISA 501			

S#	Procedure	ISA/ISQC/ Local Law reference	Yes/No NA	Brief description of finding/ Documentation of work performed by reviewer	WP Reference
32.3	Did the engagement team inspect supporting documentation surrounding significant legal matters?	ISA 501			
32.4	Depending on the circumstances, the auditor may judge it appropriate to examine related source documents, such as invoices for legal expenses, as part of the auditor's review of legal expense accounts.	ISA 501			
32.5	Were appropriate procedures performed where a lawyer refused to provide us with a legal letter or a letter was not sent? Where the engagement team was unable to obtain sufficient appropriate audit evidence by performing alternative audit procedures, did they modify the opinion in the auditor's report in accordance with ISA 705?	ISA 501			
<b>33.</b>	<b>Minutes of Meetings</b>				
33.1	Was the review of Board and other minutes performed initially at the planning stage and then updated during and at the end of the audit?  Was the review of Board and other minutes performed by a suitably experienced person on the engagement team, preferably the team manager?	ISA 315 and ISA 500			
<b>34.</b>	<b>Going Concern</b>				
34.1	Did the engagement team obtain sufficient appropriate audit evidence about the appropriateness of management's use of the going concern assumption in the preparation and presentation of the financial statements?  Were any doubts about whether the entity is a going concern documented as a Significant Matter?  When a material uncertainty exists, as well as when events or conditions were identified that may cast significant doubt on the entity's ability to continue as a going concern but the engagement team concluded that no material uncertainty exists, were appropriate disclosures included within the financial statements?	ISA 570			

S#	Procedure	ISA/ISQC/ Local Law reference	Yes/No NA	Brief description of finding/ Documentation of work performed by reviewer	WP Reference
34.2	Did the engagement team and management assess going concern for a period of at least 12 months from the date of the financial statements and did the engagement team obtain sufficient appropriate audit evidence about the appropriateness of management's use of the going concern assumption in the preparation and presentation of the financial statements and to conclude whether there is a material uncertainty about the entity's ability to continue as a going concern?	ISA 570			
34.3	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?	ISA 570			
34.4	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?	ISA 570			
34.5	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?	ISA 570			
34.6	Where there were any doubts about whether the entity was a going concern was this treated as a significant risk,	ISA 570			
34.7	Was any consideration of a going concern issue, other than routine work, documented as a Significant Matter?	ISA 570			
<b>35.</b>	<b>Related Parties</b>				
35.1	Did the engagement team obtain an understanding of related party relationships and transactions sufficient to be able to recognize any fraud risk factors arising? Was sufficient appropriate audit evidence obtained about whether related party relationships and transactions have been appropriately identified, accounted for and disclosed in the financial statements?	ISA 240, 315 and ISA 550			
35.2	Were adequate risk assessment procedures performed in regard to related party transactions and appropriate response to those risks developed?	ISA 240, 315 and ISA 550			

S#	Procedure	ISA/ISQC/ Local Law reference	Yes/No NA	Brief description of finding/ Documentation of work performed by reviewer	WP Reference
35.3	Where transactions are highly complex or unusual did the engagement team evaluate whether their terms and the way they have been accounted for are consistent with management's explanation of their business rationale and obtain evidence that they have been appropriately authorized and approved?	ISA 550			
35.4	If the engagement team identified arrangements or information that proved the existence of related party relationships or transactions that management has not previously identified or disclosed to them, did they evaluate the implications for the audit appropriately?	ISA 550			
35.5	If management has made an assertion in the financial statements to the effect that a related party transaction was conducted on terms equivalent to those prevailing in an arm's length transaction, has the engagement team obtained sufficient appropriate audit evidence about the assertion?	ISA 550			
35.6	<p>Has the engagement team ensured:</p> <p>(a) Whether the identified related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the applicable financial reporting framework; and</p> <p>(b) Whether the effects of the related party relationships and transactions:</p> <ul style="list-style-type: none"> <li>• Prevent the financial statements from achieving fair presentation (for fair presentation frameworks); or</li> <li>• Cause the financial statements to be misleading (for compliance frameworks).</li> </ul>	ISA 550			
	<p>Has the Board of the company approved a policy regarding entering into any contract or arrangement with a related party (not in the ordinary course of business and not at arm's length) with respect to—</p> <p>(a) sale, purchase or supply of any goods or materials;</p> <p>(b) selling or otherwise disposing of, or buying, property of any kind;</p>	Section 208 of Companies Act, 2017			

