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| **Company** | XYZ Limited | | **W/P Reference** | | **TOE-1** | |
| **Prepared By** | Mr. A |  | **Date** | | DD-MM-YYYY | |
| **Reviewed By** | Mr. B |  | **Date** | | DD-MM-YYYY | |
| **Period ended** | 31December 2014 |  |  |  |  |  |

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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:** | 1 |  |  |  |  |  |  |
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| **Control name:** | Management review of changes to vendors’ data | | | | | | |
|  |  |  |  |  |  |  |  |
| **How the control is performed:** | |  |  |  |  |  |  |
| In every month, vendor report/creditor schedule is prepared by Senior Accounts officer and checked by Accounts Manager and finally Director Finance and control approves any changes to vendors’ data. | | | | | | | |
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| **Nature of control :** | Manual | | | | | | |
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| **Frequency of control:** | Monthly | | | | | | |
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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 monthly control. | | | | | | |
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| **Sample size:** | 2 |  |  |  |  |  |  |
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| **Sampling technique** | 2 months have been selected for testing. | | | | | | |
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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 monthly vendor report/creditor schedule is prepared by Senior Accounts officer and checked by Accounts Manager and finally approved by Director Finance and control respectively. | | | | | | |
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| **Testing:** |  |  |  |  |  |  |  |

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| **Sample No.** | **Month Name** | **Monthly Vendor Report** | **Monthly Vendor Report  checked and approved by** | | **VendorReport checking date along with**  **Approval** | **Remarks** |
| **Senior Accounts Officer** | **Accounts Manager** | **Director Finance and control** |
| 1 | March 14 | Signed | Signed | Signed | 15 April 2014 | Satisfactory |
| 2 | Dec-14 | Signed | Signed | Signed | 07 January 2015 | 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** | | | | **TOE-2** | | | |
| **Prepared By** | Mr. A | |  | | **Date** | | | | DD-MM-YYYY | | | |
| **Reviewed By** | Mr. B | |  | | **Date** | | | | DD-MM-YYYY | | | |
| **Period ended** | 31December 2014 | |  | |  | |  | |  | |  | |

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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:** | 2 |  |  |  |  |  |  |
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| **Control name:** | Ageing analysis of trade payables | | | | | | |
|  |  |  |  |  |  |  |  |
| **How the control is performed:** | |  |  |  |  |  |  |
| In every quarter, vendor status report is prepared by Accounts Manager, which includes ageing analysis of trade payables the ageing analysis is checked by COO. | | | | | | | |
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| **Nature of control :** | Manual | | | | | | |
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| **Frequency of control:** | Quarterly | | | | | | |
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| **Sample size:** | 2 |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| **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 quarterly control. | | | | | | |
|  |  |  |  |  |  |  |  |
| **Sampling technique** | 2 specific quarter including the year end have been selected for testing. | | | | | | |
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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 whether vendor status report including the ageing analysis of trade payables have been prepared and approved by the authorized appropriate personnel along with supporting documents. | | | | | | |
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| **Testing:** |  |  |  |  |  |  |  |

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| **Sample No.** | **Quarter no** | **Prepared by** | **Approved by** | **Authorization date** | **Remarks** |
| 1 | June-14 | Manager- Accounts | Director finance and control | 16-July-14 | Satisfactory |
| 2 | December-14 | Do | Do | 13-Jan-15 | 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** | | **TOE-3** | |
| **Prepared By** | Mr. A |  | **Date** | | DD-MM-YYYY | |
| **Reviewed By** | Mr. B |  | **Date** | | DD-MM-YYYY | |
| **Period ended** | 31December 2014 |  |  |  |  |  |

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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:** | 3 |  |  |  |  |  |  |
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| **Control name:** | Management review of Payable Sub-ledger to GL reconciliation | | | | | | |
|  |  |  |  |  |  |  |  |
| **How the control is performed:** | |  |  |  |  |  |  |
| In every month end Senior Accounts Officer prepare a reconciliation of payable Sub-ledger to GL and submits the statement to Accounts Manager for review | | | | | | | |
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| **Nature of control :** | Manual | | | | | | |
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| **Frequency of control:** | Monthly | | | | | | |
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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 monthly control. | | | | | | |
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| **Sample size:** | 2 |  |  |  |  |  |  |
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| **Sampling technique** | 2 specific months have been selected for testing. | | | | | | |
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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 2 months reconciliation statement reviewed by the Accounts Manager for selected samples. | | | | | | |
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| **Testing:** |  |  |  |  |  |  |  |

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| **Sample No.** | **Product name** | **Prepared by** | **Reviewed by** | **Remarks** |
| 1 | Mar-14 | Senior Accounts Officer | Accounts Manager | Reconciliation found |
| 2 | June-14 | Senior Accounts Officer | Accounts Manager | Reconciliationfound |

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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** | | **TOE-4** | |
| **Prepared By** | Mr. A |  | **Date** | | DD-MM-YYYY | |
| **Reviewed By** | Mr. B |  | **Date** | | DD-MM-YYYY | |
| **Period ended** | 31December 2014 |  |  |  |  |  |

