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| **Company** | XYZ Limited | | **W/P Reference** | |  | |
| **Prepared By** | Mr. A |  | **Date** | | DD-MM-YYYY | |
| **Reviewed By** | Mr. B |  | **Date** | | DD-MM-YYYY | |
| **Period ended** | DD-MM-YYYY |  |  |  |  |  |

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| **Objective:** | To test control to obtain sufficient & appropriate audit evidence as to the operating effectiveness of relevant control. |
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| **Control ID:** | P01 |  |  |  |  |  |  |
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| **Control name:** | Management review of provision calculation. | | | | | | |
|  |  |  |  |  |  |  |  |
| **How the control is performed:** | |  |  |  |  |  |  |
| At every month end, concerned officials prepare journal vouchers showing the calculation of provision for every item in the financial statements. Then the concerned reviewers (concerned heads from every department) check the accuracy, completeness etc. and finally approve the final version of journal voucher and subsequently posted in the system. | | | | | | | |
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| **Nature of control :** | Manual | | | | | | |
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|  |  |  |  |  |  |  |  |
| **Frequency of control:** | Monthly | | | | | | |
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| **Sample size:** | 2 |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| **Risk of failure** | Low (The control is performed by personnel who are experienced in performing this function and have good control consciousness. Control is a routine, monthly manual control.) | | | | | | |
|
| **Sampling technique** | As the control is manual and performed monthly, 3 samples have been selected to test. | | | | | | |
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| **Assertions:** | **Completeness** | **Occurrence** | **Accuracy** | **Valuation** | **Ownership** | **Presentation** |  |
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|  |  |  |  |  |  |  |  |
| **Test of Operating Effectiveness (TOE)** | | | | | | | |
| **Scope:** | <Interim> or <Final> | | | | | | |
| **Testing Procedures:** | Checked the approved journal voucher of provision. | | | | | | |
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| **Testing:** |  |  |  |  |  |  |  |

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| **Management review of provision calculation** | **Approval of journal voucher** | **Date of approval** | **Approved by** | **Remarks** |
| √ | √ | <DD-MM-YYYY> | <Name> | Satisfactory |
| √ | √ | <DD-MM-YYYY> | <Name> | Satisfactory |

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| **Observations:** | No exception noted |  |  |  |  |  |

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| **TOE conclusion:** | Effective |  |  |  |  |  |

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| **Company** | XYZ Limited | | **W/P Reference** | |  | |
| **Prepared By** | Mr. A |  | **Date** | | DD-MM-YYYY | |
| **Reviewed By** | Mr. B |  | **Date** | | DD-MM-YYYY | |
| **Period ended** | DD-MM-YYYY |  |  |  |  |  |

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| **Objective:** | To test control to obtain sufficient & appropriate audit evidence as to the operating effectiveness of relevant control. |
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| **Control ID:** | P02 |  |  |  |  |  |  |
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| **Control name:** | Aging analysis of provision. | | | | | | |
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| **How the control is performed:** | |  |  |  |  |  |  |
| Concerned officials extract provision aging report from the accounting system on monthly basis. He/she analyzes the aging report into parameters of 0 - 30 days, 31 – 60 days, 60 days + . Long outstanding provisions are analyzed in terms of their validity, matching issues, etc. Necessary actions are taken through communication with related stakeholders, follow up the resolution activities, adjustment in the accounting system (if required) and put the latest status in the comments column of aging analysis report. Head of every department reviews and approves the aging analysis report. | | | | | | | |
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| **Nature of control :** | Manual | | | | | | |
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| **Frequency of control:** | Monthly | | | | | | |
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| **Sample size:** | 2 |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| **Risk of failure** | Low (The control is performed by personnel who are experienced in performing this function and have good control consciousness. Control is a routine, monthly manual control.) | | | | | | |
|
| **Sampling technique** | As the control is manual and performed monthly, 3 samples have been selected to test. | | | | | | |
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| **Assertions:** | **Completeness** | **Occurrence** | **Accuracy** | **Valuation** | **Ownership** | **Presentation** |  |
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|  |  |  |  |  |  |  |  |
| **Test of Operating Effectiveness (TOE)** | | | | | | | |
| **Scope:** | <Interim> or <Final> | | | | | | |
| **Testing Procedures:** | Checked the approved provision aging analysis report. | | | | | | |
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| **Testing:** |  |  |  |  |  |  |  |

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| **Provision aging analysis report** | **Approval** | **Date of approval** | **Approved by** | **Remarks** |
| √ | √ | <DD-MM-YYYY> | <Name> | Satisfactory |
| √ | √ | <DD-MM-YYYY> | <Name> | Satisfactory |

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| **Observations:** | No exception noted |  |  |  |  |  |

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| **TOE conclusion:** | Effective |  |  |  |  |  |

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| **Company** | XYZ Limited | | **W/P Reference** | |  | |
| **Prepared By** | Mr. A |  | **Date** | | DD-MM-YYYY | |
| **Reviewed By** | Mr. B |  | **Date** | | DD-MM-YYYY | |
| **Period ended** | DD-MM-YYYY |  |  |  |  |  |

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| **Objective:** | To test control to obtain sufficient & appropriate audit evidence as to the operating effectiveness of relevant control. |
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| **Control ID:** | P03 |  |  |  |  |  |  |
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| **Control name:** | Monthly review of provision balances. | | | | | | |
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| **How the control is performed:** | |  |  |  |  |  |  |
| Concerned officials extract general ledger of each provision from the accounting system on monthly basis. He/she analyzes the balances terms of their validity, matching issues, overstated/understated etc. Necessary actions are taken through communication with related stakeholders, follow up the resolution activities, adjustment in the accounting system (if required) and put the latest status in the comments column of provision balances analysis report. Head of every department reviews and approves the report. | | | | | | | |
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| **Nature of control :** | Manual | | | | | | |
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|  |  |  |  |  |  |  |  |
| **Frequency of control:** | Monthly | | | | | | |
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|  |  |  |  |  |  |  |  |
| **Sample size:** | 2 |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| **Risk of failure** | Low (The control is performed by personnel who are experienced in performing this function and have good control consciousness. Control is a routine, monthly manual control.) | | | | | | |
|
| **Sampling technique** | As the control is manual and performed monthly, 3 samples have been selected to test. | | | | | | |
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|  |  |  |  |  |  |  |  |
| **Assertions:** | **Completeness** | **Occurrence** | **Accuracy** | **Valuation** | **Ownership** | **Presentation** |  |
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|  |  |  |  |  |  |  |  |
| **Test of Operating Effectiveness (TOE)** | | | | | | | |
| **Scope:** | <Interim> or <Final> | | | | | | |
| **Testing Procedures:** | Checked the approved monthly review of provision balance report. | | | | | | |
|  |  |  |  |  |  |  |  |
| **Testing:** |  |  |  |  |  |  |  |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Monthly review of provision balances** | **Approval** | **Date of approval** | **Approved by** | **Remarks** |
| √ | √ | <DD-MM-YYYY> | <Name> | Satisfactory |
| √ | √ | <DD-MM-YYYY> | <Name> | Satisfactory |

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| --- | --- | --- | --- | --- | --- | --- |
| **Observations:** | No exception noted |  |  |  |  |  |

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| --- | --- | --- | --- | --- | --- | --- |
| **TOE conclusion:** | Effective |  |  |  |  |  |

**Disclaimer: Dummy audit working files have been prepared and published to improve the quality of audit documentation of member firms providing audit services in Bangladesh. Member firms providing audit services should not assume these dummy working files as absolute benchmark for the purpose of preparing and keeping audit documentation. Every audit client has unique characteristics and risks. International Standards on Auditing (ISA) also requires to exercise engagement partner’s judgment on a number of areas in conducting the audit of an entity. Therefore, member firms should use their professional knowledge, skill, experiences along with these dummy working files to keep adequate and appropriate working papers for each audit engagement. The preparers do not assume any liability for drawing an inappropriate audit opinion based on the working papers prepared on the basis of these dummy working files.**