S#	Procedure	ISA/ISQC/ Local Law reference	Yes/No NA	Brief description of finding/ Documentation of work performed by reviewer	WP Reference
	<p>(c) leasing of property of any kind;</p> <p>(d) availing or rendering of any services;</p> <p>(e) appointment of any agent for purchase or sale of goods, materials, services or property; and</p> <p>(f) such related party's appointment to any office or place of profit in the company, its subsidiary company or associated company:</p> <p><b>Note:</b> Where majority of the directors are interested in any of the above transactions, the matter shall be placed before the general meeting for approval as special resolution</p>				
	Has the company complied with the Companies (Related Party Transactions and Maintenance of Related Records) Regulations, 2018 ?	Companies (Related Party Transactions and Maintenance of Related Records) Regulations, 2018.			
<b>36.</b>	<b>Consideration of Laws and Regulations</b>				
36.1	<p>Did the engagement team make specific inquiry of management and those charged with governance about whether the entity is in compliance with laws and regulations?</p> <p>Did the team inspect correspondence with the relevant licensing or regulatory authorities?</p>	ISA 250			
36.2	Where instances of non-compliance were thought to have occurred, were enquiries made as to their nature, and were	ISA 250			

Engagement Review Checklist

S#	Procedure	ISA/ISQC/ Local Law reference	Yes/No NA	Brief description of finding/ Documentation of work performed by reviewer	WP Reference
	sufficient information obtained to assess the potential impact on the financial statements?				
36.3	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?	ISA 250			
36.4	Where the engagement team became aware of non-compliance or suspected non-compliance, did the engagement team: <ul style="list-style-type: none"> <li>• Communicate with management and those charged with governance (as appropriate);</li> <li>• Assess the appropriateness of the responses of management and, where applicable, those charged with governance, and determine if further action is needed;</li> <li>• Communicate identified or suspected non-compliance to other auditors (e.g. in group audits)?</li> </ul>	ISA 250			
36.5	In relation to the identified or suspected instances of non-compliance, did the engagement team document: <ul style="list-style-type: none"> <li>• How management and, where applicable, those charged with governance have responded to the matter;</li> <li>• The courses of action the engagement team considered, the judgments made and the decisions that were taken, having regard to the reasonable and informed third party perspective</li> <li>• How the engagement team was satisfied that the team has fulfilled the responsibility set out in IESBA Code of Ethics</li> </ul>	ISA 250			
36.6	Other than when the matters are clearly inconsequential, where the engagement team believed that there may be non-compliance and	ISA 250			

Engagement Review Checklist

S#	Procedure	ISA/ISQC/ Local Law reference	Yes/No NA	Brief description of finding/ Documentation of work performed by reviewer	WP Reference
	management did not provide satisfactory information confirming compliance, did they consult the client's legal counsel and communicate with senior management, the Audit Committee and the Board of Directors, as appropriate?				
36.7	If there were any material instances of non-compliance identified did the Engagement Partner consult the EQC Reviewer (if required)?	ISA 250			
<b>37</b>	<b>Journal Entries and Other Adjustments</b>				
37.1	<p>Did the engagement team design and perform audit procedures to test the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements? In designing and performing these procedures, did the engagement team consider testing journal entries and other adjustments made:</p> <p>i. At the end of a reporting period (required to be tested by ISA 240.33a(ii)?</p> <p>ii. Between the trial balance and financial statements (including, where relevant, consolidation journal entries)?</p> <p>iii. Throughout the period under audit?</p>	ISA 240			
37.2	<p>Did the engagement team perform the following procedures related to journal entry testing as part of the planning for this engagement:</p> <ul style="list-style-type: none"> <li>Understand and evaluate the entity's financial reporting process and the controls over journal entries and other adjustments, which include evaluation of design of controls and determine whether they have been implemented; and</li> <li>Use professional judgment in determining the nature, timing and extent of testing of journal entries and other adjustments and assess completeness of the populations</li> </ul>	ISA 240			

Engagement Review Checklist

S#	Procedure	ISA/ISQC/ Local Law reference	Yes/No NA	Brief description of finding/ Documentation of work performed by reviewer	WP Reference
	of entries subject to testing. Did the engagement team consider the fraud risk assessment in the analysis, in particular regarding the risk of management override? Did the engagement team consider placing additional emphasis on identifying and testing items processed outside the normal course of business?				
37.3	If the entries examined were corrections of errors in the financial statements of previous periods that were not identified at the time of the prior period audit, was there consideration of whether previously reported financial statements should be restated accordingly?	ISA 240			
<b>38</b>	<b>Journal Entries – Completeness</b>				
38.1	Was the population for testing appropriately identified and tested for completeness?	ISA 240			
<b>39</b>	<b>Subsequent Events</b>				
39.1	Did the engagement team obtain sufficient appropriate audit evidence about whether events occurring between the date of the financial statements and the date of the auditor's report that require adjustment of, or disclosure in, the financial statements are appropriately reflected in those financial statements in accordance with the applicable financial reporting framework?	ISA 560			
39.2	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?	ISA 560			
39.3	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?	ISA 560			
39.4	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?	ISA 560			



Engagement Review Checklist

S#	Procedure	ISA/ISQC/ Local Law reference	Yes/No NA	Brief description of finding/ Documentation of work performed by reviewer	WP Reference
<b>40</b>	<b>Representations from Management</b>				
40.1	Did the letter address all representations required by ISAs and did it include all financial statement periods covered by the report	ISA 580			
40.2	Was the standard letter appropriately modified to address unique individual client or engagement circumstances (a review of the financial statements should be made to ensure that all significant items were appropriately addressed)?	ISA 580			
40.3	Did the signed management representation letter include the Summary of Uncorrected Misstatements (including disclosure items where appropriate)?	ISA 580			
40.4	Was the date of the written representations as near as practicable to but not after the date of auditors' report?	ISA 580			
40.5	Where the engagement team received the management representation letter as of the date of the audit report but there was a substantial delay in actually issuing the report, did the engagement team request an update letter? It is not necessary to request a client to duplicate the content of the original letter; however, the team should have, at a minimum, requested the entity to make its representations current by referring to the previous letter and informing them of any material subsequent developments. Where possible, was the update letter(s) signed by the persons who signed the original representation letter?	ISA 580			
40.6	Are all representations as applicable given under Appendix 1 to the ISA 580 covered ?	ISA 580			
40.7	Were representations adequately corroborated through performance of other appropriate auditing procedures, where practicable? If not, did the engagement team investigate the circumstances and, where necessary, reconsider the reliability of other representations made by management?	ISA 580			
<b>41</b>	<b>Financial Statements and Disclosures and Other Information</b>				

Engagement Review Checklist

S#	Procedure	ISA/ISQC/ Local Law reference	Yes/No NA	Brief description of finding/ Documentation of work performed by reviewer	WP Reference
41.1	Was a relevant Financial Statement Disclosure Checklist or equivalent, tailored to the entity's circumstances and addressing the relevant auditing, accounting and other issues, completed, reviewed and retained on the engagement file?	ISA 230, 330 and 500			
41.2	Was evidence of completion of the relevant checklist completed and was the completed checklist retained in the audit file, along with information needed to clarify and support any decisions on relevant matters?	ISA 230 and 500			
41.3	Were notes and statements inclusive of all informative disclosures required in the circumstances and by professional standards and relevant laws and regulations?	ISA 230 and 500			
41.4	Were assets, liabilities, revenues and expenses appropriately classified?	ISA 230 and 500			
41.5	Where applicable, was there adequate disclosure of the risks and uncertainties inherent in the operations of the client?	ISA 230 and 500			
41.6	Is there evidence in the file that the engagement team: <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>	ISA 230 and 500			
41.7	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?	ISA 230 and 500			
41.8	Where reporting on the prior period financial statements in connection with the current year's audit, if the opinion on the prior period differed from that previously expressed, did the engagement team disclose the substantive reasons in an emphasis of matter paragraph?	ISA 230 and 500			

S#	Procedure	ISA/ISQC/ Local Law reference	Yes/No NA	Brief description of finding/ Documentation of work performed by reviewer	WP Reference
41.9	Did the engagement team obtain sufficient appropriate audit evidence regarding the presentation and disclosure of segment information in accordance with the applicable financial reporting framework by: <ul style="list-style-type: none"> <li>Obtaining an understanding of the methods used by management in determining segment information, including the person(s) with executive responsibility for the conduct of the entity's operations.</li> <li>Evaluating whether such methods are likely to result in disclosure in accordance with the applicable financial reporting framework and, where appropriate, testing the application of such methods; and</li> <li>Performing analytical procedures or other audit procedures appropriate in the circumstances?</li> </ul>	ISA 501			
41.10	Have the engagement team responded appropriately when documents containing audited financial statements and the auditor's report thereon include other information that could undermine the credibility of those financial statements and the auditor's report?	ISA 720			
<b>42</b>	<b>Uncorrected Misstatements</b>				
42.1	Do the work papers contain an appropriately documented Summary of Uncorrected Misstatements? Did the Summary of Uncorrected Misstatements also include our qualitative findings, including inadequate or improper description of an accounting policy and incomplete, inaccurate or omitted disclosures? Did the engagement team determine whether the overall audit strategy and audit plan needed to be revised based on the nature or accumulation of identified misstatements?	ISA 450			
42.2	Where a misstatement was indicative of fraud, were the implications in relation to other aspects of the audit considered?	ISA 450			
42.3	Was materiality including a final assessment of materiality for the financial statements, considered when evaluating the effect of misstatements?	ISA 450			

