

## Review of the Audit Manual of Application for Statutory Audit Licence

Applicant:	
Reviewed by:	
Reviewed Date:	

		Yes	No	N/A	Comments
<b>1</b>	<b>Engagement Acceptance/Continuance</b>				
	1.1 Do they have a form to document engagement acceptance/continuance?				
	1.2 Does the form document client information? (name of the client, shareholders and their shareholdings, etc.)?				
	<b>Engagement Information</b>				
	1.3 Is that single company/group accounts?				
	1.4 Has the financial period covered defined?				
	1.5 Has the scope of audit defined?				
	<b>Key Client Service Team</b>				
	1.6 Does Engagement Information sheet requires names of engagement partner, manager and quality review partner/senior staff?				
	<b>Evaluation of Independence and Conflict of Interest</b>				
	1.7 Is there a form to document Independence and Conflict of Interest?				
	1.8 Does the form on Independence and Conflict of Interest require stating the type of services provided to the client so far?				
	1.9 Does the form require stating whether there any close relationships (personal or family) between the firm and the client?				
	1.10 If applicable, is there a requirement to obtain and document professional clearance from the predecessor auditor?				
	1.11 has the previous audit opinion issued been documented to decide the risk level of the client?				
	1.12 whether the firm/SP has considered the adequacy of its resources to take up the engagement?				
	1.13 is there a conclusion on acceptance/continuance of client engagement?				
<b>2</b>	<b>Audit Engagement Letter</b>				
	1.1 Is there an audit Engagement Letter? Which may have information like responsibilities of both parties, audit fee, quality control arrangement, etc.				
	<b>Overall Audit Strategy and Plan</b>				
	3.1 Is there a documented Audit Strategy?				
	3.1.1 Has the client understanding been carried out and documented?				

	3.1.2 Has the scope and objectives of the audit defined?				
	3.1.3 Has planning analytical review carried out?				
	3.1.4 Has overall financial statement and performance materiality calculated				
	3.1.5 Has fraud risk been assessed?				
	3.1.6 Has conclusion made on overall control environment?				
	3.1.6 Has an appropriate team to do the audit determined?				
	3.1.7 Has the overall strategy for audit (system-based/substantive approach been documented)?				
	3.1.8 has the analytical review on the Statement Income and Financial Position been documented?				
	3.1.9 Is there a documented time budget for the audit?				
	3.1.10 Is there a template for materiality computation?				
	3.1.11 Is a template for assessing and documenting inherent risks?				
	3.1.12 is a template for assessing and documenting control risks?				
	3.1.13 is there a template for assessing and documenting fraud risks?				
	3.1.14 Are there templates to document walkthrough tests for testing controls?				
	3.1.15 Is there an audit strategy memorandum template?				
	3.1.16 Is there a detailed audit plan (test programmes for classes of transactions and account balances)?				
	3.1.16.1 Is there a test programme for testing revenue?				
	3.1.16.2 Is there a test programme for testing cost of sales?				
	3.1.16.3 Is there a test programme for testing other operating expenses?				
	3.1.16.4 Is there a test programme for testing Trade Receivables?				
	3.1.16.5 Is there a test programme for testing Other Receivables?				
	3.1.16.6 Is there a test programme for testing Cash and Cash Equivalents?				
	3.1.16.7 Is there a test programme for testing Non-current assets?				
	3.1.16.8 Is there a test programme for testing Inventory?				
	3.1.16.9 Is there a test programme for Trade Payables?				
	3.1.16.10 Is there a test programme for Other Payables?				
	3.1.16.11 Is there a test programme for testing loans?				
	3.1.16.12 Is there a test programme for testing share capital?				
	3.1.16.13 Is there a test programme for attending inventory count (stock take)?				
	3.1.16.14 Is there a test programme to test income tax?				
	3.1.16.15 Is there a test programme to testing provisions and contingent liabilities?				
<b>3</b>	<b>Execution</b>				
	4. Risk Material Misstatements at Assertion Level				

	4.1 Is there a template to document risk of material misstatements at assertion level (classes of transactions and account balances = sales, expenses, assets liabilities and equity)				
	5. Do they have templates of lead schedules for material classes of transactions and account balances?				
	6. Do they have templates of supporting schedules for material classes of transactions and account balances?				
	7. Do they have templates of test schedules for material classes of transactions and account balances with results of tests carried out?				
	8. Do they have a template to summarise the errors identified on material classes of transactions and account balances tested?				
	9. Do they have a template to document final analytical review?				
	10. Do they have template for the final Letter of Representation of the Mgt. for the audit?				
	11. Do they have template to document audit findings?				
	12. Do they have template for Management Letter?				
	13. Do they have template to document the sample sizes for classes of transactions and account balances selected for audit?				
<b>4</b>	<b>Reporting</b>				
	14. Are there specimen as to forms of modified opinions, and unmodified opinion?				
	15. Do they have IFR Reporting checklist (compliance checklist) for final review of presentation of financial statements?				

Checked by:

Name:

Date: