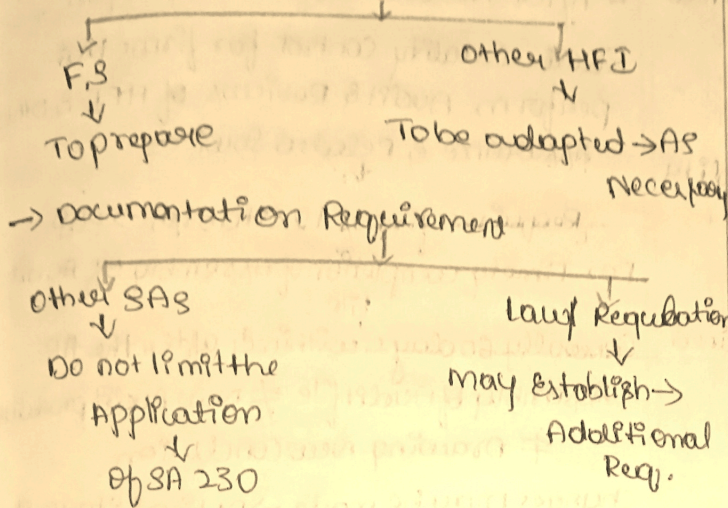


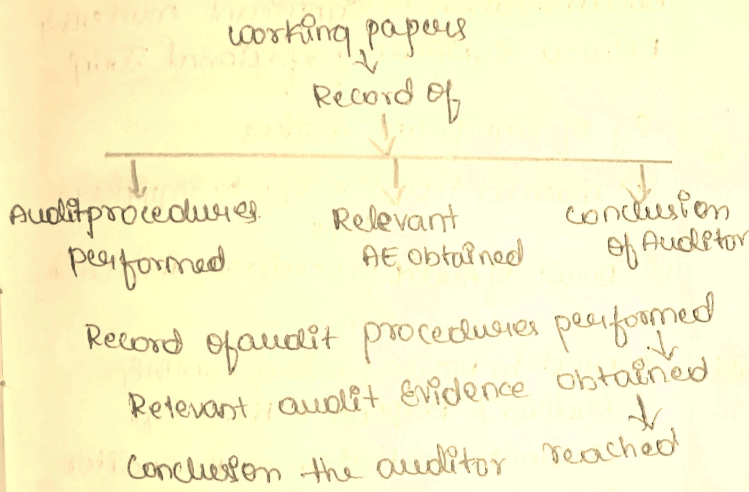
Chapter 8-06 Audit Documentation.

Audit Documentation

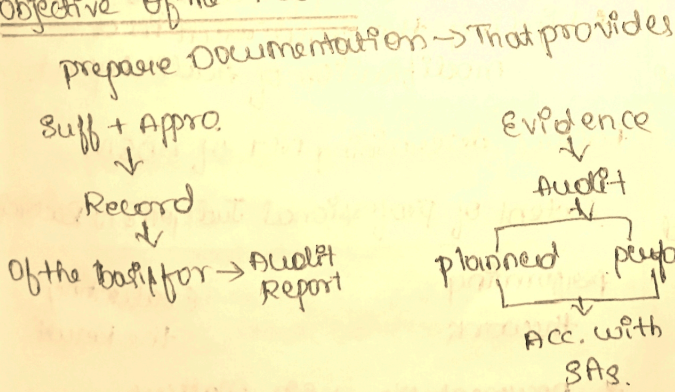
SA 230 → Auditor's Responsibility → Audit of



Definition of Audit Documentation - SA 230



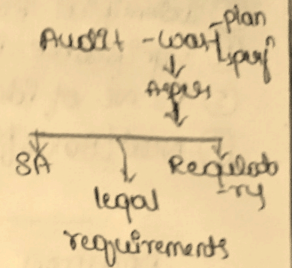
Objective of the Auditor



Nature of Audit Documentation

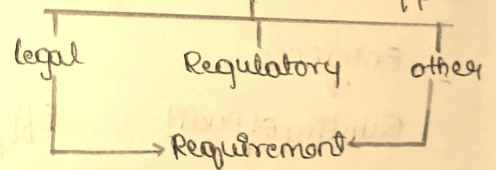
Audit documentation provides:  
→ Nature of AD → provides [A.E]

Auditor's basis for a Conclusion about the achievement of overall objectives of Auditor