S#	Procedure	ISA/ISQC/ Local Law reference	Yes/No NA	Brief description of finding/ Documentation of work performed by reviewer	WP Reference
42.4	<p>Have the engagement team evaluated whether uncorrected misstatements are material, individually or in aggregate. In making this determination, the auditor shall consider:</p> <p>(a) The size and nature of the misstatements, both in relation to particular classes of transactions, account balances or disclosures and the financial statements as a whole, and the particular circumstances of their occurrence; and</p> <p>(b) The effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole.</p>	ISA 450			
<b>43</b>	<b>Communication with Those Charged with Governance</b>				
43.1	If the client was a PIC 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 communications plan (how, when and what they would be communicating)?	ISA 260			
43.2	Where ISA 701 was applicable to the engagement, did the engagement team communicate Key Audit Matters, or a determination that there are none, to those charged with governance?	ISA 260			
43.4	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?	ISA 260			

S#	Procedure	ISA/ISQC/ Local Law reference	Yes/No NA	Brief description of finding/ Documentation of work performed by reviewer	WP Reference
43.5	The auditor shall communicate with those charged with governance an overview of the planned scope and timing of the audit, which includes communicating about the significant risks identified by the auditor.	ISA 260			
43.6	<p>Has the auditor communicated with those charged with governance:</p> <ul style="list-style-type: none"> <li>• The auditor's views about significant qualitative aspects of the entity's accounting practices, including accounting policies, accounting estimates and financial statement disclosures. When applicable, the auditor shall explain to those charged with governance why the auditor considers a significant accounting practice, that is acceptable under the applicable financial reporting framework, not to be most appropriate to the particular circumstances of the entity;</li> <li>• Significant difficulties, if any, encountered during the audit;</li> <li>• Unless all of those charged with governance are involved in managing the entity: <ul style="list-style-type: none"> <li>(i) Significant matters arising during the audit that were discussed, or subject to correspondence, with management; and</li> <li>(ii) Written representations the auditor is requesting;</li> </ul> </li> <li>• Circumstances that affect the form and content of the auditor's report, if any; and</li> </ul>	ISA 260			

Engagement Review Checklist

S#	Procedure	ISA/ISQC/ Local Law reference	Yes/No NA	Brief description of finding/ Documentation of work performed by reviewer	WP Reference
	<ul style="list-style-type: none"> <li>Any other significant matters arising during the audit that, in the auditor's professional judgment, are relevant to the oversight of the financial reporting process. Guidance to be taken from appendix 1 to ISA 250.</li> </ul>				
43.7	For audit clients which are listed entities, did the audit engagement partner communicate at least annually, and in writing, regarding independence matters? This communication must include a Statement of Compliance with the relevant ethical requirements regarding independence, and details of all relationships and other matters that in the auditor's judgment may reasonably be thought to bear on independence (including the related safeguards that have been applied).	ISA 260  Code of corporate Governanc e			
43.8	Where matters required by this ISA to be communicated are communicated orally, the auditor shall include them in the audit documentation, and when and to whom they were communicated. Where matters have been communicated in writing, the auditor shall retain a copy of the communication as part of the audit documentation.				
43.9	<p>The group engagement team shall communicate the following matters with those charged with governance of the group:</p> <ul style="list-style-type: none"> <li>(a) An overview of the type of work to be performed on the financial information of the components.</li> <li>(b) An overview of the nature of the group engagement team's planned involvement in the work to be performed by the component auditors on the financial information of significant components.</li> <li>(c) Instances where the group engagement team's evaluation of the work of a component auditor gave rise to a concern about the quality of that auditor's work.</li> <li>(d) Any limitations on the group audit, for example, where the group engagement team's access to information may have been restricted.</li> </ul>	ISA 260			

