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| **Client:** XYZ Limited | **Year End:** 31-12-2014 | **File No.** | **Ref:** C6.1 |

**AUDIT RISK CHECKLIST**

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|  | ***Yes/No/NA*** | ***Comments*** |
| 1 Was a detailed risk assessment (C6.4) performed in previous years? | N/A | This is a first year audit |
| 2 If not then complete the detailed risk assessment (C6.4) and place a copy on the permanent file. | Yes | C6.4 will be completed accordingly |
| 3 If a checklist was completed in previous years then review the checklist with the client to ensure it remains up-to-date. | NA | This is a first year audit |
| 4 Have all specific risks assessed as medium or high been recorded on the risk action plan (C6.3)? | Yes |  |
| 5 Have all other specific risks that may result in a material misstatement been recorded on the risk action plan (C6.3)? | Yes |  |
| 6 Has the design and implementation of the entity’s controls, including relevant control activities, been evaluated for all risks set out on the risk action plan (C6.3)? | Yes | Evaluated in C5.1 |
| 7 Has the overall response to risk been summarised at the financial statement level (C6.2)? | Yes |  |
| 8 Have additional compliance tests on the operational effectiveness of controls been planned where: | NA |  |
| (a) the specific risk assessment included an expectation that controls were operating effectively, or | NA |  |
| (b) Substantive procedures are not expected to provide sufficient appropriate evidence to reduce risk to an acceptably low level. | NA |  |
| 9 Where we plan to rely on the operating effectiveness of controls to mitigate significant risks at the assertion level; have we planned to obtain evidence about the operating effectiveness of those controls from tests of controls to be performed in the current period? | Yes |  |
| 10 Where we have determined that an assessed risk of material misstatement at the assertion level is significant have we planned substantive procedures that are specifically responsive to that risk? | Yes |  |
| 11 Have we specifically considered the possibility of fraud in relation to revenue recognition and documented the approach in this area (C6.3)? | Yes |  |

**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.