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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 controls to obtain sufficient & appropriate audit evidence as to the operating effectiveness of relevant controls. |
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| **Control ID:** | DL1 |  |  |  |  |  |  | |
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| **Control name:** | Disclosure review of directors’ and personnel expenses. | | | | | | | |
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| **How the control is performed:** | |  |  |  |  |  |  | |
| Concerned officials check the disclosure of directors’ and personnel expenses in the financial statements at every year end. Then the reviewer (concerned official from management team) rechecks the disclosure requirements in the financial statements and finally approve the final version of disclosure checklist regarding directors’ and personnel expenses. | | | | | | | | |
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| **Nature of control :** | Manual | | | | | | | |
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| **Frequency of control:** | Yearly | | | | | | | |
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| **Risk of failure:** | Low: risk of control failure is low as the control is performed by personnel who are experienced in performing this function and have good control consciousness, previous audits have not detected control deviations nor misstatements in the related significant accounts or disclosures and the control is a routine yearly manual control. | | | | | | |
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| **Sample size:** | 1 |  |  |  |  |  |  | |
|  |  |  |  |  |  |  |  | |
| **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, quarterly manual control.) | | | | | | | |
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| **Sampling technique** | As the control is manual and performed yearly, 1 specific item has been selected for testing. | | | | | | | |
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| **Assertions:** | **Completeness** | **Occurrence** | **Accuracy** | **Valuation** | **Ownership** | **Presentation** |  | |
|  |  | √ |  |  |  | √ |  | |
|  |  |  |  |  |  |  |  | |
| **Test of Operating Effectiveness (TOE)** | | | | | | | | |
| **Scope:** | <Interim> or <Final> | | | | | | | |
| **Testing Procedures:** | Checked the signed off document regarding checking of disclosure of directors’ and personnel expense. | | | | | | | |
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| **Testing:** |  |  |  |  |  |  |  | |

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| **Sample No.** | **Documents of reviewing disclosure of directors’ and personnel expense** | **Approval** | **Approved by** | **Date of approval** | **Remarks** |
| 1 | √ | √ | <Name> | <DD-MM-YYYY> | 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 controls to obtain sufficient & appropriate audit evidence as to the operating effectiveness of relevant controls. |
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| **Control ID:** | DL2 |  |  |  |  |  |  |
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| **Control name:** | Approval of directors’ loan | | | | | | |
|  |  |  |  |  |  |  |  |
| **How the control is performed:** | |  |  |  |  |  |  |
| For individual drawdown of loan (payment to director), a formal request is received from the relevant counterparty/director. The drawdown request is approved by appropriate official as per Board resolution. | | | | | | | |
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| **Nature of control :** | Manual | | | | | | |
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| **Frequency of control:** | Triggered by events | | | | | | |
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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, quarterly manual control.) | | | | | | |
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| **Sampling technique** | As the control is manual and performed on the basis of occurrence, 2 specific item have been selected for testing (as only 2 loan were drawn down in the current year). | | | | | | |
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| **Assertions:** | **Completeness** | **Occurrence** | **Accuracy** | **Valuation** | **Ownership** | **Presentation** |  |
|  |  | √ | √ |  |  |  |  |
|  |  |  |  |  |  |  |  |
| **Test of Operating Effectiveness (TOE)** | | | | | | | |
| **Scope:** | <Interim> or <Final> | | | | | | |
| **Testing Procedures:** | Checked the approval of loan drawdown request by appropriate official as per Board resolution. | | | | | | |
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| **Testing:** |  |  |  |  |  |  |  |

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| **Sample No.** | **Loan payment to** | **Approval of loan** | **Approved by** | **Date of approval** | **Remarks** |
| 1 | <Name> | √ | <Name> | <DD-MM-YYYY> | Satisfactory |
| 2 | <Name> | √ | <Name> | <DD-MM-YYYY> | 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.**