Engagement Review Checklist

S#	Procedure	ISA/ISQC/ Local Law reference	Yes/No NA	Brief description of finding/ Documentation of work performed by reviewer	WP Reference
	Fraud or suspected fraud involving group management, component management, employees who have significant roles in group-wide controls or others where the fraud resulted in a material misstatement of the group financial statements.				
<b>44</b>	<b>Overall Conclusion Analytics</b>				
44.1	Did the engagement team design and perform overall conclusion analytical procedures near the end of the audit to assist in forming an overall conclusion as to whether the financial statements are consistent with their understanding of the entity?	ISA 520			
44.2	Overall concluding analytical procedures include reviewing and documenting reasons for significant changes, typically at the financial statement level.	ISA 520			
44.4	Where the engagement team identified a previously unrecognized risk of material misstatement, did they re-evaluate the audit procedures conducted based on their revised consideration of assessed risks for all or some of the classes of transactions, account balances, or disclosures and related assertions?	ISA 520			
44.5	Did the engagement team document: <ul style="list-style-type: none"> <li>• Their assessment of the reliability of the data used for the overall conclusion analytics?</li> <li>• The relevant quantitative or qualitative analysis of the recorded amounts in the financial statements, trends and ratios?</li> <li>• The identification of trends and ratios which were believed to be inconsistent with the results of the audit work?</li> <li>• The results of further investigation of any such inconsistent trends or ratios and the respective conclusions?</li> </ul>	ISA 520			
<b>45</b>	<b>Supervision and Review</b>				
45.1	Was the engagement adequately managed, with sufficient and timely engagement leader involvement in the audit including evidence of attendance at meetings and file notes?	ISA 220	Yes		

Engagement Review Checklist

S#	Procedure	ISA/ISQC/ Local Law reference	Yes/No NA	Brief description of finding/ Documentation of work performed by reviewer	WP Reference
	Was an appropriate review performed of all audit work, including Significant Matters, to ensure compliance with professional standards and was such review documented and signed-off.				
45.2	<p>Were Significant Matters properly identified and documented, including;</p> <ul style="list-style-type: none"> <li>• A description of the matter;</li> <li>• The background to the facts and circumstances;</li> <li>• Evidence obtained, including supporting and opposing evidence;</li> <li>• Technical reference and analysis, including implication(s) of the matter;</li> <li>• Results of consultations with others, (as agreed with those consulted) and, if applicable, any significant alternative views or positions that were discussed and the rationale for rejecting them;</li> <li>• Record of discussion with management and others, including when and with whom the matter was discussed;</li> <li>• Final conclusions reached, basis thereof and significant professional judgments made in reaching the conclusions, including how any significant information or evidence obtained that contradicts or is inconsistent "with final conclusion has been addressed; and</li> <li>• Evidence of review by the team manager, Engagement Partner and Engagement Quality Control Review Partner (if appointed) prior to the date of the audit report?</li> </ul>	ISA 220 and ISQC 1	Yes		
45.3	Does it appear that Significant Matters include all significant items requiring the Engagement Partner's judgment?	ISA 220			
<b>46</b>	<b>Execution of EQC Reviewer Role</b>				
46.1	Were requirements Code of Ethics for Chartered Accountants regarding independence and objectivity appropriately adhered to? Was the EQC Reviewer appropriately appointed taking into consideration the technical qualifications required to perform the role, including the necessary experience and authority?	ISQC 1			



Engagement Review Checklist

S#	Procedure	ISA/ISQC/ Local Law reference	Yes/No NA	Brief description of finding/ Documentation of work performed by reviewer	WP Reference
46.2	<p>Did the EQC reviewer review:</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 has 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>	ISQC 1 and ISA 220			
46.3	<p>Has the EQC reviewer documented, for the audit engagement reviewed, that:</p> <p>(a) The procedures required by the firm's policies on engagement quality control review have been performed;</p> <p>(b) The engagement quality control review has been completed on or before the date of the auditor's report; and</p> <p>(c) The reviewer is not aware of any unresolved matters that would cause the reviewer to believe that the significant judgments the engagement team made and the conclusions it reached were not appropriate.</p>	ISA 220			
46.4	<p>If the EQC Reviewer has reviewed documentation in connection with the engagement team's significant judgments and which were subsequently identified as Review Matters, has the EQC Reviewer fulfilled their responsibilities with a sufficient degree of objective evaluation?</p>	ISA 220			