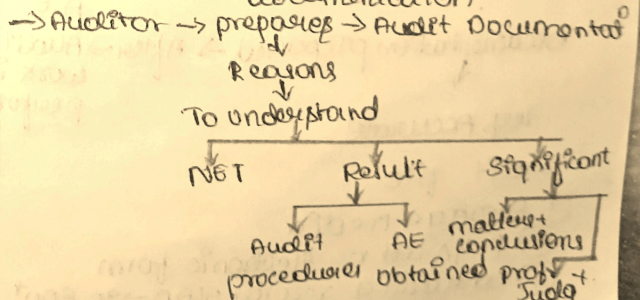


Purpose of Audit Documentation

- ① Assisting → engagement team to plan and perform an audit
- ② Assisting → member of audit team to DRs
- ③ making engagement team → accountable for their work
- ④ Retaining a record → of continuing significance
- ⑤ Enable to conduct of → Q.C. Reviews & Inspections
- ⑥ Enabling the conduct of → External inspection in accordance with applicable

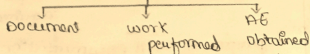


Form, content & extent of Audit documentation



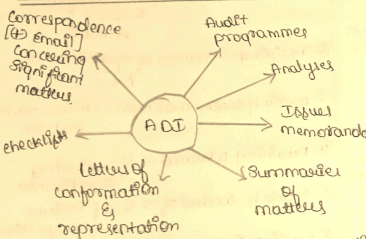
Form, extent & content of audit document  
Depends on:-

- ① Size & complexity of entity.
- ② nature of audit procedure to be performed
- ③ identified RMM
- ④ significance of AE obtained.
- ⑤ The NE of identified Exception
- ⑥ need Basis for conclusion - not readily determinable form

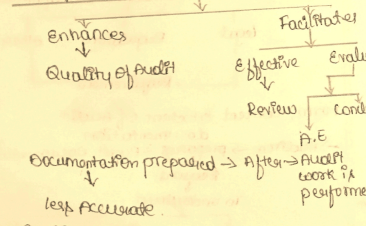


- ④ The Audit methodology & Tool used

Audit Documentation include



Timely preparation of Audit Documentation



- Audit file
- ① storage media.
  - ② physical or electronic form
  - ③ containing records of AD - 30 enq

Assembly of final Audit file

It is an administrative process.  
It to be completed on Timely manner.  
It after the date of Auditor's Report.

SQC 1: Quality Control for firms that perform Audit & Reviews of HFE & other Assurance & Related Services

Requires firms to establish -> PIP For Timely completion of Assembly of Audit file

Generally 60 days within 45 after the AR Assembly of Audit file ≠ new Audit procedure ≠ Drawing new conclusion.

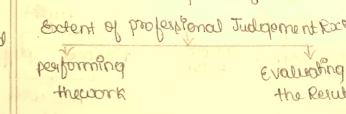
Changes may be made -> A final stage of Assembly -> Administrative in nature

Documentation of Significant matters & Related Significant professional Judgment

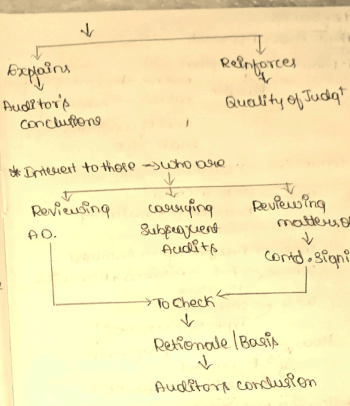
Eg of Significant matters

- ① matters that give rise to significant Risk.
- ② Result of Audit procedures indicating
  - F.S could be MM
  - Need to Review previous RMM & Auditor's Response to these Risk
  - Circumstances that cause the Auditor Significant Difficulty in Applying necessary procedures.
  - Finding that could result in a modification of Audit Report.

Factors determining NET of AD&M

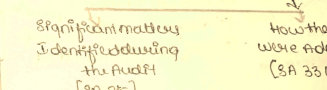


\* Documentation -> sig. matters



Completion Memorandum or Audit Documentation Summary

It is helpful to -> Consider -> Retain -> CM

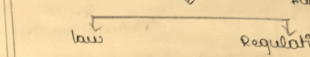


Benefits of CM

- ① Eff & EFF -> Review -> Inspection -> of AD
  - ② Assist Auditor's consideration of sm
  - ③ Any Obvience from SA
- Then auditor may consider it helpful to prepare & retain as part of the AD a Summary [sometimes known as a CM] that describes -
- It the sm during the audit
  - It how they were addressed

Ownership of Audit Documentation

-> As per SAC 1: Unless otherwise prescribed the property of Auditor



He may provide -> provisions -> Extract -> of AD to clients.

provided -> Does not Undermine the

