Audit documentation
Guide for ARABOSAI’s members
Presentation paper

The guide was developed by the “working group on audit documentation” of the ARABOSAI’s Professional standards committee composed of the:

- Court of accounts of the Kingdom of Morocco;
- State Audit Bureau of Kuwait;
- Accountability State Authority of Egypt;
- State Audit office of Jordan.
Introduction

Audit documentation constitutes one of the key issues for SAIs. It constitutes an important requirement for the quality control processes as it enables reviewers to ensure that the auditors perform their control activities in accordance with applicable legal and regulatory requirements and professional standards and other defined references.

In this regard, the Arab Organization of Supreme Audit Institutions (ARABOSAI), through its Professional Standards Committee, has given audit documentation special importance and considers it as one of the main foundations of the credibility and professionalism of auditing activities.

For this reason, the organization adopted in its plan 2020-2022 as sub-priority 4.2 “Supporting member SAIs in documenting their audit Work in accordance with standards requirements” and a working group was especially established to achieve the objectives of this sub-priority.

Furthermore, since the ARABOSAI members are at different levels of developing frameworks for managing the audit documentation procedures of their audits, the need has arisen in ARABOSAI community to develop a specific "guideline for audit documentation" for the SAIs. On this basis, the Organization’s executive board approved within the PSC’s triennial plan 2020-2022 the development of this Guide as part of the committee’s projects.

Scope and objectives of the guide

The guide seeks to reinforce the commitment of Arab SAIs to implement audit documentation standards and enhance the performance of their auditing work and its completion with high professionalism.

In addition, the audit documentation guide is complementary to the requirements related to audit documentation that are included in the committee’s other guides, such as the “financial audit guide” and the “quality assurance guide”, or the specific guides used by SAIs to implement audit standards.

The guide is also meant to be used by the organization to identify, plan and design different training activities and develop IT pilot projects related to audit documentation.

Drafting process

The “guide of audit documentation” was prepared by the working group within the ARABOSAI Standards Committee in charge of the sub-priority 4.2 “Supporting SAIs members in documenting audit activities in accordance with standards requirements”. 
The development of the guide was undertaken with full compliance with the principles and procedures approved by the Standards Committee with a participatory approach that allowed a wide contribution to it from both the working group and the committee members.

The quality assurance review of the guide included a review by the Committee members who gave their inputs to its first draft. The second version was officially circulated to the SAIs by the ARABOSAI’s general secretariat. The comments and suggestion received from SAIS were examined by the committee which led to the adoption of the final version of the guide endorsed by the executive board.

Methodological approach

The guide aims to be a sound reference for SAIs in carrying out effective reviews that respond to the requirements of standards in terms of documenting oversight work during the entire control cycle. It has been prepared with reference to a comprehensive view of the competencies and auditing activities of supreme audit institutions and the audit cycle.

Therefore, the working group endeavored to address the various documentation requirements relevant to the transverse and horizontal aspects of control (i.e. strategic planning, programming and quality assurance) as well as the operational documentation requirements in each type of audit in all their phases.

In this regard, the guide adopted a comprehensive and integrated methodology for the application of audit documentation standards that stems from three considerations:

- identifying clearly all the documentation requirements stated in the INTOSAI professional standards;
- defining and providing explanations for the documentation requirements when necessary;
- identifying the implications of the requirements and providing ways and procedures how to implement them in a practical way during the control cycle, including sample documents and working papers (in the appendixes).

Structure of the guide

The guide is structured throughout five chapters. the first one is devoted to the general institutional framework of audit documentation and covers mainly the following aspects:
objectives of audit documentation;
- nature and characteristics of audit documentation;
- auditing documentation requirements under national laws and regulations;
- audit documentation requirements in the international standards;
- general principles of audit documenting;
- Strategic level and general policies for audit documentation.

The manual addresses in the chapters 2 to 4 the audit documentation requirements respectively for financial audit (chapter 2), performance audit (chapter 3) and compliance audit (chapter 4).

For each type of audit, the guide recalls first the main features, objectives and the general approach of the audit. The audit documentation requirements, as specified by ISSAIs, are then divided and presented according to the audit cycle:

- Preparatory work for the audit engagement;
- audit planning;
- execution of the audit;
- completion and revision;
- reporting;
- follow-up;
- conservation preservation Procedures.

In the appendixes are presented, for each type of audit, samples of documenting procedures and working papers and files that can be easily adapted by the SAIs.

The fifth and last chapter is reserved to the documentation requirements for SAIs that have jurisdictional competences (Courts of Accounts or courts of auditors). This chapter presents the main specificities of the auditing activities carried out by these SAIs and addresses the special documentation requirements dictated by the procedures of legal pursuits and jurisdictional cases before these special Courts.

Also, the chapter highlights the main additional documentation requirements in financial and compliance audits as specified for the courts of accounts by ISSAIs and presents rules and principles for documenting particular findings namely the discovery of penal facts when conducting audits and reviews. The chapter ends by presenting the documenting procedures for the submission of acts of a special nature to the higher management and/or referring them to the judiciary or particular authorities.
The guide update

The guide will be reviewed and updated based on the development and the evolving of the practice of audit documentation in ARABOSAI member SAIs within three years of its formal circulation and official publication in the organization's website.

However, the Standards Committee may, before this deadline, introduce some amendments to it whenever necessary, mainly for the purpose of keeping pace with any new audit documentation requirements in the standards.