S#	Procedure	ISA/ISQC/ Local Law reference	Yes/No NA	Brief description of finding/ Documentation of work performed by reviewer	WP Reference
47	<b>Consultation</b>				
47.1	<p>Where formal consultations were performed, were the results of consultations, decisions taken, the basis for those decisions and how they were implemented appropriately documented?</p> <p>The documentation should include:</p> <ul style="list-style-type: none"> <li>• The matter or issue;</li> <li>• All relevant facts, including significant aspects of the audit evidence obtained if relevant;</li> <li>• The analysis of accounting, auditing or other relevant literature;</li> <li>• The client's preliminary point of view, where applicable;</li> <li>• The preliminary point of view of the audit team; and</li> <li>• Underlying logic for the preliminary points of view.</li> </ul>	ISQC 1 and ISA 220			
47.2	<p>Based on a review of the documented consultation,</p> <ol style="list-style-type: none"> <li>i) Were the appropriate persons consulted;</li> <li>ii) Were the facts noted in the documented consultation consistent with the audit files;</li> <li>iii) Were the conclusions reached appropriate;</li> <li>iv) Was there adequate documentation of the conclusions and rationale; and</li> <li>v) Is there evidence that the conclusions have been implemented including, for example, appropriate reporting of non-compliance with laws and regulations?</li> </ol>	ISQC 1 and ISA 220			
47.3	Were any differences in the professional judgment between the Engagement Partner and EQC Reviewer appropriately resolved?	ISQC 1 and ISA 220			

S#	Procedure	ISA/ISQC/ Local Law reference	Yes/No NA	Brief description of finding/ Documentation of work performed by reviewer	WP Reference
48	<b>Audit Report</b>				
48.1	Was the form of report in accordance with the Auditors (Reporting Obligations) Regulations, 2018.	Auditors (Reporting Obligations) Regulations, 2018.			
48.2	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 recognized authority have asserted their responsibility for them?	ISA 700			
48.3	If a qualification or the addition of explanatory language existed, were the reason(s) disclosed in the report?	ISA 705			
48.4	If there was uncertainty about the client's ability to continue as a going concern was the audit report appropriately modified?	ISA 570			
48.5	Has the engagement team included a matter as a separate heading in the audit report for: <ul style="list-style-type: none"> <li>(a) A matter, although appropriately presented or disclosed in the financial statements, that is of such importance that it is fundamental to users' understanding of the financial statements as an emphasis of matter paragraph; or</li> <li>(b) As appropriate, any other matter that is relevant to users' understanding of the audit, the auditor's responsibilities or the auditor's report as an other matter paragraph.</li> </ul>	ISA 706			
48.6	If the financial statements of the prior period were audited by another auditor did our report indicate that the financial statements of the prior period were audited by another auditor; and if that report was modified, did it give the reasons therefore; and the date of that report?	ISA 710			

S#	Procedure	ISA/ISQC/ Local Law reference	Yes/No NA	Brief description of finding/ Documentation of work performed by reviewer	WP Reference
48.7	If the engagement team obtains audit evidence that a material misstatement exists in the prior period financial statements on which an unmodified opinion has been previously issued, and the corresponding figures have not been properly restated or appropriate disclosures have not been made, has the auditor expressed a qualified opinion or an adverse opinion in the auditor's report on the current period financial statements, modified with respect to the corresponding figures included therein?	ISA 710			
48.8	If the prior period financial statements were not audited, did the engagement team as incoming auditor state in the audit report that the comparative financial statements are unaudited?	ISA 710			
48.9	Did the engagement team obtain sufficient appropriate audit evidence that the opening balances do not contain misstatements that materially affect the current period's financial statements?	ISA 710			
48.10	Have Key Audit Matters been described and reported in the report in case of listed company.	ISA 701			
48.11	The key audit matters have not been used instead of a qualified opinion.	ISA 701			
48.12	Did the key audit matters provide for the following: <ul style="list-style-type: none"> <li>The description of each key audit matter in the Key Audit Matters section of the auditor's report shall include a reference to the related disclosure(s), if any, in the financial statements</li> <li>Why the matter was considered to be one of most significance in the audit and therefore determined to be a key audit matter; and</li> <li>How the matter was addressed in the audit</li> </ul>	ISA 701			
48.13	The determination of key audit matters involves making a judgment about the relative importance of matters that required significant auditor attention. Therefore, it may be rare that the auditor of a complete set of general purpose financial statements of a listed entity would not determine at least one key audit matter from the matters communicated with those charged with governance to be communicated in the auditor's report.	ISA 701  Auditors (Reporting Obligations)			