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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:** | 4 |  |  |  |  |  |  |
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| **Control name:** | Management review of Accounts Payable to Supplier Statement | | | | | | |
|  |  |  |  |  |  |  |  |
| **How the control is performed:** | |  |  |  |  |  |  |
| In every quarter Senior Accounts Officer prepare a reconciliation of Accounts payable to Suppliers’ statement and submits the statement to Accounts Manager for review | | | | | | | |
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| **Nature of control :** | Manual | | | | | | |
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| **Frequency of control:** | Quarterly | | | | | | |
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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 quarterly control. | | | | | | |
|  |  |  |  |  |  |  |  |
| **Sample size:** | 2 |  |  |  |  |  |  |
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| **Sampling technique** | 2 specific quarters including the year-end have been selected for testing. | | | | | | |
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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 whether a reconciliation statement of Accounts payable to Suppliers’ statement has been prepared by the Senior Accounts Officer and reviewed by Manager Accounts. | | | | | | |
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| **Testing:** |  |  |  |  |  |  |  |

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| **Sample No.** | **Product name** | **Prepared by** | **Reviewed by** | **Remarks** |
| 1 | June-14 | Senior Accounts Officer | Accounts Manager | Reconciliation found |
| 2 | Dec-14 | Senior Accounts Officer | Accounts Manager | Reconciliation found |

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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** | | **TOE-5** | |
| **Prepared By** | Mr. A |  | **Date** | | DD-MM-YYYY | |
| **Reviewed By** | Mr. B |  | **Date** | | DD-MM-YYYY | |
| **Period ended** | 31December 2014 |  |  |  |  |  |

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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:** | 5 |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| **Control name:** | Reconciliation of inter-company payable. | | | | | | |
|  |  |  |  |  |  |  |  |
| **How the control is performed:** | |  |  |  |  |  |  |
| In every quarter, Accounts Manager prepares a reconciliation of Inter Company payable and co-ordinates with other Group Accounts Manager and then submits the statement to Director Finance and Control for review. | | | | | | | |
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| **Nature of control :** | Manual | | | | | | |
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| **Frequency of control:** | Quarterly | | | | | | |
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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 quarterly control. | | | | | | |
|  |  |  |  |  |  |  |  |
| **Sample size:** | 2 |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| **Sampling technique** | 2 specific quarters including the year-end have been selected for testing. | | | | | | |
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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 whether a Inter-company payable reconciliation statement has been prepared by the Accounts Manager and reviewed by Director Finance and Control. | | | | | | |
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| **Testing:** |  |  |  |  |  |  |  |

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| --- | --- | --- | --- | --- |
| **Sample No.** | **Product name** | **Prepared by** | **Reviewed by** | **Remarks** |
| 1 | June-14 | Accounts Manager | Director Finance and Control | Reconciliation statement found with proper review |
| 2 | Dec-14 | Accounts Manager | Director Finance and Control | Reconciliation statement found with proper review |

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

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| **TOE conclusion:** | | Effective | |
| **Company** | XYZ Limited | | | | **W/P Reference** | | **TOE-6** | |
| **Prepared By** | Mr. A | |  | | **Date** | | DD-MM-YYYY | |
| **Reviewed By** | Mr. B | |  | | **Date** | | DD-MM-YYYY | |
| **Period ended** | 31December 2014 | |  | |  |  |  |  |

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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:** | 6 |  |  |  |  |  |  |
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| **Control name:** | Segregation of duty (maker/checker) at the time of posting entry in the accounting system | | | | | | |
|  |  |  |  |  |  |  |  |
| **How the control is performed:** | |  |  |  |  |  |  |
| For recording every transaction in the accounting system, Senior Accounts Officer prepares a voucher, which is reviewed by Accounts Manager and the approved by Director Finance and control to ensure segregation of duty is in place. | | | | | | | |
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| **Nature of control :** | Manual | | | | | | |
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| **Frequency of control:** | Recurring | | | | | | |
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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 recurring control. | | | | | | |
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| **Sample size:** | 25 |  |  |  |  |  |  |
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| **Sampling technique** | 25 specific transactions have been selected for testing. | | | | | | |
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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 whether Senior Accounts Officer prepares a voucher, which is reviewed by Accounts Manager and the approved by Director Finance and control for recording transactions. | | | | | | |
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| **Testing:** |  |  |  |  |  |  |  |

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| --- | --- | --- | --- | --- | --- |
| **Sample No.** | **Product name** | **Prepared by** | **Reviewed by** | **Approved by** | **Remarks** |
| 1 | Mar-14  (6transactions) | Senior Accounts Officer | Accounts Manager | Director Finance and Control | Segregation of duties found |
| 2 | June- 14  (4 transactions) | Senior Accounts Officer | Accounts Manager | Director Finance and Control | Segregation of duties found |
| 3 | Aug-14  (4 transactions) | Senior Accounts Officer | Accounts Manager | Director Finance and Control | Segregation of duties found |
| 4 | Oct-14  (4 transactions) | Senior Accounts Officer | Accounts Manager | Director Finance and Control | Segregation of duties found |
| 5 | Dec-14  (7 transactions) | Senior Accounts Officer | Accounts Manager | Director Finance and Control | Segregation of duties found |

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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.