S#	Procedure	ISA/ISQC/ Local Law reference	Yes/No NA	Brief description of finding/ Documentation of work performed by reviewer	WP Reference
	However, in certain limited circumstances (e.g., for a listed entity that has very limited operations), the auditor may determine that there are no key audit matters in accordance with paragraph 10 of the ISA because there are no matters that required significant auditor attention.	Regulation s, 2018.			
48.14	Was audit opinion on deductibility or non-deductibility of Zakat under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980) appropriately documented and reported ?	Auditors (Reporting Obligation s) Regulation s, 2018.			
48.15	Has the auditor fulfilled the reporting responsibilities with The Auditor's Responsibilities Relating To Other Information ISA 720.	ISA 720			
<b>49</b>	<b>Audit Documentation</b>				
49.1	Were all required audit evidences included in the file and were they marked as prepared and subsequently signed off or marked as not applicable:  Who performed the audit work and the date when such work was completed?  Who reviewed the audit work performed and the date and extent of such review? The requirement to document who reviewed the audit work performed does not imply a need for each specific working paper to include evidence of review.	ISA 230			
49.2	Were all hard copy audit papers which contain evidence supporting the audit opinion assembled and referred to the electronic audit files if any ? Is there a full cross-referencing between the paper and electronic files?	ISA 230			
49.3	If new procedures were performed or new conclusions reached after the date of the audit report, were they adequately	ISA 230			

Engagement Review Checklist

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	documented? Where evidence was obtained before the report date but was documented in the file after that date, did the record show when the evidence was obtained and the conclusions in respect of it were approved?				
49.4	Has the engagement team assembled the audit documentation in an audit file and completed the administrative process of assembling the final audit file on a timely basis after the date of the auditor's report.  The time limit should not be more than 60 days after the date of auditor's report.	ISQC 1 and ISA 230			
<b>50</b>	<b>Group Audit</b>				
50.1	Did the group engagement partner ensure that those performing the group audit engagement including the component auditors collectively have appropriate competence and capabilities?	ISA 600			
50.2	Did the group engagement team obtain understanding of the group, its component, their environment that is sufficient to identify components likely to be significant?	ISA 600			
50.3	Whether evidence was available that group engagement partner agreed on the terms of group audit engagement in accordance with ISA 210?	ISA 600			
50.4	Whether evidence was available that group engagement team established an overall group audit strategy and developed a group audit plan which was reviewed by the group engagement partner?	ISA 600			
50.5	Whether evidence was available that group engagement team obtained understanding of the consolidation process including instructions issued by group management to components?	ISA 600			
50.6	If the group engagement team, requested a component auditor to perform work on the financial information of a component, whether the group engagement team obtained the following understanding: <ul style="list-style-type: none"> <li>Component auditor was independent and understood and complied with ethical requirements relevant to the group</li> <li>Component auditor's professional competence</li> </ul>	ISA 600			

S#	Procedure	ISA/ISQC/ Local Law reference	Yes/No NA	Brief description of finding/ Documentation of work performed by reviewer	WP Reference
	<ul style="list-style-type: none"> <li>Whether the group engagement team would be able to be involved in the work of the component auditor to the extent necessary to obtain sufficient appropriate audit evidence</li> <li>Whether component auditor operated in regulatory environment that actively oversaw auditors.</li> </ul>				
50.8	If the component auditor did not meet the independence requirement or the group engagement team had serious concerns about any of the matters listed in the above point, whether the group audit engagement team obtained sufficient appropriate audit evidence relating to the financial information of the component without requesting that component auditor to perform work on such financial information.	ISA 600			
50.9	Whether group audit engagement determined the following: <ul style="list-style-type: none"> <li>Materiality for group financial statements as a whole</li> <li>Materiality level(s) for particular classes of transactions, balances or disclosures in group financial statements for which misstatement of lesser amount than materiality for group financial statement as a whole could possibly influence the economic decisions of the users.</li> <li>Component materiality where component auditors will perform audit or review for group auditor.</li> </ul>	ISA 600			
50.10	Whether for component that was significant due to its individual financial significance to the group, audit of the financial information of such component was performed by the group engagement team or component auditor on its behalf using component materiality?	ISA 600			
50.11	Whether for component that was significant due to likely significant risk of material misstatement group engagement team or component auditor on its behalf performed one or more of the following. <ul style="list-style-type: none"> <li>audit of the financial information of such component using component materiality</li> <li>Audit of one or more account balances, classes of transactions or disclosure relating to the likely significant risk of material misstatement</li> <li>Specified audit procedures relating to the likely significant risk of material misstatement.</li> </ul>	ISA 600			

Engagement Review Checklist

S#	Procedure	ISA/ISQC/ Local Law reference	Yes/No NA	Brief description of finding/ Documentation of work performed by reviewer	WP Reference
50.12	Did the group engagement team perform analytical procedures at group level for non-significant components?	ISA 600			
50.13	If the group engagement team concluded that sufficient appropriate audit evidence was not obtained in respect of non-significant component(s) from work performed on the financial information of significant components, group-wide controls and consolidation process and analytical procedures at group level, the engagement team or component auditor on engagement team's behalf performed one or more of the following in respect of such non-significant component(s): <ul style="list-style-type: none"> <li>• audit of the financial information of the component using component materiality</li> <li>• audit of one or more account balances, classes of transactions or disclosure</li> <li>• Specified procedures</li> </ul>	ISA 600			
50.14	If component auditor performed audit of financial information of a significant component, was the group engagement team involved in component auditor's risk assessment to identify significant risks of group financial statements.	ISA 600			
50.15	If the nature timing and extent of work to be performed on consolidation process or the financial information of the components were based on the expectation that group-wide controls were operating effectively, of if substantive procedures alone could not provide sufficient appropriate audit evidence, did the group engagement team or component auditor at the request of the group engagement team tested the operating effectiveness of group-wide controls.	ISA 600			
50.16	Did the group engagement team evaluate whether all the components were included in the group financial statements.	ISA 600			
50.17	Did the group engagement team evaluate the appropriateness, completeness, and accuracy of consolidation adjustments (including effect of any accounting policy differences, adjustments in accordance with applicable financial reporting framework when financial reporting period end of a component differs), reclassifications and whether any fraud risk factors of possible management bias exist	ISA 600			



Engagement Review Checklist

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50.18	Whether the group engagement team or component auditors performed audit procedures designed to identify subsequent events?	ISA 600			
50.19	Did the group engagement team timely communicate its requirement to the component auditors including work to be performed, use to be made of that work, component materiality and threshold above which misstatements could not be regarded as clearly trivial, form and content of component auditor's communication with the group engagement team and list of related parties prepared by the management or any other related parties of which the engagement team was aware?	ISA 600			
50.20	<p>Did the group engagement team obtain the following communication from component auditors :</p> <ul style="list-style-type: none"> <li>• Confirmation in respect of compliance with ethical requirements relevant to the group audit including independence</li> <li>• Confirmation in respect of compliance with group engagement team's requirement</li> <li>• Identification of financial information of the component on which the component auditor reported</li> <li>• Information on instances of non-compliance with laws or regulations that could give rise to a material misstatement of the group financial statements</li> <li>• Component's List of uncorrected misstatements</li> <li>• Indicators of possible management bias</li> <li>• Description of identified significant deficiencies in internal control at the component level</li> <li>• Other significant matters communicated / expected to be communicated to those charged with governance including fraud</li> <li>• Any other matter relevant to group audit or that the component auditor wished to draw the attention of the group engagement team</li> <li>• Component auditor's overall findings, conclusions or opinion</li> </ul>	ISA 600			

Engagement Review Checklist

S#	Procedure	ISA/ISQC/ Local Law reference	Yes/No NA	Brief description of finding/ Documentation of work performed by reviewer	WP Reference
50.21	If the group engagement team concluded that work of component auditor was insufficient, did the group engagement team or the component auditor on its behalf perform additional procedures ?	ISA 600			
50.22	Did the group engagement team evaluate whether sufficient appropriate audit evidence was obtained from the audit procedures performed on the consolidation process and work performed by the group engagement team and the component auditors on the financial information of components on which group audit opinion was based?	ISA 600			
50.23	Did the group engagement partner evaluate the effect on group audit opinion of any uncorrected misstatements (whether identified by the group engagement team or by component auditors) or any instances where there was an inability to obtain sufficient appropriate audit evidence.	ISA 600			
50.24	Did the group engagement team include the following in its audit documentation: <ul style="list-style-type: none"> <li>• Analysis of components indicating those that are significant and the type of work performed on the financial information of the components</li> <li>• Nature, timing and extent of the group engagement team's involvement in the work performed by the component auditors on significant components including review of relevant parts of component auditor's audit documentation and conclusions, where applicable.</li> <li>• Written communications between the group engagement team and the component auditors about the group engagement team's requirements</li> </ul>	ISA 600			
	<b>Consolidated Financial statements</b>				
50.25	Was consolidation applicable? If yes, was working reviewed and found satisfactory	ISA 230 and 500			